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Proposal to Modernize the *Business Corporations Act*

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Proposal to Modernize the *Business Corporations Act*

Background

The *Business Corporations Act* provides the legislative framework for creating and operating business corporations in New Brunswick. It contributes to the Province's economic vitality. An overall review of the Act has not been done since its enactment in 1981. As such, the Act has not kept pace with changes in the business environment and major corporate law reforms in many Canadian jurisdictions over the last 15 years.

The *Business Corporations Act*, not unlike corporate laws generally, is highly technical and specialized by nature. Government Services has consulted extensively with a representative group of stakeholders on reforms to modernize the *Business Corporations Act* to:

- reflect current marketplace practices and the digital economy
- harmonize it with similar laws in other Canadian jurisdictions
- provide an efficient and globally competitive corporate law environment, and
- ensure the Province's corporate and securities law regimes work together.

Based on this consultation and extensive analysis of corporate laws in other Canadian jurisdictions, Government Services has developed a proposal to reform the *Business Corporations Act*. Appendix A summarizes the changes proposed to the Act and Appendix B shows existing provisions of the Act and how they could appear with the proposed changes. Both Appendices follow the existing chapter outline and subject headings in the *Business Corporations Act*. Two totally new topics are set out as chapter headings XVIII Corporations Established Without A Board of Directors and XIX Unlimited Liability Corporations (ULCs).

The proposed reforms do not represent government policy or direction at the present time. In particular, Appendix B does not represent how any provisions of the Act would appear in a Bill of the Legislature if Government approved the proposed changes, nor has it been prepared as such. Appendix B provides simply a benchmark for comparison and feedback for stakeholders.

Following receipt of stakeholder feedback, Government Services will finalize a proposal to reform the *Business Corporations Act* for Government's consideration.

Feedback

Government Services welcomes stakeholder and public review and feedback on the proposed reforms to the *Business Corporations Act*. Please send your feedback to:

Email: BCA-LLPReview@snb.ca

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Mail: Attn: BCA and LLP Review
Department of Government Services
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The deadline for submissions is May 20, 2015.

Privacy And Consent

The information that you provide through your submission is collected and used in accordance with New Brunswick's *Right to Information and Protection of Privacy Act*, as well as the Department's relevant policies and procedures.

All personal information and comments received are directly sent to the individual responsible for the consultation and will not be publicly posted on this website.

All comments received may be used and disclosed by Government Services to assist in evaluating the proposed reforms to the BCA. This may involve disclosing comments, or summaries of them, to other interested parties during and after the consultation process and as part of a general summary. Nevertheless, such disclosure of the comments or summaries will not identify you or your organization unless you provide your consent or Government Services is required by law to so disclose.

Appendix A: Modernizing the *Business Corporations Act* – Proposed Changes

1. Interpretation

Various definitions and provisions will be adjusted to harmonize more with other Canadian jurisdictions such as the definition of spouse and beneficial interest, adding the definition of personal representative, clarifying provisions on subsidiary and holding corporations and control provisions.

2. Incorporation

Greater flexibility will be given to corporations to designate their name in any language form for use outside of Canada. It is also proposed that a corporation cannot have the identical name of a corporation incorporated by or under an Act of the Parliament of Canada.

3. Capacity and Powers

Corporations will be given the ability to act as a trustee in limited situations such as being a trustee for a family trust, provided such services are not offered to the public. In a situation where the sole shareholder is also the sole director of the corporation, no act of the corporation will be held to be invalid by reason that matters relating to the by-laws and meetings of the directors and shareholders have not been complied with.

4. Registered Office and Records

There will be clarification that a post office box cannot be designated as the corporation's registered office. The concept is that it must be a physical location where records of the corporation are kept and legal service on the corporation can be done.

Corporations will be permitted to maintain their securities register at any place in Canada when the shares are listed on a stock exchange. In these circumstances, the requirement to provide access to such securities register will be met by providing access to an electronic or paper copy of the securities register at the registered office in New Brunswick.

A prohibition will be added that a list of shareholders obtained under the provisions of this Part cannot be used by any person except in connection with an effort to influence the voting by shareholders, an offer to acquire shares or any other matter relating to the affairs of the corporation. This eliminates solicitation of shareholders through such lists for non-corporate law purposes by third parties.

There will be greater clarification that a corporation may, but need not, adopt a corporate seal.

5. Corporate Finance

It will be clarified that a corporation can have identical classes and/or series of shares. It is proposed that conditions attaching to a series of shares will be able to be set out completely in the articles of the corporation, if the corporation so chooses. Alternatively, the corporation can continue to have such conditions determined by its directors at a later date.

It is proposed when a corporation is issuing shares, a promissory note from an arm's length party to the corporation will be viewed as proper consideration for the shares.

The restrictions on the ability of a subsidiary corporation to purchase shares in the holding corporation will be reduced, subject to not being able to vote such shares unless such shares are held in the capacity as a "personal representative".

There will be added flexibility for a corporation to reduce its stated capital account on a similar basis as provided under the federal and Ontario Business Corporations Acts. Also, provisions regarding stated capital on continuance into the Act will be modified.

The restrictions on financial assistance by a corporation that are set out in section 43 of the Act will basically be repealed, following the reforms in other Canadian jurisdictions such as Canada, Ontario and Nova Scotia.

The existing provisions governing preemptive rights will be fundamentally adjusted. For new incorporations, shareholders will not have preemptive rights unless specified in the articles. For existing corporations, a corporation may by special resolution of its shareholders remove the applicability of subsections 27(2) and (3) to all shares or other securities of the corporation that had such preemptive rights as result of subsections 27(2) and (3). Shareholders will have a vote whether or not shares of a class or series otherwise carry the right to vote. A dissenting shareholder will be able to get fair value for their shares in accordance with section 131 of the Act if they do not vote in favour of the special resolution.

Where the articles of the corporation set out preemptive rights, the articles of the corporation may be amended to delete, change or add additional provisions in accordance with the provisions of the Act governing amendments to the articles.

The provisions governing the share register of the corporation, in particular section 48, will be updated to harmonize more with other Canadian jurisdictions.

Section 51 deals with the ability to issue share warrants in bearer form. It is proposed that this ability be eliminated with a grandfather provision dealing with outstanding warrants in bearer form.

Various provisions will be reworded to be more in line with similar provisions in the federal and Ontario legislation and to take into account the New Brunswick *Securities Transfer Act*.

6. Receivers and Receiver-Managers

Receivers will continue to be required to prepare a financial account of their administration, but such account and final report will no longer need to be filed with the Director of the *Business Corporations*. It is proposed that shareholders and creditors will be able to inspect the accounts and final report directly from the receiver on the same basis that directors of the corporation can presently do. As well, upon request of the Director under the Act, a receiver will have to provide forthwith a copy of a financial account or financial report. Receivers will be obliged to keep a record of their administration for at least a 6 year period or such other shorter period as may be ordered by a court. All of the above applies to receiver-managers as well.

7. Directors and Officers

There will an amendment to specify that directors have responsibility to manage or supervise the management of the corporation. Where a corporation is a reporting issuer under the *Securities Act*, there will need to be at least three directors.

As to qualifications to be a director of a corporation, four matters should be noted.

First, provisions regarding mental capacity are updated to harmonize more with New Brunswick law.

Secondly, the Act has a minimum age requirement to be a director, which is 19 years of age and is in sync with the *Age of Majority Act*. Most jurisdictions in Canada have the minimum age requirement to be a director in sync with their respective age of majority Acts. There are many valid public policy reasons for this approach, e.g. ensuring that a director is legally responsible for his or her actions as it pertains to areas of statute and common law where a director can be liable.

For several jurisdictions (PE, ON, MB, SK, AB, Canada), 18 years is the minimum age to be a director while it is 19 years in NL and NS. In British Columbia, the minimum director age is 18 even though the age of majority is 19 years. It is noted that a New Brunswick resident who is 18 years of age could be the sole director of a corporation under federal law but ineligible to be a director under the New Brunswick *Business Corporations Act*.

Although the consultation proposal maintains the minimum 19 years of age requirement to be a director, stakeholder feedback on whether this status quo should be maintained or adjusted would be appreciated. Likewise, views on what issues would need to be addressed if the minimum age of being a director was adjusted would be helpful to receive.

Thirdly, the Act has never had a requirement that one or more directors have to be a resident of New Brunswick or of Canada. This matter was discussed in the lead up to the enactment of the Act in 1981. Several jurisdictions (NF, ON, MB, SK, AB and Canada) have some form of Canadian residency requirement, mostly requiring at least one director to be resident or that 25% of the board of directors to be resident. Variations exist, as in Newfoundland and Labrador, where

the requirement does not apply to a corporation that earns no income in Canada and in Saskatchewan where if there are no directors resident in Saskatchewan, a resident agent is then required. All other Canadian jurisdictions (NS, QU, PE, BC, YK, NW and NU) do not have residency requirements.

There has been debate on whether having a residency requirement would lessen the potential misuse of a NB corporation being used as part of an international securities scam or fraud. This is based on the reasoning that a resident director would be clearly subject to Canadian laws and is living in Canada. On the other side, the status quo facilitates bona fide foreign interests using a NB corporation to be their entry point into the Canadian marketplace, without needing to find a person in Canada to become a director. For worldwide businesses and conglomerates, this is a major benefit compared to choosing to incorporate in a Canadian jurisdiction that has a residency requirement. Likewise, a NB corporation may fulfill a niche for a foreign interest even though the corporation is not active in the Canadian marketplace. Nevertheless, a NB corporation will always be subject to the *Income Tax Act* of Canada.

The status quo has generated legal and accounting work being done in New Brunswick for foreign interests. Although there has been no definitive quantification of the value of this work to the NB economy, changing the status quo would likely cause a good portion of this work to move to legal and accounting professionals in another Canadian jurisdiction that does not have a residency requirement for directors.

Stakeholders views as to whether the existing New Brunswick position of having no residency requirement for directors of corporations should be maintained or adjusted, and if adjusted, what approach they would suggest and why would be appreciated.

Fourthly, it is proposed that a director will not need to be an individual but can also be a body corporate. There will be restrictions on when such an approach can be utilized, i.e. (1) the body corporate to be a director of a corporation will have to hold voting shares of the corporation and (2) the body corporate to be a director will have to be a corporation incorporated under the Act or be an extra-provincial corporation that is registered or exempted from registration under the Act.

This approach may help to simplify matters in the management of wholly owned subsidiaries and the reporting of who is a director under the Act for corporate conglomerates. It would seem that Yukon is the only Canadian jurisdiction with such an approach, although such provision has yet to be proclaimed.

As a trade-off to allowing a body corporate to be a director of a corporation, the provisions will state that the directors of a body corporate that is a director of a corporation are jointly and severally liable with the body corporate for all the obligations and liabilities of the body corporate arising from its position as a director of the corporation.

It is proposed that when a person manages or supervises the management of the business and affairs of the corporation, that person will be deemed a director of the corporation. This approach is similar to other jurisdictions, and like them, exceptions from the deeming provisions will be delineated (e.g. a lawyer or accountant participating in the management of the corporation solely for the purpose of providing professional services).

Provisions will be added to add greater flexibility to electronic meetings and communications. Unless the articles or by-laws otherwise provide, a director may participate in a meeting of directors by means of telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other. A director participating in a meeting by this means will be deemed for the purposes of this Act to be present at that meeting.

Where the Act requires signed resolutions, signed will include an “electronic signature” of a person as defined in the *Electronic Transactions Act*.

In relation to disclosure by directors to the corporation, the existing requirement relating to “material contracts” will be expanded to include “material transactions”. Related provisions will be modernized to be more similar to the federal and Ontario provisions without imposing a continuous disclosure obligation.

As to director liability, a clear due diligence defence will be added and the good faith defence will be adjusted as well. This will bring the Act in line with provisions at the federal level and in Ontario. The indemnification provisions that permit a corporation to indemnify a director will be modernized on a similar basis.

There can be academic, philosophical and practical discussion about the value of cumulative voting provisions. New Brunswick is the only Canadian jurisdiction that mandates the ability to cumulative vote one’s shares in a corporation.

These provisions set out voting procedures so that minority shareholders are able to use their votes cumulatively in order to elect one or more directors of the corporation. Otherwise, the shareholders representing the voting majority would be able to elect all the directors based on a simple vote count for each election of a director.

It is proposed that the mandatory cumulative voting provisions will only apply to new incorporations if the articles of the corporation indicate the same. This allows for harmonization with other Canadian jurisdictions. For existing corporations, they will be able to opt out of the existing mandatory cumulative voting provisions provided a resolution of shareholders approves of the opting out. The resolution will not be effective, if the votes cast against the resolution would have been sufficient in number to have elected a director in accordance with the existing cumulative voting provisions. This ensures that the existing cumulative voting rights cannot be removed without the approval of those shareholders who make use of the cumulative voting provisions in order to elect one or more directors to a board of directors of the corporation.

On balance, the above proposals allow for the opting in of cumulative voting similar to other Canadian jurisdictions. This brings flexibility to the Act versus maintaining a structural rigidity around cumulative voting. The proposals set out a reasonable process that an existing corporation and its shareholders will be able to take to eliminate the applicability of cumulative voting.

The proposed changes on cumulative voting will enable provisions to be put in place to allow for staggered terms for directors. Staggered terms for directors are often viewed as beneficial from a corporate governance standpoint.

8. Insider Trading

Section 83 of the Act will be substantively changed from having insider provisions that apply to all corporations to provisions that will only apply to corporations that are not public, i.e. corporations that are not reporting issuers under the *Securities Act*. The revised provisions will follow more the provisions in the Ontario Act. For public corporations, they will be governed by the *Securities Act* provisions.

9. Shareholders

In relation to the timing of the first or a subsequent annual meeting of the corporation, it is proposed that a corporation be able to extend up to 3 months the timing of such meeting where there is a unanimous resolution of all voting shareholders.

Provisions will be added to provide greater flexibility to electronic meetings and communications. Unless the articles or by-laws otherwise provide, a shareholder or any other person entitled to attend a meeting of shareholders will be able to participate in the meeting by means of telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other. A person participating in such a meeting by this means will be deemed for the purposes of this Act to be present at the meeting.

The record date for determining shareholders entitled to receive notice of the meeting will be extended to 60 days in lieu of 50 days and the notice of the meeting will have to be sent not less than 10 days before the meeting in lieu of not less than 21 days. Nevertheless, in the case of a corporation that is not a reporting issuer, the notice may be sent within a shorter period if so specified in the articles or by-laws. These changes provide greater operational flexibility for corporations when organizing a meeting of shareholders.

As to entitlement to vote at a shareholders meeting, subsections 90(2), (3) and (4) are revised on a similar basis to provisions at the federal level and in Ontario to eliminate complexities that arose as to voting of shares when shares are sold between the record date for shareholders and the actual holding of the meeting.

A provision will be added to indicate that 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 that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Where the Act requires signed resolutions, signed will include an "electronic signature" of a person as defined in the *Electronic Transactions Act*.

Subsection 90(1) deals with pooling agreements. This topic will be given its own separate section to add clarity of interpretation.

The unanimous shareholder provisions will be adjusted to reflect that one or more persons who are not shareholders may be part of the unanimous shareholder agreement that restricts, in whole or in part, the powers of the directors to manage, or supervise the management of, the business and affairs of the corporation. Provisions will be modified to take into account reforms that have occurred in other Canadian jurisdictions and to address further the impact of the *Securities Transfer Act*.

10. Financial Reporting

A corporation will be required to keep not only the financial statements of each subsidiary body corporate but also the financial statements of each body corporate the accounts of which are consolidated.

The 21 day lead period for corporations to send financial statements to shareholders before the annual meeting will be reduced to 10 days.

A corporation will be in compliance with the obligation to send financial statements to shareholders by posting the relevant documents on a website or an internet file hosting service that can be accessed by the shareholder without a fee payment and by sending a notice informing the shareholder that the documents have been posted. The notice to the shareholder will be able to be sent by electronic communication to the shareholder if there has been consent from the shareholder, the articles provide for it or if the corporation is a reporting issuer, it meets the requirements set out pursuant to or under the *Securities Act*.

It is proposed that the directors will not be required to produce or publish the financial statements of the corporation where a Court makes such an order or where all of the shareholders of the corporation unanimously resolve to waive the production and publication of the financial statements.

Provisions relating to the independence of an auditor will be adjusted to be more aligned with similar provisions at the federal level.

The corporation will have an obligation to send a notice to the auditor 10 days in advance of a meeting of shareholders where a shareholder meeting is being held for the purpose of removing the auditor from office or for which another person is to be appointed to fill the office of auditor or for which no resolution is being proposed to appoint an auditor for the ensuing year.

Upon the demand of an auditor, the directors of a corporation will have to obtain information from the present or former directors, officers, employees or agents of any subsidiary of the corporation as are, in the opinion of the auditor, necessary to enable the auditor to make the examination and report on the financial statements. A provision will be added, similar to other jurisdictions, that a person who in good faith makes an oral or written communication for that purpose will not be liable in any civil proceeding arising from having made the communication.

A director or an officer of a corporation will forthwith be required to notify the auditor of any error or mis-statement in a financial statement that the auditor or a former auditor has reported on. Where an auditor or former auditor informs the directors of an error or mis-statement in a financial statement, the directors will either prepare and issue revised financial statements or otherwise inform the shareholders.

11. Fundamental Changes

Amalgamation provisions regarding short form amalgamations will be expanded to include non-wholly owned subsidiary corporations and to add greater flexibility as to the content of the articles of amalgamation.

A provision will be added to permit business corporations to continue into the *Companies Act* and become a non-profit company.

Arrangement provisions will be adjusted to broaden the definition of what is an arrangement and to permit these Court ordered arrangements to proceed notwithstanding that an arrangement can be effected under any other provision of the Act.

In relation to a sale, lease or exchange of all or substantially all the property of a corporation other than in the ordinary course of business of the corporation, shareholder approval will not be necessary in the limited circumstances set out in the amended section, such as a transaction with a wholly owned subsidiary or transaction by lease in circumstances set out thereunder.

Section 131 deals with dissent rights of shareholders on major changes to the corporation's articles or a sale, for example, of substantially all the property of the corporation. An amendment is proposed to add clarity that such dissent rights will apply to those shareholders who are entitled to vote on these major changes.

Minor adjustments will be done to harmonize with legislation in other Canadian jurisdictions.

12. Take Over Bids

This Part will be repealed.

For corporations that are reporting issuers under the *Securities Act* and/or publically traded on a stock exchange, the securities laws have evolved to address this area since the time the *Business Corporations Act* was enacted in 1981.

For corporations that are non-reporting issuers, it is thought to be more appropriate for a shareholders agreement to address such issues or for the corporation to have provisions in its the articles of incorporation.

13. Liquidation and Dissolution

A corporation that has been dissolved by whatever means will be able to be revived by an interested person. This will now permit a corporation that voluntarily dissolved to be revived.

Greater flexibility will be given as to how a corporation voluntarily dissolves by permitting the dissolution to proceed where all creditors have provided their written consent to the dissolution or where a corporation has made adequate provision for the payment of its liabilities by a shareholder of the corporation. The shareholder will be required to have legally assumed responsibility to pay the liabilities of the corporation and there will have to be reasonable grounds to believe that the shareholder is able to pay the liabilities as they become due.

The circumstances in which the Director is able to dissolve corporations for non-compliance with various provisions of the Act will be amended to add non-payment of fees under the Act and non-compliance with registered office and director information provisions of the Act.

Where a Court is determining whether or not to liquidate and dissolve a corporation, the activities of an affiliated corporation will have to be taken into account by the Court.

A liquidator will not be liable if the liquidator exercised the care, diligence and skill that a reasonably prudent person would have exercised in comparable circumstances, including reliance in good faith on reports and advice as specified in the amending section.

14. Investigations

To have a Court order investigation, the Act requires an application by at least 10% of the shareholders. It is proposed that the threshold be lowered to 5%. Some discussion has taken place on whether a sole security holder that has only a single share should be able to make an application. Most Canadian jurisdictions permit an application by a sole security holder without needing to have a threshold percentage of shares. This option was discussed in the lead up to the enactment of the Act in 1981. Some discussion has also taken place on whether the Director should continue to be a potential applicant. Feedback on the proposed threshold, whether there should continue to be a threshold and whether the Director should continue to be a potential applicant, is appreciated.

15. Remedies, Offences and Penalties

Where the name of a person is alleged to have been wrongly set out or wrongly omitted from a form filed with the Director, or that the corporation has failed to file a notice of change of directors in accordance with this Act, the aggrieved person will be able to apply to the Court for rectification.

Section 170 will be adjusted to indicate that where the Director has not proceeded to file any articles or document within 20 days of receipt, it shall be deemed to be a refusal to file, which refusal can then be appealed to the Court. This adjustment is in line with many other Canadian jurisdictions.

16. General

A director named in a notice of directors filed under the Act will be presumed, for the purposes of the Act, to be a director of the corporation. This adjusts the current provision that uses the word “deemed” in lieu of “presumed”. This harmonizes the approach with some other Canadian jurisdictions.

Provisions will clarify that the Director’s signature can be electronic in nature and that documents can be sent to the Director as an electronic copy. The evidentiary provisions that deal with certificates of the Director will be adjusted to follow more closely similar wording in some other jurisdictions.

Presently, the Director may require that a document or a fact stated in a document required by this Act to be sent to him must be verified by affidavit or statutory declaration. Provisions will be added to permit the Director to request verification from the corporation of documents already filed with the Director. Where such verification is not provided or is not satisfactory to the Director that there is compliance with the provisions of the Act, the Director will be able to proceed to give notice of intent to dissolve the corporation.

For applications and other documents to be filed, the Director will be able to request proof of any fact stated therein, including proof of the identity and address of any persons named as directors and that the registered office address of the corporation will meet the requirements of the sections 18 and 19 of the Act as to availability of records and access.

The Director will be able issue directives to provide for the manner in which business is to be conducted in the Corporate Registry, including the steps that third party filers filing on behalf of another party should take to verify the identity and address of the directors of a corporation. The Director will also be able to request certification that such directives have been met.

The above changes have been proposed to add the ability of the Director to seek and require verification of documents filed or to be filed under the Act. For bona fide users of the Service New Brunswick Corporate Registry, these changes will not affect the day to day use of the Registry. These changes are proposed to ensure that documents filed under the Act are true and accurate and that the integrity of the Registry is maintained.

It is proposed that the Director be appointed by Service New Brunswick instead of by the Lieutenant-Governor in Council. A similar approach is proposed for the appointments under the *Companies Act* and *Partnerships and Business Names Registration Act*.

Provisions will be added to indicate how the Director may use email addresses. Specifically, where a corporation provides an email address when submitting a document for filing under the Act or provides its consent to the Director, the Director will be able to use the email address of the corporation (or its representative or agent thereof) for the purposes of the Act. Such purposes include the sending of a notice of the requirement to file an annual return or other document under the Act, notification to the corporation of the intent to dissolve the corporation or to cancel its registration and notification of the dissolution or cancellation.

In relation to correction of documents, notices and certificates, the current provisions will be enhanced to add clarity as to when such correction can take place and the Director’s ability to make such corrections. A provision will be added to enable a Court to order that a document be corrected or a corrected document be filed or issued under the Act or that a document be held to be invalid and void ab initio.

The Court will also be given specific authority to remedy “corporate mistakes”, where an omission, error or irregularity has occurred in the conduct of the business or affairs of a corporation as a result of which there is a breach of a provision of the Act, default in compliance with the articles of the corporation, or proceedings at or in connection with any of the following have been rendered ineffective: (i) a meeting of shareholders; (ii) a meeting of the directors or of a committee of directors; (iii) a consent resolution or records purporting to be a consent resolution of directors or shareholders. A specific provision will allow the Court to validate the creation, allotment or issue of shares of a corporation.

The existing procedures to access and view documents and information through the Service New Brunswick online website will remain as is. Provisions will be adjusted to clarify this status quo. As well, given the Act permits the Director to request personal information on various forms (such as name and address of directors) and these forms are integral to the public record on the corporation, the Director will be able to provide access to such forms and information as specified in the amendments. It is viewed prudent to indicate clearly that the *Right to Information and Protection of Privacy Act* does not in any way restrict or prevent the existing procedure and practices. This approach will be followed

to amend the following Acts along similar lines: *Companies Act*, *Limited Partnership Act* and *Partnerships and Business Names Registration Act*.

The SNB Corporate Registry will be deemed to be designated as a “public registry” under the *Right to Information and Protection of Privacy Act (RTIPPA)*. This will cover the following Acts administered by the Corporate Registry: *Business Corporations Act*, *Companies Act*, *Limited Partnership Act* and *Partnerships and Business Names Registration Act*. Documents filed or registered under those Acts will be part of the public registry, including certificates issued under the Acts such as certificates of incorporation and other like certificates. Being a public registry will facilitate the existing collection of personal information that is used solely for the purposes of the registry. As well, it will ensure that requests relating to bulk information of data are handled in accordance with RTIPPA procedures for public registries.

17. Extra-Provincial Corporations

A wording change will take place so that “agent for service” will be used instead of “attorney for service” to reflect more appropriately the actual purpose of those who are appointed by the corporation.

Not-for profit corporations are presently required to apply for an exemption from registration as an extra-provincial corporation. A more effective process is to require registration with the same forms and processes as other corporations but to waive the registration fee and related fees in maintaining their registration. Not-for profit corporations with existing exemptions will be deemed registered under the Act.

An extra-provincial corporation will not be considered to be carrying on business in New Brunswick and thus required to be registered by reason only that it is a general partner in a partnership provided that the partnership has registered a certificate of partnership under the *Partnerships and Business Names Registration Act*.

Authorized foreign banks within the meaning of section 2 of the *Bank Act* (Canada) will be treated on a similar basis as banks incorporated under the *Bank Act* that have been excluded from the operation of this Part of the Act.

In the spirit of the Internal Trade Agreement (Annex 606) that has as one of its objectives to streamline the extra-provincial registration and reporting requirements of extra-provincial corporations, the following amendments are proposed:

The Director may specify the forms under this Part and their content based on the jurisdiction of incorporation of the corporation. This would permit, for example, that the names of directors of the corporation need no be set out on the statement of registration or the annual return form.

As well, an extra-provincial corporation incorporated under the laws of a jurisdiction set out in the Regulation would not be required to file a notice of change of directors, an appointment of an agent for service or change of the agent or such other forms, as specified and as set out in the Regulation. This will add clarity to the present section 195.1 that deals with regulation making power to exempt extra-provincial corporations from applicability of provisions of the Act.

The processes the Director follows to cancel the registration of an extra-provincial corporation will be streamlined, in particular allowing immediate cancellation where the corporation or its agent for service has requested the cancellation or the Director has knowledge that the corporation is dissolved.

Section 208 will be repealed as to the reporting requirements that a liquidator of an extra-provincial corporation has under the Act. This will reduce the red tape for the liquidator and such information is better accessed from the corporation’s home jurisdiction.

18. Corporations Established Without a Board of Directors

It is proposed that consideration be given to amending the *Act* to allow for the option of having directorless corporations, with the result being that director liabilities are shifted to the shareholders, whether the shareholders are individuals or corporate entities. There will be disclosure on the public record under the *Act* as to who the shareholders are and who is managing the corporation.

The above approach follows in concept sections 213-220 of Quebec's *Business Corporation Act*. Such provisions were added in 2009 as part of Quebec's entire new *Act*. It is the only Canadian jurisdiction to have such a concept.

There is uncertainty how useful the above concepts will be for the citizen in New Brunswick versus perhaps used infrequently in sophisticated corporate transactions and operations. It may, however, add uniqueness and flexibility to the *Business Corporations Act* and attract legal and accounting work in structuring complex corporate deals. Nevertheless it could evolve over the course of many years as a frequent way for citizens to choose to set up their new corporations.

19. Unlimited Liability Corporations (ULCs)

It is proposed that the *Act* allow for the creation of Unlimited Liability Companies ("ULC"). Nova Scotia, Alberta and British Columbia have existing ULC provisions. PEI is considering it.

A key aspect of a ULC is that shareholders have unlimited liability for the liabilities of the corporation on dissolution of the corporation in lieu of standard "limited liability" they have in ordinary business corporations. Based on this, a ULC is treated as a corporation for Canadian tax purposes but is treated as a flow-through or "disregarded" entity for US tax purposes.

This has resulted in ULCs being used by US investors/businesses expanding operations into Canada. Over the last 20 years, many of the top US businesses have incorporated ULCs as a means to expand into Canada or to have as part of their global conglomerate of corporations. Its use is based on sophisticated tax planning and how a ULC interacts with the relevant tax legislation in Canada and the United States.

ULC provisions may promote New Brunswick as a place to do sophisticated corporate deals through the use of New Brunswick ULCs. This will lead to some legal and accounting work being done in New Brunswick.

Feedback is also requested as to whether any differential fee structure should exist for any or all filings by ULCs. Nova Scotia has a tax of \$1111.55 in substitution of the regular fees chargeable for incorporation, corporate changes such as amalgamations and annual return filings. British Columbia has an additional \$1000 fee but leaves the annual return fee the same. Alberta has no fee differential for its ULCs.

The detailed ULC provisions being proposed are set out under chapter heading XIX in the attached Appendix B. These provisions deal with areas such as incorporation, amendment, amalgamation, conversions, continuance in, continuance out, dissolution, the use of the term "ULC" and the liability of shareholders of a ULC.

Appendix B: Proposed Changes to the *Business Corporations Act*

Existing Provisions	Proposed Changes to Existing Provisions ¹
Part I Interpretation	
1(1) In this Act	
<p>“affairs” means the relationships among a corporation, its affiliates and the shareholders, directors and officers of such bodies corporate but does not include the business carried on by such bodies corporate;</p>	
<p>“affiliate” means an affiliated body corporate within the meaning of subsection (2);</p>	
<p>“anniversary month” means the month of each year that is the same as the month in which the corporation was incorporated or continued under this Act or became subject to this Act under paragraph 2(1)(b), unless the corporation was incorporated under any other Act of the Legislature and voluntarily continued under this Act or was deemed to have been continued under paragraph 2(1)(c), in which case it means the month of each year that is the same as the month in which the corporation was incorporated under such other Act of the Legislature;</p>	
<p>“articles” means the original or restated articles of incorporation and any articles of amalgamation, articles of continuance, articles of reorganization, articles of arrangement, articles of dissolution, articles of revival and articles of amendment, letters patent, supplementary letters patent and a special Act and any amendments thereto;</p>	
<p>“associate” when used to indicate a relationship with any person means</p> <p>(a) a body corporate of which that person beneficially owns or controls, directly or indirectly, shares or securities currently convertible into shares carrying more than ten per cent 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 such shares or such convertible securities,</p> <p>(b) a partner of that person acting on behalf of the partnership of which they are partners,</p> <p>(c) a trust or estate in which that person has a substantial beneficial interest or in respect of which he serves as a trustee or in a similar capacity,</p> <p>(d) a spouse or child of that person, and</p> <p>(e) a relative of that person or of his spouse if that relative has the same residence as that person;(associé)</p>	<p>(d) a spouse of that person or an individual who is cohabiting with that person in a conjugal relationship,</p> <p>(d 1.1) a child of that person or of the spouse or individual referred to in (d)</p> <p>(e) a relative of that person or of his spouse or individual referred to in paragraph (d), if that relative has the same residence as that person;</p>
<p>“auditor” includes a partnership of auditors;</p>	<p>“auditor” includes a partnership of auditors or an auditor that is incorporated;</p>

¹ Only those provisions that would change are shown in this column. Provisions that would “not” change would continue as is and, therefore, are not reproduced in this column. Changes appear in red.”

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>“beneficial interest” or “beneficial ownership” includes ownership through a trustee, legal representative, agent or other intermediary;</p>	<p>“beneficial interest” or “beneficial ownership” includes ownership through a trustee, legal representative, agent or other intermediary and, in the case of a security, includes the interest of an entitlement holder, as defined in the <i>Securities Transfer Act</i>, with respect to that security, but does not include the interest of an entitlement holder that is a securities intermediary, as defined in the <i>Securities Transfer Act</i>, that has established a security entitlement, as defined in the <i>Securities Transfer Act</i> in favour of its entitlement holder with respect to that security;</p>
<p>“body corporate” includes a company or other body corporate wherever or however incorporated;</p>	
<p>“corporation” means a body corporate incorporated or continued under this Act or to which this Act applies and not discontinued under this Act;</p>	
<p>“Court” means The Court of Queen’s Bench of New Brunswick;</p>	
<p>“debt obligation” means a bond, debenture, note or other evidence of indebtedness or guarantee of a corporation, whether secured or unsecured;</p>	
<p>“Director” means the Director appointed under section 184 and includes a deputy director authorized under section 184 to carry out the duties and to exercise the powers of the Director under this Act;</p>	
<p>“director” means a person occupying the position of director of a corporation by whatever name called and “directors” and “board of directors” includes a single director;</p>	
<p>“extra-provincial corporation” means a body corporate incorporated otherwise than by or under an Act of the Legislature;</p>	
<p>“individual” means a natural person;</p>	
<p>“liability” includes an obligation arising under a contract referred to in section 39, under a claim referred to in subsection 131(25) and under an order referred to in paragraphs 166(3)(f) and (g);</p>	
<p>“ordinary resolution” means a resolution passed by a majority of the votes cast by the shareholders who voted in respect of that resolution;</p>	
<p>“person” includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;</p>	<p>“person” includes an individual, partnership, association, body corporate or personal representative;</p>
	<p>“personal representative”, where used with reference to holding shares in that capacity, means an executor, administrator, estate trustee, guardian, tutor, trustee, receiver or liquidator or the curator, guardian for property or attorney under a continuing power of attorney with authority for a person who is mentally incapable of managing his or her property;</p>
<p>“prescribed” means prescribed by or pursuant to the regulations;</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>“redeemable share” means a share issued by a corporation</p> <p>(a) that the corporation may purchase or redeem upon the demand of the corporation, or</p> <p>(b) that the corporation is required by its articles to purchase or redeem at a specified time or upon the demand of a shareholder;</p>	
<p>“registered office” means the office of a corporation located in New Brunswick in the place and at the address specified in the notice most recently filed under section 17;</p>	
<p>“security” means a share of any class or series of shares or a debt obligation of a corporation and includes a certificate or document evidencing such a share or debt obligation;</p>	
<p>“security interest” means an interest in or charge on property of a corporation to secure payment of a debt or performance of any other obligation of the corporation;</p>	<p>“security interest” means an interest in or right in or charge on property of a corporation to secure payment of a debt or performance of any other obligation of the corporation;</p>
<p>“send” includes deliver;</p>	
<p>“series” in relation to shares means a division of a class of shares;</p>	
<p>“shareholder” includes the personal representative of a shareholder;</p>	
<p>“special resolution” means a resolution passed by not less than two-thirds of the votes cast by the shareholders who voted in respect of that resolution or signed by all the shareholders entitled to vote on that resolution;</p>	
<p>“unanimous shareholder agreement” means an agreement described in subsection 99(2) or a declaration of a shareholder described in subsection 99(3).</p>	
<p>1(2) For the purposes of this Act,</p> <p>(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</p> <p>(b) if two bodies corporate are affiliated with the same body corporate at the same time, they shall be deemed to be affiliated with each other.</p>	
<p>1(3) For the purposes of this Act, a body corporate shall be deemed to be controlled by a person if shares of the body corporate carrying voting rights sufficient to elect a majority of the directors of the body corporate are held, directly or indirectly, other than by way of security only, by or on behalf of that person.</p>	<p>1(3) For the purposes of this Act, a body corporate is controlled by a person or by two or more bodies corporate if</p> <p>(a) securities of the body corporate to which are attached more than fifty per cent 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</p> <p>(b) the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.</p>
<p>1(4) A body corporate is the holding body corporate of another if that other body corporate is its subsidiary.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>1(5) A body corporate is a subsidiary of another body corporate if</p> <p>(a) it is controlled by that other body corporate, or</p> <p>(b) it is controlled by a body corporate that is controlled by that other body corporate.</p>	<p>(a) it is controlled by</p> <p>(i) that other body corporate,</p> <p>(ii) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate, or</p> <p>(iii) two or more bodies corporate each of which is controlled by that other body corporate; or</p> <p>(b) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate.</p>
<p>2(1) This Act, except where it is otherwise expressly provided, applies to</p> <p>(a) every corporation incorporated and every body corporate continued as a corporation under this Act that has not been discontinued under this Act,</p> <p>(b) every body corporate with share capital incorporated under a special Act of the Legislature after this Act comes into force, and</p> <p>(c) after five years of the coming into force of this Act, every other body corporate with share capital incorporated under a general or special Act of the Legislature, except a body corporate to which section 16 or 18 of the <i>Companies Act</i> applies or which is incorporated under or subject to Part II of that Act, and such body corporate shall be deemed to have been continued under this Act.</p>	
<p>2(2) This Act, except where it is otherwise expressly provided, does not apply to a body corporate incorporated under the <i>Agricultural Associations Act</i> or the <i>Co-operative Associations Act</i> or to a body corporate incorporated or continued under the <i>Credit Unions Act</i>.</p> <p>2(3) A body corporate incorporated or continued under the <i>Companies Act</i>, except a body corporate to which section 16 or 18 of the <i>Companies Act</i> applies or which is incorporated under or subject to Part II of that Act, may apply for a certificate of continuance under section 192.</p> <p>2(4) A body corporate incorporated under a special Act of the Legislature with share capital may apply for a certificate of continuance under section 192.</p> <p>2(5) Notwithstanding any other provision of this Act, where a body corporate incorporated under letters patent or special Act of the Legislature is continued or deemed to have been continued under this Act, any provisions in the letters patent, special Act or supplementary letters patent, and any powers of the body corporate, which are valid immediately before the coming into force of this Act continue to be valid and to have effect, but any amendments thereto shall be made in accordance with this Act.</p> <p>2(6) An extra-provincial corporation is subject to Part XVII only.</p> <p>2(7) The <i>Winding Up Act</i> and the <i>Companies Act</i> do not apply to a corporation to which this Act applies.</p> <p>2(8) This Act does not apply</p> <p>(a) to a provincial company as defined in the <i>Loan and Trust Companies Act</i> or a body corporate referred to in paragraph 2(b) of that Act except as that Act otherwise provides, or</p> <p>(b) to an insurance company.</p>	
<p>2.1 Service New Brunswick is responsible for the administration of this Act.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>Part II Incorporation</p>	
<p>3(1) One or more individuals no one of whom</p> <p>(a) is less than nineteen years of age,</p> <p>(b) is of unsound mind and has been so found by a court of competent jurisdiction, or</p> <p>(c) has the status of bankrupt,</p> <p>may incorporate by signing articles of incorporation and complying with section 4.</p>	<p>(b) is of unsound mind and has been found by a court or tribunal in Canada or elsewhere, including but not necessarily limited to a declaration or order under the <i>Family Services Act</i>, <i>Infirm Persons Act</i> or the <i>Mental Health Act</i>.</p>
<p>3(2) One or more bodies corporate may incorporate a corporation by signing articles of incorporation and complying with section 4.</p>	
<p>4(1) Articles of incorporation shall be in the form provided by the Director and shall set out, in respect of the proposed corporation,</p> <p>(a) the name of the corporation;</p> <p>(b) Repealed: 1993, c.52, s.2</p> <p>(c) the classes and any maximum number of shares that the corporation is authorized to issue and any maximum aggregate amount for which such shares may be issued, and</p> <p>(i) if there will be two or more classes of shares, the rights, privileges, restrictions and conditions attaching to each class of shares,</p> <p>(ii) if a class of shares may be issued in series, the authority given to the directors to fix the number of shares in, and to determine the designation of, and the rights, privileges, restrictions and conditions attaching to, the shares of each series,</p> <p>(iii) if the shares will be of one kind only, the par value of each share or a statement that the shares are without par value, and</p> <p>(iv) if the shares are of both kinds, any maximum number of shares of each kind, the par value of each share having par value and a statement that the other kind of shares are without par value;</p> <p>(d) if the right to transfer shares of the corporation is to be restricted, a statement that the right to transfer shares is restricted and the nature of such restrictions;</p> <p>(e) the number of directors or any minimum and maximum number of directors of the corporation; and</p> <p>(f) any restrictions on the businesses that the corporation may carry on.</p> <p>4(2) The articles may set out any provisions permitted by this Act or by law to be set out in the by-laws of the corporation or a unanimous shareholder agreement.</p> <p>4(3) Subject to subsection (4), if the articles or a unanimous shareholder agreement require a greater number of votes of directors or shareholders than that required by this Act to effect any action, the provisions of the articles or of the unanimous shareholder agreement prevail.</p> <p>4(4) The articles may not require a greater number of votes of shareholders to remove a director than the number required by subsection 65(6).</p>	<p>ii) if a class of shares may be issued in series, the articles may give authority to the directors to fix the number of shares in, and to determine the designation of, and the rights, privileges, restrictions and conditions attaching to, the shares of each series,</p> <p>(d) if the issue, transfer or ownership of the shares of the corporation is to be restricted, a statement to that effect and a statement as to the nature of such restrictions;</p>
<p>5 An incorporator shall send to the Director articles of incorporation and the documents required by sections 17 and 64.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>6 Upon receipt of articles of incorporation, the Director shall issue a certificate of incorporation.</p>	<p>6(1) Upon receipt of articles of incorporation, the Director shall issue a certificate of incorporation.</p> <p>Exception — failure to comply with Act</p> <p>6(2) The Director may refuse to issue the certificate if a notice that is required to be sent under subsection 17(2) or 64(1) indicates that the corporation, if it came into existence, would not be in compliance with this Act.</p>
<p>7(1) A corporation comes into existence on the date shown in the certificate of incorporation.</p> <p>7(2) A certificate of incorporation is conclusive proof for the purposes of this Act and for all other purposes</p> <p>(a) that the provisions of this Act in respect of incorporation and all requirements precedent and incidental to incorporation have been complied with, and</p> <p>(b) that the corporation has been incorporated under this Act as of the date shown in the certificate of incorporation.</p>	
<p>8(1) The word “Limited”, “Limitée”, “Incorporated”, “Incorporée”, or “Corporation” or the abbreviation “Ltd.”, “Ltée”, “Inc.” or “Corp.” shall be part, other than only in a figurative or descriptive sense, of the name of every corporation but a corporation may use and may be legally designated by either the full or the abbreviated form.</p> <p>8(2) The Director may exempt a body corporate continued as a corporation under this Act from the provisions of subsection (1).</p>	
<p>8(3) Subject to subsection 10(1), a corporation may set out its name in its articles 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 any such form.</p>	
<p>8(4) Subject to subsection 10(1), a corporation may, for use outside Canada, set out its name in its articles in any language form and it may use and may be legally designated by its name in any such form outside Canada.</p>	<p>8(4) Subject to section 10(1), a corporation may, outside Canada, use and may be legally designated by a name in any language form.</p>
<p>8(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.</p>	
<p>8(6) Subject to subsection (5), a corporation may carry on business under or identify itself by a name other than its corporate name if it has registered under the <i>Partnerships and Business Names Registration Act</i>.</p>	<p>8(6) Subject to subsection (5), a corporation may carry on business under or identify itself by a name other than its corporate name if it has registered the name under the <i>Partnerships and Business Names Registration Act</i>.</p>
<p>9(1) The Director may, upon request, reserve for ninety days a name for an intended corporation or for a corporation about to change its name.</p> <p>9(2) If requested to do so by the incorporator or a corporation, the Director shall assign to the corporation as its name a designating number determined by the Director.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>10(1) A corporation shall not be incorporated with, continued with or have a name</p> <p>(a) that is the name or deceptively similar to the name of another corporation, a body corporate registered under Part XVII, a company under the <i>Companies Act</i>, a limited partnership formed or continued under the <i>Limited Partnership Act</i>, an extra-provincial partnership that has filed a declaration under the <i>Limited Partnership Act</i> or a firm or person that has registered under the <i>Partnerships and Business Names Registration Act</i> unless such corporation, body corporate, partnership, firm or person consents and, in the case of a corporation, company under the <i>Companies Act</i>, partnership, other than an extra-provincial partnership, firm or person, except in such circumstances as may be prescribed, undertakes to change its name within six months of giving its consent;</p> <p>(b) that is prohibited by regulation or is deceptively misdescriptive;</p> <p>(c) that is reserved for another corporation or intended corporation under section 9;</p> <p>(d) that is reserved for an extra-provincial corporation or an intended extra-provincial corporation under section 198; or</p> <p>(e) that is reserved for a body corporate, firm or person under any other Act of the Legislature.</p> <p>10(2) If, through inadvertence or otherwise, a corporation</p> <p>(a) comes into existence or is continued with a name, or</p> <p>(b) upon an application to change its name, is granted a name, that contravenes this section, the Director may</p> <p>(c) with the consent of the corporation, change the name of the corporation, or</p> <p>(d) after giving the corporation an opportunity to be heard, direct the corporation to change its name in accordance with section 113.</p> <p>10(3) When a corporation has been directed under subsection (2) to change its name and has not within sixty days from the service of the directive to that effect changed its name to a name that complies with this Act, the Director may revoke the name of the corporation and assign to it a name and, until changed in accordance with section 113, the name of the corporation is thereafter the name so assigned.</p> <p>10(4) When a corporation gives an undertaking to change its name and does not carry out the undertaking or dissolve within the time specified, the Director may, after giving the corporation an opportunity to be heard, revoke the name of the corporation and assign to it a name and, until changed in accordance with section 113, the name of the corporation is thereafter the name so assigned.</p> <p>10(5) When a person who is not a corporation gives an undertaking to change the name under which that person carries on business and does not carry out the undertaking or cease to carry on business under that name within the time specified, the Director may, after giving the corporation that acquired the name by virtue of the undertaking an opportunity to be heard, revoke the name of the corporation and assign to it a name and, until changed in accordance with section 113, the name of the corporation is thereafter the name so assigned.</p> <p>11(1) When a corporation has had its name changed by the Director under subsection 10(2) or revoked and a name assigned to it under subsection 10(3), (4) or (5), the Director shall issue a certificate of amendment showing the new name of the corporation and shall forthwith give notice of the change of name in <i>The Royal Gazette</i>.</p> <p>11(2) The articles of the corporation are amended accordingly on the date shown in the certificate of amendment.</p>	<p>(a.1) that is identical to the name of body corporate incorporated by or under an Act of the Parliament of Canada;</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>12(1) Except as provided in this section, a person who enters into a contract in the name of or purportedly on behalf of a corporation before it comes into existence is personally bound by the contract and is entitled to the benefits thereof.</p> <p>12(2) A corporation may, within a reasonable time after it comes into existence, by any action or conduct signifying its intention to be bound thereby, adopt an oral or written contract made before it came into existence in its name or on its behalf, and upon such adoption</p> <p>(a) the corporation is bound by the contract and is entitled to the benefits thereof as if the corporation had been in existence at the date of the contract and had been a party thereto; and</p> <p>(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.</p> <p>12(3) Except as provided in subsection (4), whether or not an oral or written contract made before the coming into existence of a corporation is adopted by the corporation, a party to the contract may apply, within a reasonable time after the date of incorporation of such corporation, 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 upon such application the Court may make any order it thinks fit.</p> <p>12(4) If expressly so provided in the oral or 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 bound by the contract or entitled to the benefits thereof.</p>	
<p>Part III Capacity and Powers</p>	
<p>13(1) A corporation has the capacity and, subject to this Act, the rights, powers and privileges of a natural person.</p> <p>13(2) A corporation has the capacity to carry on its business, conduct its affairs and exercise its powers outside New Brunswick.</p>	
<p>13(3) No corporation shall have the capacity</p> <p>(a.1) to accept from the public deposits within the meaning of the <i>Canada Deposit Insurance Corporation Act</i>, chapter C-3 of the Revised Statutes of Canada, 1970;</p> <p>(a.2) to execute the office of executor, administrator, guardian of a minor's estate or committee of a mentally incompetent person;</p> <p>(a.3) to provide services of a fiduciary nature commonly provided by a trust company;</p> <p>(b) to carry on the business of a loan company or trust company as defined in the <i>Loan and Trust Companies Act</i> or of an insurance company;</p> <p>(c) to carry on any business or activity if incorporation for the purposes thereof is provided for in any other Act; or</p> <p>(d) to practice a profession except as expressly permitted by an Act governing that profession.</p> <p>13(4) Paragraphs (3)(a.2) and (a.3) do not apply so as to restrict a professional corporation as defined in the <i>Law Society Act</i>, 1996 in relation to the practice of law or the provision of services directly associated with the practice of law.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>13(5) Paragraphs (3)(a.2) and (a.3) do not apply so as to restrict a corporation from</p> <ul style="list-style-type: none"> (a) acting as trustee of a trust; or (b) acting as executor of a deceased person's estate where, (c) the corporation is not offering its services to the public; (d) where the corporation is not acting for more than five trusts in total, whether inter vivos or estate, as part of its business; and (e) corporation does not, or did not at the time of the execution of the instrument making such appointment, deal with such person at arm's length within the meaning of that term in the <i>Income Tax Act</i>.
<p>14(1) It is not necessary for a by-law to be passed in order to confer any particular power on the corporation or its directors.</p> <p>14(2) A corporation shall not carry on any business or exercise any power that it is restricted by its articles from carrying on or exercising, nor shall the corporation exercise any of its powers in a manner contrary to its articles.</p> <p>14(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.</p>	
	<p>14(4) Where a corporation has a sole shareholder who has been appointed as the sole director of the corporation or assumes the roles as sole director of the corporation, no act of the corporation is invalid by reason only that matters relating to the by-laws, shareholders meetings and meetings of the board of directors have not been complied with.</p>
<p>15 No person is affected by or shall be deemed to have notice or knowledge of the contents of a document concerning a corporation by reason only that the document has been filed by the Director or is available for inspection at an office of the corporation.</p>	
<p>16 A corporation or a guarantor of an obligation of the corporation may not assert against a person dealing with the corporation, or with any person who has acquired rights from the corporation, that</p> <ul style="list-style-type: none"> (a) the articles, by-laws and any unanimous shareholder agreement have not been complied with, (b) the persons named in the most recent notice filed by the Director under section 64 or 71 are not the directors of the corporation, (c) the place named in the most recent notice filed under section 17 is not the registered office of the corporation, (d) a person held out by a 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 business of the corporation or usual for such director, officer or agent, (e) a document issued by any director, officer or agent of a corporation with actual or usual authority to issue the document is not valid or not genuine, or (f) financial assistance referred to in section 43 or a sale, lease or exchange of property referred to in subsection 130(1) was not authorized, <p>except where the person has or, by virtue of his position with or relationship to the corporation ought to have, knowledge of that fact.</p>	<p>(f) a sale, lease or exchange of property referred to in subsection 130(1) was not authorized,</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>Part IV Registered Office and Records</p>	
<p>17(1) A corporation shall at all times have a registered office within New Brunswick.</p>	
	<p>17(1.1) A post office box may not be designated as the corporation's registered office;</p>
<p>17(2) A notice of registered office shall be sent to the Director in the form provided by the Director together with any articles of incorporation, continuance or amalgamation and, if applicable, any articles of arrangement or reorganization.</p> <p>17(3) Unless the articles otherwise provide, the directors of a corporation may change the place or address of the registered office.</p> <p>17(4) A corporation shall file with the Director, within fifteen days after any change in the place or address of its registered office, a notice in the form provided by the Director</p>	
<p>18(1) A corporation shall prepare and maintain, at its registered office or at any other place in New Brunswick designated by the directors, records containing</p> <p>(a) copies of the articles and the by-laws, and all amendments thereto, and a copy of any unanimous shareholder agreement;</p> <p>(b) minutes of all meetings and resolutions of shareholders;</p> <p>(c) copies of all notices required by section 64 or 71;</p> <p>(d) a share register complying with section 48; and</p> <p>(e) the names and addresses of all persons who are or have been directors of the corporation with the several dates at which each became or ceased to be a director.</p>	<p>(d) a securities register complying with section 48; and</p>
	<p>18(1.1) Notwithstanding paragraph 18(1)(d), where the shares of any class or series of shares are listed on a stock exchange and the articles of the corporation permit, a corporation may prepare and maintain its securities register at any other place in Canada.</p>
<p>18(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 committees thereof.</p> <p>18(3) For the purposes of subsections (1) and (2), where a body corporate is continued under this Act, "records" includes similar records required by law to be maintained by the body corporate before it was so continued.</p>	
<p>18(4) The records described in subsection (2) shall be kept at the registered office of the corporation or at such other place as the directors think fit and shall at all reasonable times be open to inspection by the directors.</p>	
<p>19(1) The directors and shareholders of a corporation, their agents, their legal representatives and the Director may examine the records referred to in subsection 18(1) during the usual business hours of the corporation without charge.</p>	
<p>19(2) A shareholder of a corporation is entitled upon request and without charge to one copy of the articles and by-laws and of any unanimous shareholder agreement, and amendments to them.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>19(3) A creditor of a corporation or a judgment creditor of a shareholder, and any agent or legal representative of such creditor or judgment creditor, may examine the records referred to in paragraphs 18(1)(a), (c), (d) and (e), other than a unanimous shareholder agreement, during the usual business hours of the corporation upon payment of a reasonable fee, and may make copies of those records.</p>	
	<p>19(4) Notwithstanding section 19, where section 18 (1.1) applies, the examination of the securities register may be met by the corporation providing access to an electronic or paper copy of its securities register at its registered office.</p>
	<p>19(5) A list of shareholders obtained under this section shall not be used by any person except in connection with,</p> <ul style="list-style-type: none"> (a) an effort to influence the voting by shareholders of the corporation; (b) an offer to acquire shares of the corporation; or (c) any other matter relating to the affairs of the corporation.
<p>20(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 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.</p> <p>20(2) A corporation and its agents shall take reasonable precautions to</p> <ul style="list-style-type: none"> (a) prevent loss or destruction of, (b) prevent falsification of entries in, and (c) facilitate detection and correction of inaccuracies in, <p>the registers and other records required by this Act to be prepared and maintained.</p>	
<p>21 An instrument or agreement executed on behalf of a corporation by a director, an officer or an agent of the corporation is not invalid merely because a corporate seal is not affixed thereto.</p>	
	<p>21.1 A corporation may, but need not, adopt a corporate seal, and may change a corporate seal that is adopted.</p>

Part V
Corporate Finance

<p>22(1) Shares of a corporation may be with nominal or par value or without nominal or par value or of both kinds.</p> <p>22(2) If a corporation has only one class of shares, the rights of the holders of those shares are equal in all respects and include the rights</p> <ul style="list-style-type: none"> (a) to vote at any meeting of shareholders of the corporation, (b) to receive any dividend declared by the corporation, and (c) to receive the remaining property of the corporation on dissolution. 	
<p>22(3) The articles may provide for more than one class of shares and, if they so provide,</p> <ul style="list-style-type: none"> (a) the rights, privileges, restrictions and conditions attaching to the shares of each class shall be set out in the articles, and (b) the rights set out in subsection (2) shall be attached to at least one class of shares but all of those rights are not required to be attached to one class. 	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	22(3.1) The articles may provide that two or more classes of shares or two or more series of shares may have the same rights, privileges, restrictions and conditions.
22(4) No class of shares shall be designated as preference shares or by words of like import, unless that class has attached thereto a preference or right over some other class of shares	
23(1) Subject to section 27, the articles or by-laws of the corporation or a unanimous shareholder agreement, shares may be issued at such times and to such persons or class of persons as the directors may determine.	
23(2) A share with par value shall not be issued except for a consideration at least equal to the par value thereof. 23(3) Shares without par value shall not be issued except for such consideration as is fixed by the directors.	
23(4) Shares issued by a corporation are non-assessable and the holders are not liable to the corporation or to its creditors in respect thereof.	
23(5) A share shall not be issued until it is fully paid in money or in property or past services that is the fair equivalent of the money that the corporation would have received if the share had been issued for money.	23(5) A share shall not be issued until it 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 share had been issued for money.
23(6) In determining whether property or past services is the fair equivalent of money consideration, the directors may take into account reasonable charges and expenses of organization and re-organization and payments for property and past services reasonably expected to benefit the corporation.	
24 For the purposes of sections 23 and 25, "property" does not include a promissory note or a promise to pay.	24 For the purposes of section 23 and 25 "property" does not include a promissory note, or a promise to pay, that is made by a person to whom a share is issued, or a person who does not deal at arm's length, within the meaning of that expression in the <i>Income Tax Act</i>, with a person to whom a share is issued.
25(1) A corporation shall maintain a separate stated capital account for each class and series of shares it issues and any such account may be expressed in Canadian or other currency. 25(2) A corporation shall add to the appropriate stated capital account (a) the full amount of any consideration it receives for any shares it issues without par value; and (b) the full amount of the total of the product of the number of shares of each class issued with par value multiplied by the par value thereof.	
25(3) Where a corporation issues shares with par value at a premium, whether for money or otherwise as provided under subsection 23(5), the full amount of the premiums on those shares shall be added to the appropriate stated capital account.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>25(4) Notwithstanding subsections 23(2) and (3) and subsections (2) and (3) of this section, if a corporation issues shares</p> <p>(a) in exchange for</p> <p>(i) property of a person who immediately before the exchange does not deal with the corporation at arm's length within the meaning of that term in the <i>Income Tax Act</i>, chapter 148 of the Revised Statutes of Canada, 1952, or</p> <p>(ii) shares of a body corporate that, immediately before the exchange or because of the exchange, does not deal with the corporation at arm's length within the meaning of that term in the <i>Income Tax Act</i>, chapter 148 of the Revised Statutes of Canada, 1952, or</p> <p>(b) pursuant to an amalgamation agreement referred to in section 121 or an arrangement referred to in section 128 or to shareholders of an amalgamating body corporate who receive the shares in addition to or instead of securities of the amalgamated body corporate,</p> <p>the corporation may add to the stated capital accounts maintained for the shares of the classes or series issued the whole or any part of the amount of the consideration it received in the exchange.</p>	<p>ii) shares of, or another interest or right in, a body corporate that, immediately before the exchange or because of the exchange, did not deal with the corporation at arm's length within the meaning of that term in the <i>Income Tax Act</i>, chapter 148 of the Revised Statutes of Canada, 1952, or</p> <p>iii) property of a person who, immediately before the exchange, dealt with the corporation at arm's length within the meaning of that expression in the <i>Income Tax Act</i>, if the person, the corporation and all the holders of shares in the class or series of shares so issued consent to the exchange; or</p>
<p>25(5) On the issue of a share a corporation shall not add to a stated capital account in respect of the share it issues an amount greater than the amount of the consideration it received for the share.</p>	
<p>25(6) If a corporation proposes to add any amount to a stated capital account it maintains in respect of a class or series of shares and</p> <p>(a) the amount to be added was not received by the corporation as consideration for the issue of shares, and</p> <p>(b) the corporation has issued any outstanding shares of more than one class or series,</p> <p>the addition to the stated capital account must be approved by special resolution unless all the issued and outstanding shares are shares of not more than two classes of convertible shares referred to in subsection 37(3).</p>	
<p>25(7) When a body corporate is continued under this Act, it may add to a stated capital account</p> <p>(a) any consideration received by it for a share it issued without nominal or par value, and</p> <p>(b) any amount it credited to a retained earning account or other surplus accounts including premiums.</p>	<p>25(7) When a body corporate is continued under this Act, it shall add to its stated capital account</p> <p>(a) the aggregate amount paid up on the shares of each such class or series of shares immediately prior to continuance, and</p>
<p>25(8) When a body corporate is continued under this Act, subsections (2) and (3) do not apply to the consideration received by it before it was so continued unless the share in respect of which the consideration is received is issued after the corporation is so continued.</p>	
<p>25(9) When a body corporate is continued under this Act, any amount unpaid in respect of a share issued by the body corporate before it was so continued and paid after it was so continued shall be added to the stated capital account maintained for the shares of that class or series.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>25(10) For the purposes of subsection 31(2), sections 35 and 41, subsection 43(1), and paragraph 124(2)(a), when a body corporate is continued under this Act, its stated capital shall be deemed to include the amount that would have been included in the stated capital of the body corporate if it had been incorporated under this Act.</p>	<p>Repeal</p>
<p>25(11) A corporation shall not reduce its stated capital or any stated capital account except in the manner provided in this Act.</p> <p>25(12) Subsections (1) to (11) and any other provisions of this Act relating to stated capital do not apply to an open end mutual fund.</p> <p>25(13) For the purposes of this section, “open-end mutual fund” means a corporation that makes a distribution to the public of its shares and that carries on only the business of investing the consideration it receives for the shares it issues, and all or substantially all of those shares are redeemable upon the demand of the shareholder.</p>	
<p>26(1) The articles may authorize the issue of any class of shares in one or more series and may authorize the directors to fix the number of shares in, and to determine the designation, rights, privileges, restrictions and conditions attaching to the shares of, each series, subject to the limitations set out in the articles.</p>	<p>26(1) The articles may authorize the issue of any class of shares in one or more series and may do either or both of the following:</p> <p>(a) fix the number of shares in, and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of, each series, or</p> <p>(b) authorize the directors to fix the number of shares in, and to determine the designation, rights, privileges, restrictions and conditions attaching to the shares of, each series, subject to the limitations set out in the articles.</p> <p>Note: As to directors authorization under (b), clarification may be required to clarify the ability of directors:</p> <ul style="list-style-type: none"> -to fix the number of shares as being an unlimited number of shares -to fix the same rights, privileges, restrictions and conditions for any or all series of shares.
<p>26(2) If any cumulative dividends or amounts payable on return of capital in respect of a series of shares are not paid in full, the shares of all series of the same class participate rateably in respect of accumulated dividends and return of capital.</p> <p>26(3) No rights, privileges, restrictions or conditions attached to a series of shares authorized under this section shall confer upon a series a priority in respect of dividends or return of capital over any other series of shares of the same class that are then outstanding.</p>	
<p>26(4) Before the issue of shares of a series authorized under this section, the directors shall send to the Director articles of amendment in a form provided by the Director to designate a series of shares.</p>	<p>26(4) Before the issue of shares of a series authorized under subsection 26(1)(b), the directors shall send to the Director articles of amendment in a form provided by the Director to designate a series of shares.</p>
<p>26(5) Upon receipt of articles of amendment designating a series of shares, the Director shall issue a certificate of amendment.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>27(1) In this section</p> <p>“equity shares” means shares of any class, whether or not preferred as to dividends or assets, which have unlimited dividend rights;</p> <p>“financial institution” means any body corporate or other institution which in its ordinary course of business lends money;</p> <p>“preemptive right” means the right to purchase shares or other securities to be issued or subjected to rights or options to purchase, as such right is defined in this section;</p> <p>“unlimited dividend right” means the right without limitation as to the amount either to all or to a share of the balance of any dividends after the payment of dividends on any shares entitled to a preference, and includes the right to all or to a share of the balance of any surplus upon winding up after the repayment of capital;</p> <p>“voting right” means the right to vote for the election of one or more directors excluding a right to vote which is dependent on the happening of an event specified in the articles or this Act;</p> <p>“voting shares” means the shares of any class which have voting rights as defined in this section.</p>	
<p>27(2) Except as otherwise provided in the articles and except as provided in this section, the holders of equity shares of any class, in the case of the proposed issuance by the corporation of, or the proposed granting by the corporation of rights or options to purchase, its equity shares of any class of any shares or other securities convertible into or carrying rights or options to purchase its equity shares of any class shall, if the issuance of the equity shares proposed to be issued or issuable upon exercise of such rights or options or upon conversion of such other securities would adversely affect the unlimited dividend rights of such holders, have the right during a reasonable time and on reasonable conditions, both to be fixed by the board, to purchase such shares or other securities in such proportions as shall be determined as provided in this section.</p>	<p>27(2) Except as otherwise provided in the articles and except as provided in this section, the holders of equity shares of any class, in the case of the proposed issuance by the corporation of, or the proposed granting by the corporation of rights or options to purchase, its equity shares of any class or any shares or other securities convertible into or carrying rights or options to purchase its equity shares of any class shall, if the issuance of the equity shares proposed to be issued or issuable upon exercise of such rights or options or upon conversion of such other securities would adversely affect the unlimited dividend rights of such holders, have the right during a reasonable time and on reasonable conditions, both to be fixed by the board, to purchase such shares or other securities in such proportions as shall be determined as provided in this section.</p>
<p>27(3) Except as otherwise provided in the articles and except as provided in this section, the holders of voting shares of any class, in case of the proposed issuance by the corporation of, or the proposed granting by the corporation of rights or options to purchase, its voting shares of any class or any shares or options to purchase its voting shares of any class shall, if the issuance of the voting shares proposed to be issued or issuable upon exercise of such rights or options or upon conversion of such other securities would adversely affect the voting rights of such holders, have the right during a reasonable time and on reasonable conditions, both to be fixed by the board, to purchase such shares or other securities in such proportions as shall be determined as provided in this section.</p>	<p>27(3) Except as otherwise provided in the articles and except as provided in this section, the holders of voting shares of any class, in case of the proposed issuance by the corporation of, or the proposed granting by the corporation of rights or options to purchase, its voting shares of any class or any shares or other securities convertible into or carrying rights or options to purchase its voting shares of any class shall, if the issuance of the voting shares proposed to be issued or issuable upon exercise of such rights or options or upon conversion of such other securities would adversely affect the voting rights of such holders, have the right during a reasonable time and on reasonable conditions, both to be fixed by the board, to purchase such shares or other securities in such proportions as shall be determined as provided in this section.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>27(4) The preemptive right provided for in subsections (2) and (3) shall entitle shareholders having such rights to purchase the shares or other securities to be offered or optioned for sale as nearly as practicable in such proportions as would, if such preemptive right were exercised, preserve the relative unlimited dividend rights and voting rights of such holders and at a price or prices not less favourable at which such shares or other securities are proposed to be offered for sale to others, without deduction of such reasonable expenses of and compensation for the sale, underwriting or purchase of such shares or other securities by underwriters or dealers as may lawfully be paid by the corporation.</p> <p>27(5) In case each of the shares entitling the holders thereof to preemptive rights does not confer the same unlimited dividend right or voting right, the board shall apportion the shares or other securities to be offered or optioned for sale among the shareholders having the preemptive rights to purchase them in such proportions as in the opinion of the board shall preserve as far as practicable the relative unlimited dividend rights and voting rights of the holders at the time of such offering.</p> <p>27(6) The apportionment made by the board shall, in the absence of fraud or bad faith, be binding upon all shareholders.</p> <p>27(7) Unless the articles expressly so provide, shareholders have no preemptive right in respect of shares to be issued</p> <p>(a) as a share dividend,</p> <p>(b) pursuant to the exercise of conversion privileges, options or rights previously granted by the corporation,</p> <p>(c) pursuant to a corporate reorganization,</p> <p>(d) as a result of an amalgamation,</p> <p>(e) to a financial institution as consideration or partial consideration of a loan or the renewal of a loan from the financial institution to the corporation or as a result of an option granted to the financial institution for such consideration,</p> <p>(f) under an option granted to an employee under a stock option plan or stock purchase plan which has the approval of the shareholders, or</p> <p>(g) with the unanimous agreement of all shareholders.</p>	
<p>27(8) This section does not apply to a corporation which has its shares listed on a prescribed stock exchange.</p>	<p>27(8) This section does not apply to a corporation which has its shares listed on a prescribed stock exchange, but subsection 27(8) only applies to those corporations that have their shares listed on a said stock exchange prior to the date the amendment to this subsection comes into force.</p>
	<p>27(8.1) This section does not apply as of the date this subsection comes into force:</p> <p>(a) to new incorporations under the Act, unless the articles of the corporation otherwise provides;</p> <p>(b) to new continuances into the Act under section 126 thereof, unless the articles of continuance otherwise provides; and</p> <p>(c) to any new body corporate incorporated or created under an Act of the Legislature unless such Act otherwise provides.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>27(9) Where preemptive rights are provided for in subsection 27(2) and/or (3), a corporation may by special resolution of its shareholders remove the applicability of subsections 27(2) and (3) to all shares or other securities of the corporation that had such preemptive rights as result of subsections 27(2) and (3).</p> <p>27(10) The holders of shares of a class or of a series of shares are entitled to vote separately as a class or series upon the above a proposal only if such class or series is affected by the proposal in a manner different from another class or series, as the case may be.</p> <p>27(11) Subsection (9) applies whether or not shares of a class or series otherwise carry the right to vote.</p> <p>27(12) A special resolution is adopted when the holders of the shares of each class or series entitled to vote separately thereon as a class or series have approved the special resolution.</p> <p>27(13) The applicability of subsections 27(2) and (3) to all shares or other securities of the corporation that had such preemptive rights as result of subsections 27(2) and (3) is removed as of the date the special resolution was adopted, or such later date as specified in the said resolution.</p> <p>27(14) A shareholder who has voted against the resolution may, within 20 days after the resolution has been adopted, demand payment of the fair value of their shares and the provisions of section 131 apply mutatis mutandi.</p> <p>27(15) Where the articles of a corporation provide that this section applies, the provisions of this section apply except to the extent the provisions are inconsistent with the articles of the corporation.</p>
<p>28(1) Subject to section 27, a corporation may issue certificates, warrants or other evidences of conversion privileges, options or rights to acquire securities of the corporation, and shall set out the conditions thereof</p> <p>(a) in the certificates, warrants or other evidence, or</p> <p>(b) in certificates evidencing the securities to which the conversion privileges, options or rights are attached.</p> <p>28(2) Conversion privileges, options and rights to acquire securities of a corporation may be made transferable or non-transferable, and options and rights to acquire may be made separable or inseparable from any securities to which they are attached.</p> <p>28(3) Where a corporation has granted privileges to convert any securities issued by the corporation into shares, or into shares of another class or series, or has issued or granted options or rights to acquire shares, if the articles limit the number of authorized shares, the corporation shall reserve and continue to reserve sufficient authorized shares to meet the exercise of such conversion privileges, options and rights.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>29(1) Except as provided in subsection (2) and sections 30 to 33, a corporation</p> <p>(a) shall not hold shares in itself or in its holding body corporate, and</p> <p>(b) shall not permit any of its subsidiary bodies corporate to acquire shares of the corporation.</p> <p>29(2) A corporation shall cause a subsidiary body corporate of the corporation that holds shares of the corporation to sell or otherwise dispose of those shares within five years from the date</p> <p>(a) the body corporate became a subsidiary of the corporation, or</p> <p>(b) the corporation was continued under this Act.</p>	<p>29(1) Except as provided in sections 30 to 33, a corporation shall not hold shares in itself.</p> <p>29(2) Unless its articles provide otherwise, a subsidiary may purchase or otherwise acquire shares of a corporation of which it is a subsidiary.</p> <p>29(3) A subsidiary must not purchase any of the shares of its holding corporation if there are reasonable grounds for believing that the subsidiary is or would after the purchase be unable to pay its liabilities as they become due.</p> <p>29(4) On the application of a director of the holding corporation or of a director of the purchasing subsidiary, the Court may declare whether a purchase of shares of the holding corporation by the purchasing subsidiary would contravene subsection (3).</p> <p>(3) A purchase by a subsidiary of shares of its holding corporation is not invalid merely because it is in contravention of subsection (1).</p>
<p>30(1) A corporation may in the capacity of a legal representative hold shares in itself or in its holding body corporate unless it or the holding body corporate or a subsidiary of either of them has a beneficial interest in the shares.</p>	<p>30(1) A corporation may in the capacity of a personal representative hold shares in itself or in its holding body corporate</p>
<p>30(2) A corporation may hold shares in itself or in its holding body corporate by way of security for the purposes of a transaction entered into by it in the ordinary course of a business that includes the lending of money.</p>	<p>30(2) A corporation may hold shares in itself by way of security for the purposes of a transaction entered into by it in the ordinary course of a business that includes the lending of money.</p>
<p>30(3) A corporation holding shares in itself or in its holding body corporate shall not vote or permit those shares to be voted unless the corporation holds the shares in the capacity of a legal representative.</p>	<p>30(3) A corporation holding shares in itself or in its holding body corporate shall not vote or permit those shares to be voted unless the corporation holds the shares in the capacity of a personal representative.</p> <p>30(3.1) A corporation shall not permit any of its subsidiary bodies corporate holding shares in the corporation to vote, or permit those shares to be voted, unless the subsidiary body corporate holds the shares in the capacity of a personal representative.</p>
<p>31(1) Subject to subsection (2) and to its articles, a corporation may purchase or otherwise acquire shares issued by it.</p>	
<p>31(2) A corporation shall not make any payment to purchase or otherwise acquire shares issued by it if there are reasonable grounds for believing that</p> <p>(a) the corporation is, or would after the payment be, unable to pay its liabilities as they become due, or</p> <p>(b) the realizable value of the corporation's assets would after the payment be less than the aggregate of its liabilities and stated capital of all classes.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>32(1) Notwithstanding subsection 31(2), but subject to subsection (3) and to its articles, a corporation may purchase or otherwise acquire shares issued by it to</p> <p>(a) settle or compromise a debt or claim asserted by or against the corporation,</p> <p>(b) eliminate fractional shares, or</p> <p>(c) fulfill the terms of a non-assignable agreement under which the corporation has an option or is obliged to purchase shares owned by a director, an officer or an employee of the corporation.</p>	
<p>32(2) Notwithstanding subsection 31(2), a corporation may purchase or otherwise acquire shares issued by it to</p> <p>(a) satisfy the claim of a shareholder who dissents under section 131, or</p> <p>(b) comply with an order under section 166.</p>	
<p>32(3) A corporation shall not make any payment to purchase or acquire under subsection (1) shares issued by it if there are reasonable grounds for believing that</p> <p>(a) the corporation is, or would after the payment, be unable to pay its liabilities as they become due, or</p> <p>(b) the realizable value of the corporation's assets would after the payment be less than the aggregate of its liabilities and the amounts required for payment on a redemption or in a liquidation of all shares the holders of which have the right to be paid prior to the holders of the shares to be purchased or acquired.</p>	<p>(b) the realizable value of the corporation's assets would after the payment be less than the aggregate of its liabilities and the amounts required for payment on a redemption or in a liquidation of all shares the holders of which have the right to be paid prior to the holders of the shares to be purchased or acquired, to the extent that the amount has not been included in its liabilities.</p>
<p>33(1) Notwithstanding subsection 31(2) or 32(3), but subject to subsection (2) and to its articles, a corporation may purchase or redeem any redeemable shares issued by it at prices not exceeding the redemption price of those shares stated in the articles or calculated according to a formula stated in the articles.</p>	
<p>33(2) A corporation shall not make any payment to purchase or redeem any redeemable shares issued by it if there are reasonable grounds for believing that</p> <p>(a) the corporation is, or would after the payment, be unable to pay its liabilities as they become due, or</p> <p>(b) the realizable value of the corporation's assets would after the payment be less than the aggregate of</p> <p>(i) its liabilities, and</p> <p>(ii) the amount that would be required to pay the holders of shares that have a right to be paid, on a redemption or in a liquidation, rateably with or prior to the holders of the shares to be purchased or redeemed.</p>	<p>(ii) the amount that would be required to pay the holders of shares that have a right to be paid, on a redemption or in a liquidation, rateably with or prior to the holders of the shares to be purchased or redeemed, to the extent that the amount has not been included in its liabilities.</p>
<p>34 A corporation may accept from any shareholder a share of the corporation surrendered to it as a gift.</p>	<p>34 A corporation may accept from any shareholder a share of the corporation surrendered to it as a gift but may not extinguish or reduce a liability in respect of an amount unpaid on any share except in accordance with section 35.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>35(1) Subject to subsection (3), a corporation may by special resolution reduce its stated capital for any purpose including, without limiting the generality of the foregoing, for the purpose of</p> <p>(a) extinguishing or reducing a liability in respect of an amount unpaid on any share issued before a corporation is continued,</p> <p>(b) distributing to the holder of an issued share of any class or series of shares an amount not exceeding the stated capital of the class or series, and</p> <p>(c) declaring its stated capital to be reduced by an amount that is not represented by realizable assets.</p>	<p>(a) extinguishing or reducing a liability in respect of an amount unpaid on any share issued,</p> <p>(d) declaring its stated capital to be reduced by an amount otherwise determined in respect of which no amount is to be distributed to holders of issued shares of the corporation.</p>
<p>35(2) A special resolution under this section shall specify the stated capital account or accounts from which the reduction of stated capital effected by the special resolution will be deducted.</p>	
<p>35(3) A corporation shall not reduce its stated capital under paragraph (1)(a) if there are reasonable grounds for believing that</p> <p>(a) the corporation is, or would after the reduction, be unable to pay its liabilities as they become due; or</p> <p>(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.</p>	<p>35(3) A corporation shall not reduce its stated capital under paragraph (1)(c) if there are reasonable grounds for believing that</p>
<p>35(4) A creditor of a corporation is entitled to apply to the Court for an order compelling a shareholder or other recipient</p> <p>(a) to pay to the corporation an amount equal to any liability of the shareholder that was extinguished or reduced contrary to this section, or</p> <p>(b) to pay or deliver to the corporation any money or property that was paid or distributed to the shareholder or other recipient as a consequence of a reduction of capital made contrary to this section.</p>	
<p>35(5) An action to enforce a liability imposed by this section may not be commenced after two years from the date of the action complained of.</p>	
<p>35(6) This section does not affect any liability that arises under section 76.</p>	<p>Repeal</p>
<p>36(1) Upon a purchase, redemption or other acquisition by a corporation under section 31, 32, 33, 44 or 131 or paragraph 166(3) (f), of shares or fractions thereof issued by it, the corporation shall</p> <p>(a) deduct from the stated capital account maintained for the class or series of shares without par value or nominal value purchased, redeemed or otherwise acquired an amount equal to the result obtained by multiplying the stated capital of the shares of that class or series by the number of shares of that class or series or fractions thereof purchased, redeemed or otherwise acquired, divided by the number of issued shares of that class or series immediately before the purchase, redemption or other acquisition, or</p> <p>(b) deduct from the stated capital account maintained for the class or series of shares with par or nominal value, purchased, redeemed or otherwise acquired an amount equal to the par or nominal value together with any such premium allocated to such account for shares with par value or nominal value.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>36(2) A corporation shall deduct the amount of a payment made by the corporation to a shareholder under paragraph 166(3)(g) from the stated capital account maintained for the class or series of shares in respect of which the payment was made.</p>	
<p>36(3) A corporation shall adjust its stated capital account or accounts in accordance with any special resolution referred to in subsection 35(2).</p>	
<p>36(4) Shares or fractions thereof issued by a corporation and purchased, redeemed or otherwise acquired by it may be cancelled or, if the articles limit the number of authorized shares, may be restored to the status of authorized but unissued shares.</p>	
<p>36(5) A corporation holding shares in itself as permitted by subsections 30(1) and (2) shall be deemed not to have purchased, redeemed or otherwise acquired such shares.</p>	
<p>37(1) The articles of a corporation shall not provide for the conversion of shares with par value into shares with par value if the aggregate par value of the shares being converted is not equal to the aggregate par value of the shares into which they are converted.</p>	
<p>37(2) Upon a conversion of shares or a change under section 113, 132 or 166 of issued shares of a corporation into shares of another class or series or kind,</p> <p>(a) the corporation shall</p> <p>(i) deduct from the stated capital account maintained for the class or series of shares without nominal or par value converted or changed an amount equal to the result obtained by multiplying the share capital of the shares of that class or series by the number of shares of that class or series changed, divided by the number of issued shares of that class or series immediately before the change, and</p> <p>(ii) add the result obtained under subparagraph (i) and any additional consideration received by the corporation pursuant to the change to the stated capital account maintained or to be maintained for the class or series of shares into which the shares have been changed; or</p> <p>(b) the corporation shall</p> <p>(i) deduct from the stated capital account maintained for the class or series of shares with nominal or par value converted or changed an amount equal to the result obtained by multiplying the number of the shares of that class or series converted or changed by the par value of that class or series, and</p> <p>(ii) add the result obtained under subparagraph (i), any premiums and any additional consideration received by the corporation pursuant to the change to the stated capital account maintained or to be maintained for the class or series of shares into which the shares have been changed</p>	
<p>37(3) For the purposes of subsection (2) and subject to its articles, if a corporation issues two classes of shares without par or nominal value and there is attached to each class a right to convert a share of the one class into a share of the other class and a share of one class is converted into a share of the other class, the amount of stated capital attributable to a share of either class is the aggregate of the share capital of both classes divided by the number of issued shares of both classes immediately before the conversion.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
37(4) Shares issued by a corporation and converted or changed under section 113, 132 or 166 into shares of another class or series shall become issued shares of the class or series of shares into which the shares have been changed.	37(4) Shares issued by a corporation and converted or changed under section 113, 132 or 166 into shares of another class or series shall become issued shares of the class or series of shares into which the shares have been converted or changed.
37(5) Where the articles limit the number of authorized shares of a class or series of shares of a corporation and issued shares of that class or series have become, pursuant to subsection (4), issued shares of another class or series, the number of unissued shares of the first mentioned class or series shall, unless the articles of amendment or reorganization otherwise provide, be increased by the number of shares that, pursuant to subsection (4), became shares of another class or series	
38(1) Repealed: 1989, c.6, s.3	
38(2) A condition contained in a debt obligation or in an instrument for securing a debt obligation is not invalid by reason only that the debt obligation is thereby made irredeemable or redeemable only on the happening of a contingency, however remote, or on the expiration of a period, however long.	
38(3) 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 in respect of which the debt obligations are issued, pledged, hypothecated or deposited is repaid.	
38(4) Debt obligations issued by a corporation and purchased, redeemed or otherwise acquired by it may be cancelled or, subject to any applicable trust indenture or other agreement, may be re-issued, pledged or hypothecated to secure any obligation of the corporation then existing or thereafter incurred, and any such acquisition and re-issue, pledge or hypothecation is not a cancellation of the debt obligations.	
39(1) A contract with a corporation providing for the purchase by it of shares of the corporation is specifically enforceable against the corporation except to the extent that the corporation cannot perform the contract without thereby being in breach of sections 31 or 32.	39(1) A contract with a corporation providing for the purchase by it of shares of the corporation is specifically enforceable against the corporation except to the extent that the corporation cannot perform the contract without thereby being in breach of sections 31, 32 or 33 .
39(2) In an action brought on a contract referred to in subsection (1), the corporation has the burden of proving that performance of the contract is prevented by sections 31 or 32.	39(2) In an action brought on a contract referred to in subsection (1), the corporation has the burden of proving that performance of the contract is prevented by sections 31, 32 or 33 .
39(3) Until the corporation has fully performed a contract referred to in subsection (1), the other party to that contract retains the status of a claimant and is entitled to be paid as soon as the corporation is lawfully able to do so or, in liquidation, to be ranked subordinate to the rights of creditors and to the rights of any class of shareholders whose rights were in priority to the rights given to the class of shares which he contracted to sell to the corporation, but in priority to the rights of the other shareholders.	39(3) Until the corporation has fully performed a contract referred to in subsection (1), the other party to that contract retains the status of a claimant and is entitled to be paid as soon as the corporation is lawfully able to do so or, in liquidation, to be ranked subordinate to the rights of creditors and to the rights of holders of any class of shares whose rights were in priority to the rights given to the holders of the class of shares being purchased , but in priority to the rights of the other shareholders.
40 The directors of a corporation may authorize the corporation to pay a reasonable commission to any person in consideration of his purchasing or agreeing to purchase shares of the corporation from the corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>41 A corporation may declare or pay a dividend unless there are reasonable grounds for believing that</p> <p>(a) the corporation is, or would after the payment, be unable to pay its liabilities as they become due; or</p> <p>(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.</p>	
<p>42(1) Subject to section 41, a corporation may pay a dividend in money or property or by issuing fully paid shares of the corporation.</p>	
<p>42(2) If shares of a corporation are issued in payment of a dividend, the declared amount of the dividend stated as an amount in money shall be added to the stated capital account maintained or to be maintained for the shares of the class or series issued in payment of the dividend.</p>	
<p>43(1) Except as permitted under subsection (3) or except where the articles provide, a corporation or any corporation with which it is affiliated shall not, directly or indirectly, give financial assistance by means of a loan, guarantee or otherwise</p> <p>(a) to any shareholder, director, officer or employee of the corporation or of an affiliated corporation, or</p> <p>(b) to any associate of a shareholder, director, officer or employee of the corporation or of an affiliated corporation,</p> <p>if there are reasonable grounds for believing that</p> <p>(c) the corporation is, or after giving the financial assistance would be, unable to pay its liabilities as they become due, or</p> <p>(d) the realizable value of the corporation's assets, excluding the amount of any financial assistance in the form of a loan or in the form of assets pledged or encumbered to secure a guarantee, after giving the financial assistance, would be less than the aggregate of the corporation's liabilities and stated capital of all classes.</p>	<p>43(1) In this section, "financial assistance" means financial assistance by means of a loan, guarantee, the provision of security or otherwise.</p>
<p>43(2) Except as permitted under subsection (3), a corporation or any of its affiliates shall not, directly or indirectly,</p> <p>(a) make a loan to any person that is secured by a share of the corporation, or</p> <p>(b) give financial assistance to any person, by means of a loan, guarantee or otherwise, for the purpose of or in connection with a purchase of a share issued or to be issued by the corporation.</p>	<p>43 (2) Subject to any other provisions of this Act, a corporation may give financial assistance to any person for any purpose.</p>
<p>43(3) A corporation may give financial assistance by means of a loan, guarantee or otherwise</p> <p>(a) to any person in the ordinary course of business if the lending of money is incidental to the ordinary business of the corporation,</p> <p>(b) to any person on account of expenditures incurred on behalf of the corporation,</p> <p>(c) to a holding body corporate if the corporation is a wholly-owned subsidiary of the holding body corporate,</p> <p>(d) to a subsidiary body corporate of the corporation, or</p> <p>(e) to or for the benefit of employees of the corporation or any of its affiliates</p> <p>(i) to enable or assist them to purchase or erect living accommodation for their own occupation, or</p> <p>(ii) in accordance with a plan for the purchase of shares of the corporation or any of its affiliates by a trustee.</p>	<p>Repeal</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
43(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.	Repeal
44(1) The shareholders of a corporation are not, as shareholders, liable for any liability, act or default of the corporation except under section 99.	
44(2) The articles or by-laws may provide that the corporation has a lien on a share registered in the name of a shareholder or his legal representative for a debt of that shareholder to the corporation, including an amount unpaid in respect of a share issued by a body corporate on the date it was continued under this Act.	44(2) The articles, by-laws or unanimous shareholder agreement may provide that the corporation has a lien on a share registered in the name of a shareholder or his personal representative for a debt of that shareholder to the corporation, including an amount unpaid in respect of a share issued by a body corporate on the date it was continued under this Act.
44(3) A corporation may enforce a lien referred to in subsection (2) in accordance with its by-laws.	44(3) A corporation may enforce a lien referred to in subsection (2) in accordance with its articles, by-laws or unanimous shareholders agreement .
Part VI Share Certificates, Transfers, Registers	
45 The shares of a corporation are personal property.	
45.1(1) Subject to this Act and any other Act, the <i>Securities Transfer Act</i> applies to the transfer and transmission of the shares of a corporation.	
45.1(2) The shares of a corporation are securities for the purposes of the <i>Securities Transfer Act</i> .	
46 Repealed: 2008, c.S-5.8, s.106	<p>Certificated or uncertificated securities</p> <p>46(1) A security issued by a corporation may be represented by a security certificate or may be an uncertificated security.</p> <p>Uncertificated securities</p> <p>46(2) Unless otherwise provided by the corporation's articles, the directors of a corporation may provide by resolution that any or all classes and series of its shares or other securities shall be uncertificated securities, provided that such resolution shall not apply to securities represented by a certificate until such certificate is surrendered to the corporation.</p> <p>Notice to holder of uncertificated security</p> <p>46(3) Within a reasonable time after the issuance or transfer of an uncertificated security, the corporation shall send to the registered owner of the uncertificated security a written notice containing the information required to be stated on a share certificate pursuant to subsections 47(4) and 47(10).</p> <p>Parity of rights</p> <p>46(4) Except as otherwise expressly provided or authorized by law, the rights and obligations of the registered owners of uncertificated securities and the rights and obligations of the holders of certificated securities of the same class and series shall be identical.</p> <p>Definition</p> <p>46(5) In this section, "certificated security" means a certificated security as defined in the <i>Securities Transfer Act</i>.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
47(1) Subject to section 51, every shareholder is entitled to a share certificate in respect of the shares held by him, signed by the proper director or officer in accordance with the corporation's by-laws in that regard.	Repeal
47(2) A corporation may charge a fee of not more than three dollars for a share certificate issued in respect of a transfer	47(2) A corporation may charge a reasonable administrative fee for a share certificate issued in respect of a transfer.
47(3) A corporation is not required to issue more than one share certificate in respect of shares held jointly by several persons, and delivery of a certificate to one of several joint holders is sufficient delivery to all.	47(3) A corporation required to issue a security certificate is not required to issue more than one security certificate in respect of securities held jointly by several persons, and delivery to one of several joint holders is sufficient delivery to all.
47(4) A share 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, and any additional signatures required on a share certificate may be printed or otherwise mechanically reproduced thereon.	47(4) A share certificate shall be signed by at least one of the following persons: (a) a director or officer of the corporation, or (b) a registrar, transfer agent or branch transfer agent of the corporation, or an individual on their behalf. 47(4.1) A signature required above may be printed or otherwise mechanically or electronically reproduced on the security certificate.
47(5) Notwithstanding subsection (4), a manual signature is not required on a certificate representing a fractional share, an option or a right to acquire a security or on a scrip certificate.	Repeal
47(6) If a share certificate contains a printed or mechanically reproduced signature of a person, the corporation may issue the share certificate, notwithstanding that the person has ceased to be a director or an officer of the corporation, and the share certificate is as valid as if he were a director or an officer at the date of its issue.	
47(7) There shall be stated upon the face of each share certificate issued by a corporation (a) the name of the corporation; (b) the words "Incorporated under the Laws of New Brunswick" or words of like effect; (c) the name of the person to whom it was issued; and (d) the number and class of shares, the designation of any series that the certificate represents and whether the shares are with par value or without par value and, if with par value, the par value thereof.	
47(8) Repealed: 2008, c.S-5.8, s.106	
47(9) If a body corporate continued under this Act has outstanding share certificates, and if the words "private company" appear on the certificates, those words, for the purposes of the <i>Securities Transfer Act</i> , shall be deemed to be a notice that the shares or a transfer of the shares may be subject to a restriction, to a lien in favour of the corporation, to a unanimous shareholder agreement or to an endorsement under subsection 131(10).	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>47(10) There shall be stated legibly on a share certificate issued by a corporation that is authorized to issue shares of more than one class or series</p> <p>(a) the rights, privileges, restrictions and conditions attached to the shares of each class and series; or</p> <p>(b) that the class or series of shares that it represents has rights, privileges, restrictions or conditions attached thereto and that the corporation will furnish to a shareholder, on demand and without charge, a full copy of the text of</p> <p>(i) the rights, privileges, restrictions and conditions attached to each class authorized to be issued and to each series in so far as the same have been fixed by the directors, and</p> <p>(ii) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series.</p>	
<p>47(11) Where a share certificate issued by a corporation contains the statement mentioned in paragraph (10)(b), the corporation shall furnish to a shareholder on demand and without charge a full copy of the text of</p> <p>(a) the rights, privileges, restrictions and conditions attached to each class authorized to be issued and to each series in so far as the same have been fixed by the directors; and</p> <p>(b) the authority of the directors to fix the rights, privileges, restrictions and conditions of subsequent series.</p>	
<p>47(12) A corporation may issue a certificate for a fractional share or may issue in place thereof a scrip certificate in bearer form that entitles the holder to receive a certificate for a full share by exchanging scrip certificates aggregating a full share.</p>	<p>47(12.1) A corporation may issue the fractional share described in subsection (12) as an uncertificated security registered or recorded in records maintained by or on behalf of the corporation.</p>
<p>47(13) The directors may attach conditions to any scrip certificates issued by a corporation, including conditions that</p> <p>(a) the scrip certificates become void if not exchanged for a share certificate representing a full share before a specified date; and</p> <p>(b) any shares for which such scrip certificates are exchangeable may, notwithstanding any preemptive right, be issued by the corporation to any person and the proceeds thereof distributed ratably to the holders of the scrip certificates.</p>	<p>47(13) The directors may attach conditions to any scrip certificates issued by the corporation or on behalf of the corporation, including conditions that,</p> <p>(a) the scrip certificates become void if not exchanged for a certificate, or an uncertificated security, representing a full share before a specified date; and</p>
<p>47(14) A holder of a fractional share issued by a corporation is not entitled to exercise voting rights or to receive a dividend in respect of the fractional share, unless</p> <p>(a) the fractional share results from a consolidation of shares; or</p> <p>(b) the articles of the corporation otherwise provide.</p>	
<p>47(15) A holder of a scrip certificate is not entitled to exercise voting rights or to receive a dividend in respect of the scrip certificates.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>48(1) Subject to section 51, a corporation shall maintain a share register in which it records the shares or fractions thereof issued by it showing with respect to each class or series of shares</p> <p>(a) the names, alphabetically arranged, and the latest known address of each person who is or has been a shareholder;</p> <p>(b) the number of shares held by each shareholder; and</p> <p>(c) the date and particulars of the issue and transfer of each share.</p>	<p>48(1) A corporation shall prepare and maintain at its registered office, or at any other place in New Brunswick designated by the directors, a securities register in which it records the securities issued by it in registered form, showing with respect to each class or series of securities,</p> <p>(a) the names, alphabetically arranged of persons who,</p> <p>(i) are or have been within six years registered as shareholders of the corporation, the address including the street and number, if any, of every such person while a holder, and the number and class of shares registered in the name of such holder, and</p> <p>(ii) are or have been within six years registered as holders of warrants of the corporation, other than warrants exercisable within one year from the date of issue, the address including the street and number, if any, of every such person while a registered holder, and the class or series and number of warrants registered in the name of such holder; and</p> <p>(b) the date and particulars of the issue of each security and warrant.</p> <p>48(1.1) A corporation shall cause to be kept a register of transfers in which all transfers of securities issued by the corporation in registered form and the date and other particulars of each transfer shall be set out.</p>
<p>48(2) A corporation may appoint an agent to maintain a central share register and branch share registers.</p>	<p>48(2) For each class of securities and warrants issued by it, a corporation may appoint,</p> <p>(a) a trustee, transfer agent or other agent to keep the securities register and the register of transfers and one or more persons or agents to keep branch registers; and</p> <p>(b) a registrar, trustee or agent to maintain a record of issued security certificates and warrants,</p> <p>and, one person may be appointed for the purposes of both clauses (a) and (b) in respect of all securities and warrants of the corporation or any class or classes thereof.</p>
<p>48(3) A central share register shall be maintained by a corporation at its registered office or at any other place within New Brunswick designated by the directors, and any branch share registers may be kept at any place in or out of New Brunswick designated by the directors.</p>	<p>48(3) Subject to section 18(1.1), the securities register and the register of transfers shall be kept at the registered office of a corporation or at such other places in New Brunswick designated by the directors, and the branch register or registers of transfers may be kept at such offices of the corporation or other places, either within or outside New Brunswick, designated by the directors.</p> <p>Note: 18(1.1) states:</p> <p>18(1.1) Notwithstanding s. 18(1)(d), where the shares of any class or series of shares are listed on a stock exchange and the articles of the corporation permit, a corporation may prepare and maintain its securities register at any other place in Canada.</p>
<p>48(4) A branch share register shall only contain particulars of shares issued or transferred at that branch.</p>	<p>48(4) In each branch register, there shall be recorded only the particulars of the issuance or transfers of securities or warrants registered in that branch register of transfers.</p>
<p>48(5) Particulars of each issue or transfer of a share registered in a branch share register shall also be kept in the corresponding central share register.</p>	<p>48(5) Particulars of each issue or transfer of securities and warrants registered in every branch register of transfers shall be recorded in the register of transfers.</p>
	<p>48(5.1) Registration of the issuance or transfer of a security or warrant of a corporation in the register of transfers or a branch register of transfers is a complete and valid registration for all purposes.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>48(6) A corporation or its agent is not required to produce</p> <p>(a) a cancelled share certificate after the date of its cancellation; or</p> <p>(b) an instrument referred to in subsection 28(1) or a like instrument after the date of its expiry.</p>	<p>48(6) A corporation or a person appointed under subsection 48(2) is not required to produce,</p> <p>(a) any security certificate or warrant that is not in registered form; or</p> <p>(b) any security certificate or warrant that is in registered form after six years,</p> <p>(i) in the case of a share certificate, from the date of its cancellation,</p> <p>(ii) in the case of a warrant, from the date of its transfer or exercise, whichever occurs first, and</p> <p>(iii) in the case of a certificate representing a debt obligation, from the date of cancellation of such certificate.</p>
<p>49(1) A corporation may, subject to sections 86, 87 and 90, treat the registered holder of a share as the person exclusively entitled to vote, to receive notices, to receive any interest, dividend or other payments in respect of the shares, and otherwise to exercise all the rights and powers of an owner of the share.</p>	<p>49(1) A corporation may, subject to sections 86, 87 and 90, treat the registered holder of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividend or other payments in respect of the security, and otherwise to exercise all the rights and powers of an owner of the security.</p>
<p>49(2) Notwithstanding subsection (1), a corporation whose articles restrict the right to transfer its shares shall, and any other corporation may, treat a person as a registered shareholder entitled to exercise all the rights of the shareholder he represents, if that person furnishes evidence as defined in subsection (3) to the corporation that he is</p> <p>(a) the executor, administrator, heir or legal representative of the heirs, of the estate of a deceased shareholder;</p> <p>(b) a guardian, committee, trustee or curator representing a registered shareholder who is a minor, an incompetent person or a missing person; or</p> <p>(c) a liquidator of, or a trustee in bankruptcy for, a registered shareholder.</p>	<p>(2) Notwithstanding subsection (1), a corporation whose articles or unanimous shareholder agreement restrict the right to transfer its securities shall, and any other corporation may, treat a person referred to in clause (a), (b) or (c) as a registered security holder entitled to exercise all the rights of the security holder he represents, if that person furnishes evidence as defined in subsection (3) to the corporation that he is</p> <p>(a) the executor, administrator, estate trustee, heir or legal representative of the heirs, of the estate of a deceased security holder;</p> <p>(b) a guardian, attorney under a continuing power of attorney with authority, guardian of property, committee, trustee, curator or representing a registered security holder who is a minor, a person who is incapable of managing his or her property or a missing person; or</p> <p>(c) a liquidator of, or a trustee in bankruptcy for, a registered security holder.</p>
<p>49(3) "Evidence" as described in subsection (2) means appropriate evidence of appointment or incumbency as defined in subsection 87(1) of the <i>Securities Transfer Act</i>.</p>	
<p>49(4) A transfer of shares made by sale under execution or under an order or judgment of a court of competent jurisdiction, upon furnishing the corporation with evidence of such sale or the order or judgment, shall be registered in the share register of the corporation.</p>	<p>49(4) A transfer of securities made by sale under execution or under an order or judgment of a court of competent jurisdiction, upon furnishing the corporation with evidence of such sale or the order or judgment, shall be registered in the securities register of the corporation</p> <p>49(4.1) If a person upon whom the ownership of a security devolves by operation of law, other than a person referred to in subsection (2), furnishes proof of the person's authority to exercise rights or privileges in respect of a security of the corporation that is not registered in the person's name, the corporation shall treat the person as entitled to exercise those rights or privileges.</p>
<p>49(5) 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 its shares or by anyone whom it treats, as permitted or required by this section, as registered holder thereof.</p>	<p>49(5) 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 its securities or by anyone whom it treats, as permitted or required by this section, as the owner or registered holder thereof.</p>
<p>49(6) A corporation may treat as holder of a share the survivors of persons to whom the share was issued as joint holders, if it receives proof satisfactory to it of the death of any such joint holder.</p>	<p>49(6) Where a security is issued to several persons as joint holders, upon satisfactory proof of the death of one joint holder, the corporation may treat the surviving joint holders as owner of the security.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>49(7) Subject to any applicable law relating to the collection of taxes, a person referred to in paragraph (2)(a) is entitled to become a registered holder or to designate a registered holder, if he deposits with the corporation or its transfer agent</p> <p>(a) the original grant of probate or of letters of administration, or a copy thereof certified to be a true copy by</p> <p>(i) the court that granted the probate or letters of administration,</p> <p>(ii) a trust company incorporated under the laws of Canada or a province, or</p> <p>(iii) a lawyer or notary acting on behalf of the person referred to in paragraph (2)(a), or</p> <p>(b) in the case of transmission by notarial will in the Province of Quebec, a copy thereof authenticated pursuant to the laws of that Province,</p> <p>together with</p> <p>(c) an affidavit or declaration of transmission made by a person referred to in paragraph (2)(a), stating the particulars of the transmission, and</p> <p>(d) the share certificate that was owned by the deceased holder,</p> <p>(i) in case of a transfer to a person referred to in paragraph (2)(a), with or without the endorsement of that person, and</p> <p>(ii) in case of a transfer to any other person, endorsed, and accompanied by any assurance the corporation may require.</p>	<p>49(7) Subject to any applicable law of Canada or a province of Canada relating to the collection of taxes, a person referred to 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,</p> <p>(a) the original grant of probate or of letters of administration, or a copy thereof certified to be a true copy by,</p> <p>(i) the court that granted the probate or letters of administration,</p> <p>(ii) a trust corporation incorporated under the laws of Canada or a province, or</p> <p>(iii) a lawyer or notary acting on behalf of the person; or</p> <p>(b) in the case of transmission by notarial will in the Province of Quebec, a copy thereof authenticated under the laws of that Province,</p> <p>together with,</p> <p>(c) an affidavit or declaration of transmission made by the person stating the particulars of the transmission;</p> <p>(d) the security certificate that was owned by the deceased holder,</p> <p>(i) in case of a transfer to the person, with or without the endorsement of that person, and</p> <p>(ii) in case of a transfer to any other person, endorsed in accordance with section 29 of the Securities Transfer Act and</p> <p>(e) any assurance the issuer may require under section 87 of the Securities Transfer Act.</p>
<p>49(8) Notwithstanding subsection (7), if the laws of the jurisdiction governing the transmission of a share of a deceased holder do not require a grant of probate or of letters of administration in respect of 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 he deposits with the corporation or its transfer agent</p> <p>(a) the share certificate that was owned by the deceased holder; and</p> <p>(b) reasonable proof of the governing laws of the deceased holder's interest in the share and of the right of the legal representative or the person he designates to become the registered holder.</p>	<p>49(8) Despite 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 in respect of the transmission, a legal representative of the deceased holder is entitled, subject to any applicable law of Canada or a province of Canada 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,</p> <p>(a) any security certificate that was owned by the deceased holder; and</p> <p>(b) reasonable proof of the governing laws, the deceased holder's interest in the security and the right of the legal representative or the person the legal representative designates to become the registered holder.</p>
<p>49(9) Deposit of the documents required by subsection (7) or (8) empowers a corporation or its transfer agent to record in a register of transfer the transmission of a share from the deceased holder to a person referred to in paragraph (2)(a) or to such person as the person referred to in that paragraph may designate.</p>	<p>(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 referred to in clause (2) (a) or to such person as that person may designate and, thereafter, to treat the person who thus becomes a registered holder as the owner of those securities.</p>
<p>49(10) Subsections (7), (8) and (9) do not limit any right of a person to transfer shares or obtain registration of transfer in accordance with the <i>Securities Transfer Act</i>.</p>	
<p>50(1) A corporation shall not impose restrictions on the transfer of shares except such restrictions as are authorized by the articles.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>50(2) A corporation that has imposed restrictions on the transfer of its shares shall not offer its shares to the public unless the restrictions are necessary</p> <p>(a) by or under any Act of Canada or New Brunswick as a condition of the obtaining, holding or renewal of authority to engage in any activity necessary to its undertaking; or</p> <p>(b) for the purpose of achieving or preserving its status as a Canadian corporation for the purpose of any Act of Canada or New Brunswick.</p>	<p>50(2) A corporation that has imposed restrictions on the transfer or ownership of a class or series of its shares shall not offer any of its shares of that class or series, or any shares convertible into shares of that class or series, to the public unless the restrictions are necessary,</p>
<p>50(3) A corporation that violates or fails to comply with subsection (2) commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category E offence.</p> <p>2008, c.11, s.4</p>	
<p>51(1) A corporation, if so authorized by its articles may, with respect to any shares, issue a warrant stating that the bearer of the warrant is entitled to the share or shares therein specified, and may provide by coupons or otherwise, for the payment of the future dividends on the share or shares included in the warrant, hereafter termed a share warrant.</p>	
	<p>51(1.1) No corporation shall issue a share warrant in bearer form after the date this subsection comes into force.</p> <p>51(1.2) Notwithstanding subsection 51(1.1), the provisions of this section apply to any share warrants in bearer form that exist as of the date this subsection comes into force.</p>
<p>51(2) A share warrant entitles the bearer thereof to the shares therein specified, and the shares may be transferred in accordance with the provisions of the <i>Securities Transfer Act</i> relating to a security certificate in bearer form.</p>	
<p>51(3) The bearer of a share warrant is entitled, subject to the provisions and regulations respecting share warrants contained in the articles, on surrendering it for cancellation, to have his name entered on the share register of the corporation as the holder of the shares specified in the share warrant, and the corporation is responsible for any loss incurred by any person by reason of the corporation entering on the share register of the corporation the name of the bearer of a share warrant, in respect of the shares therein specified, without the warrant being surrendered and cancelled.</p>	
<p>51(4) The bearer of a share warrant may, if the provisions and regulations respecting share warrants contained in the articles so provide, be deemed to be a shareholder of the corporation, either to the full extent or for any purposes defined by such regulations.</p>	
<p>51(5) On the issue of a share warrant the corporation shall remove from its share register the name of the shareholder then entered therein as holding such share or shares as if he had ceased to be a shareholder, and shall enter in the share register the following particulars:</p> <p>(a) the fact of the issue of the warrant,</p> <p>(b) a statement of the shares included in the warrant, and</p> <p>(c) the date of the issue of the warrant.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
51(6) Until the warrant is surrendered, the above particulars shall be deemed to be the particulars required by this Act to be entered in the share register of the corporation in respect of such share or shares, and, on the surrender, the date of the surrender shall be entered as if it were the date at which a person ceased to be a shareholder.	
51(7) Notwithstanding subsection 47(1), the bearer of a share warrant is not entitled to a share certificate in respect of the share held by him until the warrant is surrendered.	
51(8) Unless the bearer of a share warrant is entitled to attend and vote at general meetings, the shares represented by such share warrant shall not be counted as part of the capital of the corporation for the purpose of a general meeting of shareholders.	
Part VII Receivers and Receiver-Managers	
52 A receiver of any property of a corporation may, subject to the rights of secured creditors, receive the income from the property and pay the liabilities connected with the property and realize the security interest of those on behalf of whom he is appointed, but, except to the extent permitted by the Court, he may not carry on the business of the corporation.	
53 A receiver of a corporation may, if he is also appointed receiver-manager of the corporation, carry on any business of the corporation to protect the security interest of those on behalf of whom he is appointed.	
54 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.	54 If a receiver-manager is appointed by the Court or under an instrument or Act , 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.
55 A receiver or receiver-manager appointed by the Court shall act in accordance with the directions of the Court.	
56 A receiver or receiver-manager appointed under an instrument shall act in accordance with that instrument and any direction of the Court made under section 58.	56 A receiver or receiver-manager appointed under an instrument or Act shall act in accordance with that instrument or Act and any direction of the Court made under section 58.
57 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 his possession or control in a commercially reasonable manner	57 A receiver or receiver-manager of a corporation appointed under an instrument or Act shall

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>58 Upon an application by a receiver or receiver-manager, whether appointed by the Court or under an instrument, or upon an application by any interested person, the Court may make any order it thinks fit including, without limiting the generality of the foregoing,</p> <p>(a) an order appointing, replacing or discharging a receiver or receiver-manager and approving his accounts;</p> <p>(b) an order determining the notice to be given to any person, or dispensing with notice to any person;</p> <p>(c) an order fixing the remuneration of the receiver or receiver-manager;</p> <p>(d) an order requiring the receiver or receiver-manager, or a person by or on behalf of whom he is appointed, to make good any default in connection with the receiver's or receiver-manager's custody or management of the property and business of the corporation, or to relieve any such person from any default on such terms as the Court thinks fit, and to confirm any act of the receiver or receiver-manager;</p> <p>(e) an order granting additional powers or restricting the exercise of any powers granted by the instrument appointing the receiver or receiver-manager or by previous order; and</p> <p>(f) an order giving directions on any matter relating to the duties of the receiver or receiver-manager.</p>	<p>58 Upon an application by a receiver or receiver-manager, whether appointed by the Court or under an instrument or act, or upon an application by any interested person, the Court may make any order it thinks fit including, without limiting the generality of the foregoing,</p> <p>(d) an order 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 business of the corporation, or to relieve any such person from any default on such terms as the Court thinks fit, and to confirm any act of the receiver or receiver-manager;</p>
<p>59 A receiver or receiver-manager shall</p> <p>(a) immediately notify the Director of his appointment or discharge who shall forthwith cause to be published in The Royal Gazette notice of such appointment or discharge;</p> <p>(b) forthwith after his appointment and from time to time thereafter file with the Director a notice designating an office in New Brunswick where accounts of his administration shall be maintained;</p> <p>(c) take into his custody and control the property of the corporation in accordance with the Court order or instrument under which he is appointed;</p> <p>(d) open and maintain a bank account in his name as receiver or receiver-manager of the corporation for the money of the corporation coming under his control;</p> <p>(e) keep detailed accounts of all transactions carried out by him as receiver or receiver-manager;</p> <p>(f) keep accounts of his administration that shall be available at the office designated in paragraph (b) during usual business hours for inspection by the directors, and the directors shall have the right to make extracts therefrom;</p> <p>(g) prepare at least once in every six-month period, after the date of his appointment, a financial account of his administration and, subject to any order of the Court, file a copy of it with the Director within sixty days after the end of each six month period; and</p> <p>(h) upon completion of his duties,</p> <p>(i) render a final account of his administration,</p> <p>(ii) send a copy of the final report to the Director who shall file it, and</p> <p>(iii) send a copy of the final report to each director of the corporation.</p>	<p>(c) take into his custody and control the property of the corporation in accordance with the Court order or instrument or act under which he is appointed;</p> <p>(f) keep accounts of his administration that shall be available at the office designated in paragraph (b) during usual business hours for inspection by the directors, shareholders and creditors who shall have the right to make extracts therefrom;</p> <p>(g) prepare at least once in every six-month period, after the date of his appointment, a financial account of his administration as far as is practical;</p> <p>(h) upon completion of his duties,</p> <p>(i) render a final account of his administration,</p> <p>(ii) send a copy of the final report to each director of the corporation, and</p> <p>(iii) retain a copy of the final report for a six year period or such other shorter period as may be ordered by a court and provide access in accordance with (f) above.</p>
	<p>59.1 Upon request of the Director, a receiver or receiver-manager shall provide forthwith a copy of a financial account or financial report referred in section 59.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
Part VIII Directors and Officers	
<p>60(1) Subject to the articles, the by-laws and a unanimous shareholder agreement, the business and affairs of a corporation shall be managed by one or more directors.</p> <p>60(2) Subject to the articles, the number of directors shall be as from time to time specified by the by-laws.</p> <p>60(3) Notwithstanding subsection (2), a corporation which has its shares listed on a prescribed stock exchange shall not have less than three directors.</p>	<p>60(1) Subject to the articles, the by-laws and a unanimous shareholder agreement, the directors shall manage, or supervise the management of, the business and affairs of a corporation.</p> <p>60(1.1) A corporation shall have one or more directors.</p> <p>60(3) Notwithstanding subsection (2), a corporation that is a reporting issuer as defined under the <i>Securities Act</i> shall not have less than three directors.</p>
<p>61(1) Unless the articles, the by-laws or a unanimous shareholder agreement otherwise provide, the directors may by resolution make, amend or repeal any by-laws that regulate the business or affairs of the corporation.</p> <p>61(2) The directors shall submit a by-law, or an amendment or a repeal of a by-law, made under subsection (1) to the shareholders at the next meeting of shareholders, and the shareholders may, by ordinary resolution, confirm or reject the by-law, amendment or repeal.</p> <p>61(3) Where a by-law is made, amended or repealed under subsection (1), the by-law, amendment or repeal is effective from the date of the resolution of the directors until it is confirmed or rejected by the shareholders under subsection (2) or until it ceases to be effective under subsection (4), and where the by-law is confirmed it continues in effect in the form in which it was so confirmed.</p> <p>61(4) If a by-law, amendment or repeal is rejected by the shareholders, or if the directors do not submit a by-law, amendment or a repeal to the shareholders as required under subsection (2), the by-law, amendment or repeal ceases to be effective and no subsequent resolution of the directors, within two years after the date on which the by-law, amendment or repeal ceases to be effective, to enact, amend or repeal a by-law having substantially the same purpose or effect is effective until it is confirmed by the shareholders.</p>	
<p>61(5) A shareholder entitled to vote at an annual meeting of the shareholders may, in accordance with section 89, make a proposal to make, amend or repeal a by-law.</p>	<p>61(5) A shareholder entitled to vote at an annual meeting of the shareholders may, in accordance with section 89, make a proposal to make, amend or repeal a by-law and if adopted by the shareholders at the meeting, the by-law, amendment or repeal is effective from the date of its adoption and requires no further confirmation by the shareholders.</p>
<p>61(6) Unless the articles, the by-laws or a unanimous shareholder agreement otherwise provide, the articles of a corporation shall be deemed to state that the directors of a corporation may, without authorization of the shareholders,</p> <ul style="list-style-type: none"> (a) borrow money upon the credit of the corporation; (b) issue, reissue, sell or pledge debt obligations of the corporation; (c) 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. <p>61(7) Notwithstanding subsection 73(2) and paragraph 78(a), unless the articles, by-laws or a unanimous shareholder agreement otherwise provide, the directors may by resolution delegate any or all of the powers referred to in subsection (6) to a director, a committee of directors or an officer.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>62(1) After issue of the certificate of incorporation, a meeting of the first directors of the corporation shall be held at which the first directors may</p> <ul style="list-style-type: none"> (a) make by-laws; (b) adopt forms of share certificates; (c) authorize the issue of securities; (d) elect or appoint officers; (e) appoint any auditor to hold office until the first annual meeting of shareholders; (f) make banking arrangements; and (g) transact any other business. 	<p>(b) adopt forms of security certificates;</p>
<p>62(2) Subsection (1) does not apply to a body corporate to which a certificate of amalgamation has been issued under subsection 124(4) or to which a certificate of continuance has been issued under subsection 126(4).</p>	
<p>62(3) An incorporator or a first director may call the meeting of first directors referred to in subsection (1) by giving not less than five days notice thereof by mail to each director, stating the time and place of the meeting.</p>	<p>62(3.1) Where all the directors have died prior to the first meeting of directors being held, the incorporator may file a Notice of Change of Directors and set out the names and address 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) above.</p>
<p>62(4) A first director may waive notice of a meeting of first directors.</p> <p>62(5) If there are more than two first directors, a majority of the directors shall constitute a quorum and an act of the majority of the quorum shall be deemed to be an act of the first directors.</p> <p>62(6) A resolution in writing signed by each first director entitled to receive notice of a meeting of first directors shall be as valid as if it has been passed at a meeting of the first directors duly convened and held.</p>	
<p>63(1) The following persons are disqualified from being a director of a corporation:</p> <ul style="list-style-type: none"> (a) anyone who is less than nineteen years of age; (b) anyone who is of unsound mind and has been so found by a court in Canada or elsewhere; (c) a person who is not an individual; (d) a person who has the status of bankrupt; or (e) a person convicted of an offence under the Criminal Code, chapter C-34 of the Revised Statutes of Canada, 1970, or the criminal law of any jurisdiction outside of Canada (i) in connection with the promotion, formation or management of a corporation, or (ii) involving fraud, <p>unless three years have elapsed since the expiration of the period fixed for suspension of the passing of sentence without sentencing or since a fine was imposed, or unless the term of imprisonment and probation imposed if any, was concluded, whichever is the latest, but the disability imposed by this paragraph ceases upon a pardon being granted.</p>	<ul style="list-style-type: none"> (b) anyone who is of unsound mind and has been found by a court or tribunal in Canada or elsewhere, including but not necessarily limited to a declaration or order under the <i>Family Services Act</i>, <i>Infirm Persons Act</i> or the <i>Mental Health Act</i>. (c) a person who is not an individual, unless it is a body corporate that meets the requirements of section 63(1.1);

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>63(1.1) A body corporate that holds voting shares of a corporation may serve as a director of the corporation if the body corporate is a corporation or an extra-territorial corporation that is registered or exempted from registration under Part XVII.</p> <p>63 (1.2) The directors of a body corporate that is a director of a corporation are jointly and severally liable with the body corporate for all the obligations and liabilities of the body corporate arising from its position as a director of the corporation.</p>
63(2) Unless the articles otherwise provide, a director of a corporation is not required to hold shares issued by the corporation.	
<p>63(3) A person who is elected or appointed a director is not a director unless</p> <p>(a) he was present at the meeting when he was elected or appointed and did not refuse to act as a director, or</p> <p>(b) if he was not present at the meeting when he was elected or appointed,</p> <p>(i) he consented to act as a director in writing before his election or appointment or within ten days thereafter, or</p> <p>(ii) he has acted as a director pursuant to the election or appointment.</p>	
64(1) At the time of sending articles of incorporation, the incorporators shall send to the Director a notice of directors in the form provided by the Director and the Director shall file the notice	
64(2) Each director named in the notice referred to in subsection (1) holds office from the issue of the certificate of incorporation until the first meeting of shareholders.	
64(3) Notwithstanding subsection (2), if directors are not elected at a meeting of shareholders the incumbent directors continue in office until their successors are elected.	64(3) Notwithstanding subsection (2), if directors are not elected at the first meeting of shareholders the incumbent directors continue in office until their successors are elected.
	<p>64(4) Except where section 65 applies to have cumulative voting by shareholders for the election of directors,</p> <p>(a) directors elected at a meeting of shareholders may, but need not, hold office for the same term but any term shall expire no later than the close of the third annual meeting of shareholders following the election of the director; and</p> <p>(b) A director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of shareholders following the director's election.</p>
64(4) If a meeting of shareholders fails to elect the number of directors required by the articles or under section 60 by reason of the disqualification, incapacity or death of any candidates, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.	64(4) If a meeting of shareholders fails to elect the number of directors required by the articles or under section 60 by reason of a disqualification under s.63(1), a lack of consent under s. 63(3) or a death of any candidates, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>65(1) Each shareholder 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 shares held by him multiplied by the number of directors to be elected, and he may cast all such votes in favour of one candidate or distribute them among the candidates in any manner.</p> <p>65(2) A separate vote of shareholders shall be taken with respect to each candidate nominated for director unless a resolution is passed unanimously permitting two or more persons to be elected by a single resolution.</p> <p>65(3) If a shareholder has voted for more than one candidate without specifying the distribution of his votes among the candidates, he shall be deemed to have distributed his votes equally among the candidates for whom he voted.</p> <p>65(4) If the number of candidates nominated for director exceeds the number of positions to be filled, the candidates who receive the least number of votes shall be eliminated until the number of candidates remaining equals the number of positions to be filled.</p>	
<p>65(5) Each director ceases to hold office at the close of the first annual meeting of shareholders following his election.</p>	
<p>65(6) A director may not be removed from office if the votes cast against his removal would be sufficient to elect him and such votes could be voted pursuant to subsection (1) at an election at which the same total number of votes were cast and the number of directors required by the articles or under section 60 were then being elected.</p>	
	<p>65(7) This section does not apply as of the date this subsection comes into force</p> <p>(a) to new incorporations under the Act, unless the articles of the corporation otherwise provide;</p> <p>(b) to new continuances into the Act under s. 126 unless the articles of continuance otherwise provide; and</p> <p>(c) to any new body corporate incorporated or created under an Act of the Legislature unless such Act otherwise provides.</p> <p>65(8) Where section 65(1) to (6) applies to a corporation on the coming into force of this subsection, a corporation may by resolution of its voting shareholders remove the applicability of subsections 65(1) to (6) unless the articles of the corporation expressly provide otherwise.</p> <p>65(9) No resolution under s. 65(8) is effective in removing the applicability of section 65(1) to (6) if the votes cast against the resolution would have been sufficient in number to have elected a director in accordance with subsections 65(1) to (4).</p> <p>65(10) Subject to s. 65(9), the applicability of subsections 65(1) to (6) is removed as of the date the resolution was adopted or such later date as specified in the said resolution.</p>
<p>66(1) A director of a corporation ceases to hold office when</p> <p>(a) he dies or resigns;</p> <p>(b) he is removed in accordance with section 67; or</p> <p>(c) he becomes disqualified under subsection 63(1).</p> <p>66(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.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>67(1) Subject to subsection 65(6), the shareholders of a corporation may by ordinary resolution at a special meeting remove any director or directors from office.</p> <p>67(2) Where the holders of any class or series of shares of a corporation have 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 shareholders of that class or series.</p> <p>67(3) Subject to subsections 65(1) to (4), a vacancy created by the removal of a director may be filled at the meeting of the shareholders at which the director is removed or, if not so filled, may be filled under section 69.</p>	
	<p>Resignation (or removal)</p> <p>67(4) If all of the directors have resigned or have been removed without replacement, a person who manages or supervises the management of the business and affairs of the corporation is deemed to be a director for the purposes of this Act.</p> <p>Exception</p> <p>67(5) Subsection (4) does not apply to</p> <p>(a) an officer who manages the business or affairs of the corporation under the direction or control of a shareholder or other person;</p> <p>(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</p> <p>(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.</p>
<p>68 A director of a corporation is entitled to receive notice of and to attend and be heard at every meeting of shareholders</p>	
<p>69(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 of directors or from a failure to elect the number of directors required by the articles or under section 60.</p> <p>69(2) If there is not a quorum of directors, or if there has been a failure to elect the number of directors required by the articles or under section 60, the directors then in office shall forthwith call a special meeting of shareholders 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 shareholder.</p>	
<p>69(3) Where the holders of any class or series of shares of a corporation have an exclusive right to elect one or more directors and a vacancy occurs among those directors,</p> <p>(a) subject to subsection (4), the remaining directors elected by that class or series may fill the vacancy except a vacancy resulting from an increase in the number of directors for that class or series or from a failure to elect the number of directors for that class or series; or</p> <p>(b) if there are no such remaining directors any holder of shares of that class or series may call a meeting of the holders thereof for the purpose of filling the vacancy.</p>	<p>(a) subject to subsection (4), the remaining directors elected by that class or series may fill the vacancy except a vacancy resulting from an increase in the number or the minimum or maximum number of directors for that class or series or from a failure to elect the number of directors for that class or series; or</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>69(4) The articles or a unanimous shareholder agreement may provide that a vacancy among the directors shall only be filled by a vote of the shareholders, or by a vote of the holders of any class or series of shares having an exclusive right to elect one or more directors if the vacancy occurs among the directors elected by that class or series.</p> <p>69(5) A director appointed or elected to fill a vacancy holds office for the unexpired term of his predecessor.</p>	
<p>70(1) The shareholders of a corporation may amend the articles or by-laws to increase or, subject to subsection (2), to decrease the number of directors, or the minimum or maximum number of directors, but no decrease shall shorten the term of an incumbent director.</p>	
<p>70(2) The number of directors required by the articles or under section 60 may not be decreased if the votes cast against the motion to decrease would be sufficient to elect a director and such votes could be voted in accordance with subsection 65(1) at an election at which the same total number of votes were cast and the number of directors required by the articles or under section 60 were then being elected.</p>	
<p>71(1) Within fifteen days after a change is made among its directors, a corporation shall send to the Director a notice in the form provided by the Director setting out the change and the Director shall file the notice.</p>	
<p>71(2) Any interested person, or the Director, 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 thinks fit.</p>	
	<p>71.1(1) Where the notice most recently filed under either subsections 64(1) or 71(1) is no longer current as to the address of a director as set out on the form, the corporation may, and where the Director requests, the corporation shall within 60 days of the request, send a notice to the Director and the Director shall file it.</p> <p>71.1(2) The notice shall be on the form used for subsection 71(1) and shall set out all current directors and their current addresses.</p>
<p>72(1) Subject to subsection (2), the meetings of the board of directors shall be held at the place where the registered office of the corporation is located and upon such notice as is required by the by-laws or by subsection (4).</p>	<p>72(1) Unless the articles or by-laws otherwise provide, the board of directors may meet at any place, within or outside New Brunswick, and on such notice as the by-laws require.</p>
<p>72(2) Where the by-laws of the corporation so provide, the meetings of the board of directors may be held at any place within or outside New Brunswick.</p>	<p>Repeal</p>
	<p>72(2.2) If permitted by the bylaws, a director may by proxy appoint another director to act at a meeting of directors or a meeting of a committee in the manner and to the extent authorized by the proxy and the director giving such a proxy is deemed to be present at the meeting if the proxy holder is present.</p>
<p>72(3) Subject to the articles or by-laws, a majority of the number of directors required by the articles or under section 60 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.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
72(4) Unless otherwise provided in the by-laws, notice of the time and place of a meeting of directors shall be sent not less than seven days before the meeting.	72(4) Unless otherwise provided in the articles or by-laws, notice of the time and place of a meeting of directors shall be sent not less than seven days before the meeting.
72(5) A director may in any manner 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 where 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.	
72(6) 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. 72(7) Where a corporation has only one director, that director may constitute a meeting.	
72(8) A director may participate in a meeting of directors or of a committee of directors by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other if (a) the by-laws so provide, or (b) subject to the by-laws, all the directors of the corporation consent, and a director participating in a meeting by those means shall be deemed for the purposes of this Act to be present at that meeting.	72(8) Unless the articles or by-laws otherwise provide, a director may participate in a meeting of directors or of a committee of directors by means of telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other during the meeting, if the corporation makes available such a communication facility and a director participating in a meeting by those means shall be deemed for the purposes of this Act to be present at that meeting and the corporation shall determine the manner of voting at such meeting.
73(1) Directors of a corporation may appoint from their number a managing director or one or more committees of directors and delegate to such managing director or committees any of the powers of the directors.	
73(2) Notwithstanding subsection (1), no managing director and no committee of directors has authority to (a) submit to the shareholders any question or matter requiring the approval of the shareholders; (b) fill a vacancy among the directors, or if an auditor has been appointed, in the office of auditor; (c) issue securities except in the manner and on the terms authorized by the directors; (d) declare dividends; (e) purchase, redeem or otherwise acquire shares issued by the corporation; (f) pay a commission concerning the issue of its shares; (g) approve any financial statements of the corporation referred to in section 100; or (h) adopt, amend or repeal by-laws.	(b) fill a vacancy among the directors or appoint additional directors , or if an auditor has been appointed, in the office of auditor; (f) pay a commission referred to in section 40 except as authorized by the directors ;
73(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.	
74 An act of a director or officer is valid notwithstanding an irregularity in his election or appointment or a defect in his qualification.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
75(1) Subject to the articles, a resolution in writing signed by all directors or signed counterparts of such resolution by all the directors entitled to vote on that resolution at a meeting of directors or a committee of directors, is as valid as if it has been passed at a meeting of directors or committee of directors duly called, constituted and held.	
	75(1.1) For purposes of s. 75(1), signed shall include an electronic signature as defined in the <i>Electronic Transactions Act</i> .
75(2) Every resolution or counterpart thereof referred to in subsection (1) shall be kept with the minutes of the proceedings of the directors or committee of directors.	
76(1) Subject to subsection (6), directors of a corporation who vote for or consent to a resolution authorizing the issue of a share under section 23 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 share had been issued for money on the date of the resolution.	
76(2) Directors of a corporation who vote for or consent to a resolution authorizing (a) a purchase, redemption or other acquisition of shares contrary to section 31, 32 or 33, (b) a commission contrary to section 40, (c) a payment of a dividend contrary to section 41, (d) financial assistance contrary to section 43, (e) a payment of an indemnity contrary to section 81, or (f) a payment to a shareholder contrary to section 131 or 166, are jointly and severally liable to restore to the corporation any amounts so distributed or paid and not otherwise recovered by the corporation.	(d) Repeal
76(3) A director who has satisfied a judgment rendered under this section is entitled to contribution from the other directors who voted for or consented to the unlawful act upon which the judgment was founded.	
76(4) A director liable under subsection (2) is entitled to apply to the Court for an order compelling a shareholder or other recipient to pay or deliver to the director any money or property that was paid or distributed to the shareholder or other recipient contrary to section 31, 32, 33, 40, 41, 43, 81, 131 or 166.	76(4) A director liable under subsection (2) is entitled to apply to the Court for an order compelling a shareholder or other recipient to pay or deliver to the director any money or property that was paid or distributed to the shareholder or other recipient contrary to section 31, 32, 33, 40, 41, 81, 131 or 166. Note: Took out reference to section 43.
76(5) In connection with an application under subsection (4), the Court may, if it is satisfied that it is equitable to do so, (a) order a shareholder or other recipient to pay or deliver to the Director any money or property that was paid or distributed to the shareholder or other recipient; (b) order a corporation to return or issue shares to a person from whom the corporation has purchased, redeemed or otherwise acquired shares; or (c) make any further order it thinks fit.	(a) order a shareholder or other recipient to pay or deliver to the director any money or property that was paid or distributed to the shareholder or other recipient;

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>76(6) A director is not liable under subsection (1) if he proves that he did not know and could not reasonably have known that the share was issued for a consideration less than the fair equivalent of the money that the corporation would have received if the share had been issued for money.</p> <p>76(7) An action to enforce a liability imposed by this section may not be commenced after two years from the date of the resolution authorizing the action complained of.</p>	
<p>77(1) A director or officer of a corporation who</p> <p>(a) is a party to a material contract or proposed material contract with the corporation, or</p> <p>(b) is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with the corporation,</p> <p>shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest.</p>	<p>(a) is a party to a material contract, proposed material contract, material transaction or proposed material transaction with the corporation, or</p> <p>(b) is a director or an officer of or has a material interest in any person who is a party to a material contract, proposed material contract, material transaction or proposed material transaction with the corporation,</p>
<p>77(2) The disclosure required by subsection (1) shall be made, in the case of a director,</p> <p>(a) at the meeting at which a proposed contract is first considered;</p> <p>(b) if the director was not then interested in a proposed contract, at the first meeting after he becomes so interested;</p> <p>(c) if the director becomes interested after a contract is made, at the first meeting after he becomes so interested; or</p> <p>(d) if a person who is interested in a contract later becomes a director, at the first meeting after he becomes a director.</p>	<p>(a) at the meeting at which a proposed contract or transaction is first considered;</p> <p>(b) if the director was not then interested in a proposed contract or transaction, at the first meeting after he becomes so interested;</p> <p>(c) if the director becomes interested after a contract or transaction is made, at the first meeting after he becomes so interested; or</p> <p>(d) if a person who is interested in a contract or transaction later becomes a director, at the first meeting after he becomes a director.</p>
<p>77(3) The disclosure required by subsection (1) shall be made, in the case of an officer who is not a director,</p> <p>(a) forthwith after he becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of directors;</p> <p>(b) if the officer becomes interested after a contract is made, forthwith after he becomes so interested; or</p> <p>(c) if a person who is interested in a contract later becomes an officer, forthwith after he becomes an officer.</p>	<p>(a) forthwith after he becomes aware that the contract, proposed contract, transaction or proposed transaction is to be considered or has been considered at a meeting of directors;</p> <p>(b) if the officer becomes interested after a contract or transaction is made, forthwith after he becomes so interested; or</p> <p>(c) if a person who is interested in a contract or transaction later becomes an officer, forthwith after he becomes an officer.</p>
<p>77(4) If a material contract or proposed material contract is one that, in the ordinary course of the corporation's business, would not require approval by the directors or shareholders, a director or officer shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest forthwith after the director or officer becomes aware of the contract or proposed contract.</p>	<p>77(4) If a material contract, proposed material contract, transaction or proposed transaction is one that, in the ordinary course of the corporation's business, would not require approval by the directors or shareholders, a director or officer shall disclose in writing to the corporation or request to have entered in the minutes of meetings of directors the nature and extent of his interest forthwith after the director or officer becomes aware of the contract, proposed contract, transaction or proposed transaction.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>77(5) A director referred to in subsection (1) shall not be counted in the quorum, shall not be present and shall not vote at any meeting on any resolution to approve the contract unless the contract is</p> <p>(a) an arrangement by way of security for money lent to or obligations undertaken by him for the benefit of the corporation or an affiliate;</p> <p>(b) one relating primarily to his remuneration as a director, officer, employee or agent of the corporation or an affiliate;</p> <p>(c) one for indemnity or insurance under section 81; or</p> <p>(d) one with an affiliate.</p>	<p>Director not to vote</p> <p>77(5) A director referred to in subsection (1) shall not attend any part of a meeting of directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is,</p> <p>(a) one relating primarily to his or her remuneration as a director of the corporation or an affiliate;</p> <p>(b) one for indemnity or insurance under section 81; or</p> <p>(c) one with an affiliate.</p> <p>Remaining directors deemed quorum</p> <p>77(5.1) If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting by reason of subsection (5), the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution.</p> <p>Shareholder approval</p> <p>77(5.2) Where all of the directors are required to make disclosure under subsection (1), the contract or transaction may be approved by the shareholders entitled to vote, by ordinary resolution.</p>
<p>77(6) For the purposes of this section, a general notice to the directors by a director or officer, declaring that he is a director or officer 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 so made.</p>	<p>77(6) For the purposes of this section, a general notice to the directors by a director or officer, declaring that he is a director or officer of or has a material interest in a person and is to be regarded as interested in any contract or transaction made with that person, is a sufficient declaration of interest in relation to any contract or transaction so made.</p>
	<p>77(6.1) The shareholders of the corporation may examine the portions of any minutes of meetings of directors or of committees of directors that contain disclosures under this section, and any other documents that contain those disclosures, during the usual business hours of the corporation.</p>
<p>77(7) A director or officer referred to in subsection (1) is liable to account for any profit made on the contract, unless</p> <p>(a) he disclosed his interest in accordance with subsections (2), (3) and (4);</p> <p>(b) after such disclosure the contract was approved by the directors or the shareholders; and</p> <p>(c) he establishes that the contract was reasonable and fair to the corporation at the time it was approved.</p>	<p>77(7) A director or officer referred to in subsection (1) is liable to account for any profit made on the contract or transaction, unless</p> <p>(b) after such disclosure the contract or transaction was approved by the directors or the shareholders; and</p> <p>(c) he establishes that the contract or transaction was reasonable and fair to the corporation at the time it was approved.</p>
<p>77(8) Where a director or officer of a corporation fails to comply with this section, the Court may, upon the application of the corporation or a shareholder of the corporation, set aside the contract on such terms as it thinks fit.</p>	<p>77(8) Where a director or officer of a corporation fails to comply with this section, the Court may, upon the application of the corporation or a shareholder of the corporation, set aside the contract or transaction on such terms as it thinks fit and/or direct that the director or officer account to the corporation for any profit made on the contract or transaction.</p>
<p>77(9) Notwithstanding anything in this section, a director or officer is not accountable to the corporation or its shareholders for any profit made on the contract</p> <p>(a) if the contract is confirmed or approved by a majority of the votes cast by disinterested shareholders at a general meeting duly called for that purpose; and</p> <p>(b) if the nature and extent of the director's interest are declared and disclosed in reasonable detail in the notice calling the meeting.</p>	<p>77(9) Notwithstanding anything in this section, a director or officer is not accountable to the corporation or its shareholders for any profit made on the contract or transaction</p> <p>(a) if the contract or transaction is confirmed or approved by a majority of the votes cast by disinterested shareholders at a general meeting duly called for that purpose;</p> <p>(b) if the nature and extent of the director's interest are declared and disclosed in reasonable detail in the notice calling the meeting; and</p> <p>(c) the contract or transaction was reasonable and fair to the corporation at the time it was approved or confirmed.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
77(10) This section does not apply to a director or officer of a corporation all of whose shares are owned by one person.	
<p>78 Subject to the articles, the by-laws or a unanimous shareholder agreement,</p> <p>(a) the directors may designate the offices of the corporation, appoint as officers persons of full capacity, specify their duties and delegate to them powers to manage the business of the corporation;</p> <p>(b) a director may be appointed to any office of the corporation; and</p> <p>(c) two or more offices of the corporation may be held by the same person.</p>	<p>(a) the directors may designate the offices of the corporation, appoint as officers persons of full capacity, specify their duties and delegate to them powers to manage the business and affairs of the corporation except power to do anything referred to in s. 73(2);</p>
<p>79(1) Every director and officer of a corporation in exercising his powers and discharging his duties shall</p> <p>(a) act honestly and in good faith, and</p> <p>(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances in the best interests of the corporation.</p>	
<p>79(2) Every director and officer of a corporation shall comply with this Act, the regulations, articles, by-laws and a unanimous shareholder agreement.</p>	
<p>79(3) Subject to subsection 99(5), no provision in a contract, the articles, the by-laws or a resolution relieves a director or officer from the duty to act in accordance with this Act or the regulations or relieves him from liability for a breach thereof.</p>	
<p>80(1) A director who is present at a meeting of directors or committee of directors shall be deemed to have consented to any resolution passed or action taken thereat unless</p> <p>(a) he requests that his dissent be or his dissent is entered in the minutes of the meeting;</p> <p>(b) he sends his written dissent to the secretary of the meeting before the meeting is adjourned; or</p> <p>(c) he sends his dissent by registered mail or delivers it to the registered office of the corporation immediately after the meeting is adjourned.</p>	
<p>80(2) A director who votes for or consents to a resolution is not entitled to dissent under subsection (1).</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>80(3) A director is not liable under section 76 or 79 if he reasonably relies in good faith upon</p> <p>(a) financial statements of the corporation represented to him by an officer of the corporation or in a written report of the auditor, if any, of the corporation fairly to reflect the financial condition of the corporation; or</p> <p>(b) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him.</p>	<p>Defence — reasonable diligence</p> <p>80(3) A director is not liable under 76 and has complied with his or her duties under subsection 79(2), 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</p> <p>(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 fairly to reflect the financial condition of the corporation;</p> <p>(b) a report or advice of an officer or employee of the corporation, where it is reasonable in the circumstances to rely on the report or advice; or</p> <p>(c) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him.</p> <p>Defence — good faith</p> <p>80(4) A director has complied with his or her duties under subsection 79(1) if the director relied in good faith on</p> <p>(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 fairly to reflect the financial condition of the corporation;</p> <p>(b) a report or advice of an officer or employee of the corporation, where it is reasonable in the circumstances to rely on the report or advice; or</p> <p>(c) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>81(1) Except in respect of an action by or on behalf of the corporation or a body corporate to procure a judgment in its favour, a corporation may indemnify a director or officer of the corporation, a former director or officer of the corporation or other person who acts or acted at the corporation's request as a director or officer of a body corporate of which the corporation is or was a shareholder or creditor, and that person's heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by that person in respect of any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a director or officer of that corporation or body corporate, if</p> <p>(a) that person acted honestly and in good faith with a view to the best interests of the corporation, and</p> <p>(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that person had reasonable grounds for believing that that person's conduct was lawful.</p> <p>81(2) A corporation may with the approval of the Court indemnify a person referred to in subsection (1) in respect of an action by or on behalf of the corporation or body corporate to procure a judgment in its favour, to which he is made a party by reason of being or having been a director or an officer of the corporation or body corporate, against all costs, charges and expenses reasonably incurred by him in connection with such action if he fulfills the conditions set out in paragraphs (1)(a) and (b).</p> <p>81(3) Notwithstanding anything in this section, a person referred to in subsection (1) is entitled to indemnity from the corporation in respect of all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the corporation or body corporate, if the person seeking indemnity</p> <p>(a) was substantially successful on the merits of his defence of the action or proceeding,</p> <p>(b) fulfills the conditions set out in paragraphs (1)(a) and (b), and</p> <p>(c) is fairly and reasonably entitled to indemnity.</p>	<p>Indemnification</p> <p>81(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, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the corporation or other entity.</p> <p>Advance of costs</p> <p>81(2) A corporation may advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in subsection (1). The individual shall repay the moneys if the individual does not fulfil the conditions of subsection (3).</p> <p>Limitation</p> <p>81(3) A corporation may not indemnify an individual under subsection (1) unless the individual</p> <p>(a) acted honestly and in good faith with a view to the best interests of the corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the corporation's request; and</p> <p>(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.</p> <p>Indemnification in derivative actions</p> <p>81(4) A corporation may with the approval of the Court, indemnify an individual referred to in subsection (1), or advance moneys under subsection (2), in respect of an action by or on behalf of the corporation or other entity to procure a judgment in its favour, to which the individual is made a party because of the individual's association with the corporation or other entity as described in subsection (1) against all costs, charges and expenses reasonably incurred by the individual in connection with such action, if the individual fulfils the conditions set out in subsection (3).</p> <p>Right to indemnity</p> <p>81(5) Despite subsection (1), an individual referred to in that subsection is entitled to indemnity from the corporation in respect of 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</p> <p>(a) was not judged by the Court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done; and</p> <p>(b) fulfils the conditions set out in subsection (3).</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>81(4) A corporation may purchase and maintain insurance for the benefit of any person referred to in subsection (1) against any liability incurred by him</p> <p>(a) in his capacity as a director or officer of the corporation, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of the corporation; or</p> <p>(b) in his capacity as a director or officer of another body corporate if he acts or acted in that capacity at the corporation's request, except where the liability relates to his failure to act honestly and in good faith with a view to the best interests of that body corporate.</p>	<p>81(6) A corporation may purchase and maintain insurance for the benefit of an individual referred to in subsection (1) against any liability incurred by the individual</p> <p>(a) in the individual's capacity as a director or officer of the corporation; or</p> <p>(b) in the individual's capacity as a director or officer, or similar capacity, of another entity, if the individual acts or acted in that capacity at the corporation's request.</p>
<p>81(5) A corporation or a person referred to in subsection (1) may apply to the Court for an order approving an indemnity under this section and the Court may so order and make any further order it thinks fit.</p>	<p>81(7) A corporation, an individual or an entity referred to in subsection (1) may apply to the Court for an order approving an indemnity under this section and the Court may so order and make any further order that it sees fit.</p>
<p>81(6) An applicant under subsection (5) shall give the Director notice of the application and the Director is entitled to appear and be heard in person or by counsel.</p>	<p>Repeal</p>
<p>81(7) Upon an application under subsection (5), 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.</p>	<p>81(8) On an application under subsection (7) the Court may order notice to be given to any interested person and the person is entitled to appear and be heard in person or by counsel.</p>
<p>82 Subject to the articles, the by-laws or a unanimous shareholder agreement, the directors of a corporation may fix the remuneration of the directors, officers and employees of the corporation.</p>	
	<p>Insider Trading</p>
<p>83(1) In this section, "insider" means</p> <p>(a) a director or an officer of a corporation;</p> <p>(b) a corporation that purchases or otherwise acquires shares issued by it or by any of its affiliates;</p> <p>(c) a person employed or retained by a corporation;</p> <p>(d) an associate or affiliate of any person mentioned in paragraphs (a) to (c); or</p> <p>(e) a person who receives specific confidential information from any person described in this subsection, including a person described in this paragraph, and who has knowledge that the person giving the information is a person described in this subsection or a person described in this paragraph.</p>	<p>83(1) In this Part,</p> <p>"corporation" means a corporation that is not a reporting issuer as defined under the <i>Securities Act</i>;</p> <p>"insider" means, with respect to a corporation,</p> <p>(a) the corporation,</p> <p>(b) an affiliate of the corporation,</p> <p>(c) a director or officer of the corporation,</p> <p>(d) a person who beneficially owns, directly or indirectly, more than 10 per cent of the voting securities of the corporation or who exercises control or direction over more than 10 per cent of the votes attached to the voting securities of the corporation,</p> <p>(e) a person employed or retained by the corporation, or</p> <p>(f) a person who receives specific confidential information from a person described in this definition or in subsection (3), including a person described in this clause, and who has knowledge that the person giving the information is a person described in this definition or in subsection (3), including a person described in this clause;</p> <p>"security" includes a warrant.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>83(2) For the purposes of this section,</p> <p>(a) a director or an officer of a body corporate that is an insider of a corporation is deemed to be an insider of the corporation;</p> <p>(b) a director or an officer of a body corporate that is a subsidiary is deemed to be an insider of its holding corporation;</p> <p>(c) a person is deemed to own beneficially shares beneficially owned by a body corporate controlled by him directly or indirectly; and</p> <p>(d) a body corporate is deemed to own beneficially shares beneficially owned by its affiliates.</p>	<p>(c) a person is deemed to own beneficially, voting securities beneficially owned by a body corporate controlled by the person directly or indirectly; and</p> <p>(d) a body corporate is deemed to own beneficially, voting securities beneficially owned by its affiliates.</p>
<p>83(3) For the purposes of this section,</p> <p>(a) if a body corporate becomes an insider of a corporation, or enters into a business combination with a corporation, a director or an officer of the body corporate is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he was a director or an officer of the body corporate; and</p> <p>(b) if a corporation becomes an insider of a body corporate, or enters into a business combination with a body corporate, a director or an officer of the body corporate is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he was a director or an officer of the body corporate.</p>	<p>(a) where a body corporate becomes an insider of a corporation, or enters into a business combination with a corporation, a director or an officer of the body corporate or a shareholder of the body corporate who is a person referred to in clause (d) of the definition of "insider" in subsection (1) is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he or she was a director, an officer or such a shareholder of the body corporate; and</p> <p>(b) where a corporation becomes an insider of a body corporate or enters into a business combination with a body corporate, a director or an officer of the body corporate or a shareholder of the body corporate who is a person referred to in clause (d) of the definition of "insider" in subsection (1) is deemed to have been an insider of the corporation for the previous six months or for such shorter period as he or she was a director, an officer or such a shareholder of the body corporate.</p>
<p>83(4) In subsection (3), "business combination" means an acquisition of all or substantially all the property of one body corporate by another or an amalgamation of two or more bodies corporate.</p>	
<p>83(5) An insider who, in connection with a transaction in a security of the corporation or any of its affiliates, makes use of any specific confidential information for his own benefit or advantage that, if generally known, might reasonably be expected to affect materially the value of the security is liable to compensate any person for any direct loss suffered by that person as a result of the transaction, unless the information was known or in the exercise of reasonable diligence could have been known to that person at the time of the transaction.</p>	<p>83(5) An insider who, in connection with a transaction in a security of the corporation or any of its affiliates, makes use of any specific confidential information for the insider's own benefit or advantage that, if generally known, might reasonably be expected to affect materially the value of the security,</p> <p>(a) is liable to compensate any person for any direct loss suffered by that person as a result of the transaction, unless the information was known or in the exercise of reasonable diligence should have been known to that person; and</p> <p>(b) is accountable to the corporation for any direct benefit or advantage received or receivable by the insider as a result of the transaction.</p>
<p>83(6) No action shall be brought under subsection (5) after 2 years from the day on which the plaintiff first knew or ought reasonably to have known that the conduct giving rise to the action took place.</p>	
<p>Part IX Shareholders</p>	
<p>84(1) Meetings of shareholders of a corporation shall be held at the place within New Brunswick provided in the by-laws, or, in the absence of such provision, at the place within New Brunswick that the directors determine.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>84(2) Notwithstanding subsection (1), a meeting of shareholders of a corporation may be held outside New Brunswick if all the shareholders entitled to vote at that meeting so agree, and a shareholder who attends a meeting of shareholders held outside New Brunswick shall be deemed to have so agreed except when he 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.</p>	
<p>84(3) Notwithstanding subsections (1) and (2), if the articles so provide, meetings of shareholders may be held outside New Brunswick at one or more places specified in the articles.</p>	
<p>85(1) The directors of a corporation (a) shall call an annual meeting of shareholders to be held not later than eighteen months after (i) the date of its incorporation, or (ii) the date of its certificate of amalgamation, in the case of an amalgamated corporation, and subsequently not later than fifteen months after holding the last preceding annual meeting; and (b) may at any time call a special meeting of shareholders.</p>	<p>and subsequently not later than fifteen months after holding the last preceding annual meeting but not later than 6 months after the end of the corporation's preceding financial year; and</p>
<p>85(2) Notwithstanding subsection (1), the corporation may apply to the Court for an order extending the time in which the first or a subsequent annual meeting of the corporation shall be held.</p>	<p>85(2) Notwithstanding subsection (1), the corporation may apply ex parte to the Court for an order extending the time in which the first or a subsequent annual meeting of the corporation shall be held and the Court may make an order it thinks fit.</p> <p>85(2.1) Notwithstanding subsection (1), where there is an unanimous resolution of all voting shareholders, the corporation may extend the time by up to three months in which the first or a subsequent annual meeting of the corporation shall be held.</p>
<p>85(3) A shareholder or any other person entitled to attend a meeting of shareholders may participate in the meeting by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other if (a) the by-laws so provide, or (b) subject to the by-laws, all the shareholders entitled to vote at the meeting consent, and a person participating in such a meeting by those means shall be deemed for the purposes of this Act to be present at the meeting.</p>	<p>85(3) Unless the articles or by-laws otherwise provide, a shareholder or any other person entitled to attend a meeting of shareholders may participate in the meeting by means of telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate adequately with each other during the meeting, if the corporation makes available such a communication facility and a person participating in such a meeting by those means shall be deemed for the purposes of this Act to be present at the meeting and the corporation shall determine the manner of, and conditions for, voting at such meeting.</p>
	<p>85(4) If the directors of a corporation call a meeting of shareholders pursuant to this Act, the directors may determine that the meeting shall be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, unless the articles or the by-laws otherwise provides.</p> <p>85(5) Where subsection (4) applies, the corporation shall make available a communication facility that permits all participants to communicate adequately with each other during the meeting.</p> <p>85(6) Where a person participating in such a meeting, votes at such meeting or establishes a communication link to the meeting, the person shall be deemed for the purposes of this Act to be present at the meeting and the corporation shall determine the manner of voting at such meeting.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>86(1) For the purpose of determining shareholders (a) entitled to receive payment of a dividend, or (b) entitled to participate in a liquidation distribution, or for any other purpose except the right to receive notice of or to vote at a meeting the directors may fix in advance a date as the record date for such determination of shareholders, but such record date shall not precede by more than fifty days the particular action to be taken.</p>	
<p>86(2) For the purpose of determining shareholders entitled to receive notice of a meeting of shareholders, the directors may fix in advance a date as the record date for such determination of shareholders, but such record date shall not precede by more than fifty days or by less than twenty-one days the date on which the meeting is to be held.</p>	<p>86(2) For the purpose of determining shareholders entitled to receive notice of a meeting of shareholders, the directors may fix in advance a date as the record date for such determination of shareholders, but such record date shall not precede by more than sixty days or by less than twenty-one days the date on which the meeting is to be held.</p>
<p>86(3) If no record date is fixed, (a) the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be (i) at the close of business on the day immediately preceding the day on which the notice is given, or (ii) if no notice is given, the day on which the meeting is held; and (b) the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating thereto.</p>	
<p>87(1) Subject to the articles or a unanimous shareholder agreement, notice of the time and place of a meeting of shareholders shall be sent not less than twenty-one days nor more than fifty days before the meeting (a) to each shareholder entitled to vote at the meeting, (b) to each director, and (c) to the auditor, if any.</p>	<p>87(1) Subject to the articles or a unanimous shareholder agreement, notice of the time and place of a meeting of shareholders shall be sent not less than ten days nor more than fifty days before the meeting</p>
	<p>87(1.1) In the case of a corporation that is not a reporting issuer as defined under the <i>Securities Act</i>, the notice may be sent within a shorter period if so specified in the articles or by-laws.</p>
	<p>87(1.2) A corporation, whether a reporting issuer or not, shall be in compliance with subsection (1) by posting the relevant notice and documents on a website or an internet file hosting service that can be accessed by the shareholder without a fee payment and by sending a notice informing the said shareholder that the documents have been posted and explaining how to access them.</p> <p>87(1.3) The corporation may send the notice to the shareholder by electronic communication to the shareholder</p> <p>(a) if the shareholder has consented to being sent such notice or documents by electronic communication;</p> <p>(b) if the articles of the corporation provide for the sending of such notice or documents by electronic communication; or</p> <p>(c) if it is a reporting issuer, it meets the requirements set out under or pursuant to the <i>Securities Act</i>.</p> <p>87(1.4) Where a director or auditor has consented, the notice and documents may be sent to the director or auditor, as the case may be, in accordance with section 87(1.2).</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
87(2) A notice of a meeting is not required to be sent to shareholders who were not registered on the records of the corporation or its transfer agent on the record date determined under subsection 86(2) or (3), but failure to receive a notice does not deprive a shareholder of the right to vote at the meeting.	
87(3) If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of sixty days or more, notice of the adjourned meeting shall be given as for an original meeting.	
87(4) All business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the financial statements, auditor's report, election of directors and reappointment of the incumbent auditor, if any, shall be deemed to be special business.	
87(5) Notice of a meeting of shareholders at which special business is to be transacted shall state (a) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon, and (b) the text of any special resolution to be submitted to the meeting.	
88 A shareholder and any other person entitled to attend a meeting of shareholders may in any manner either before or after the meeting waive notice of a meeting of shareholders, and attendance of any such person at a meeting of shareholders is a waiver of notice of the meeting, except where he 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.	
89(1) A shareholder entitled to vote at an annual meeting of shareholders may (a) submit to the corporation notice of any matter that he proposes to raise at the meeting, hereinafter referred to as a "proposal"; and (b) discuss at the meeting any matter in respect of which he would have been entitled to submit a proposal.	
89(2) A corporation shall set out the proposal in the notice of meeting required by section 87 or attach the proposal thereto.	
89(3) If so requested by the shareholder, the corporation shall include in the notice of meeting or attach thereto a statement by the shareholder of not more than two hundred words in support of the proposal, and the name and address of the shareholder.	89(3) If so requested by the shareholder, the corporation shall include in the notice of meeting or attach thereto a statement by the shareholder of not more than five hundred words in support of the proposal, and the name and address of the shareholder.
89(4) A proposal may include nominations for the election of directors if the proposal is signed by one or more holders of shares representing in the aggregate not less than ten percent of the shares or ten percent of the shares of a class of shares of the corporation entitled to vote at the meeting to which the proposal is to be presented, but this subsection does not preclude nominations made at a meeting of shareholders.	
89(5) A corporation is not required to comply with subsections (2) and (3) (a) if the proposal is not submitted to the corporation at least ninety days before the anniversary date of the previous annual meeting of shareholders;	(a) if the proposal is not submitted to the corporation at least ninety days before the anniversary date of the notice of meeting that was sent to shareholders in connection with the previous annual meeting of shareholders;

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>(b) if it appears to the directors that the proposal is submitted by the shareholder primarily for the purpose of enforcing a personal claim or redressing a personal grievance against the corporation or its directors, officers or shareholders, or for a purpose that is not related in any significant way to the business or affairs of the corporation;</p> <p>(c) if the corporation, at the shareholder's request, included a proposal in a notice of meeting relating to a meeting of shareholders held within two years preceding the receipt of such request, and the shareholder failed to present the proposal, in person or by proxy, at the meeting;</p> <p>(d) if substantially the same proposal was submitted to shareholders in a notice of meeting relating to a meeting of shareholders held within two years preceding the receipt of the shareholder's request and the proposal was defeated; or</p> <p>(e) if the rights conferred by this section are being abused to secure publicity.</p>	
<p>89(6) 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.</p>	
<p>89(7) If a corporation refuses to include a proposal in a notice of meeting, the corporation shall, within ten days after receiving the proposal, notify the shareholder submitting the proposal of its intention to omit the proposal from the notice of meeting and send to him a statement of the reasons for the refusal</p>	
<p>89(8) Upon the application of a shareholder claiming to be aggrieved by a corporation's refusal under subsection (7), the Court may restrain the holding of the meeting to which the proposal is sought to be presented and make any other or further order it thinks fit.</p>	
<p>89(9) 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 (5) applies, may make such order as it thinks fit.</p>	
<p>89(10) An applicant under subsection (8) or (9) shall give the Director notice of the application and the Director is entitled to appear and be heard in person or by counsel.</p>	
<p>90(1) A corporation shall prepare a list of shareholders entitled to receive notice of a meeting, arranged in alphabetical order and showing the number of shares held by each shareholder,</p> <p>(a) if a record date is fixed under subsection 86(2) not later than ten days after that date; or</p> <p>(b) if no record date is fixed,</p> <p>(i) at the close of business on the day immediately preceding the day on which the notice is given, or</p> <p>(ii) where no notice is given, on the day on which the meeting is held.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>90(2) Where a corporation fixes a record date under subsection 86(2), a person named in the list prepared under paragraph (1) (a) is entitled to vote the shares shown opposite his name at the meeting to which the list relates, except to the extent that</p> <p>(a) the person has transferred the ownership of any of his shares after the record date, and</p> <p>(b) the transferee of those shares</p> <p>(i) produces a certificate in his name or properly endorsed share certificates, or</p> <p>(ii) otherwise establishes that he owns the shares, and demands, not later than ten days before the meeting or such shorter period before the meeting as the by-laws of the corporation may provide, that his name be included in the list before the meeting,</p> <p>in which case the transferee is entitled to vote his shares at the meeting.</p>	<p>90(2) A shareholder whose name appears on a list prepared under subsection (1) is entitled to vote the shares shown opposite the shareholder's name at the meeting to which the list relates.</p>
<p>90(3) Where a corporation does not fix a record date under subsection 86(2), a person named in a list prepared under paragraph (1)(b) is entitled to vote the shares shown opposite his name at the meeting to which the list relates except to the extent that</p> <p>(a) the person has transferred the ownership of any of his shares after the date on which a list referred to in subparagraph (1)(b)(i) is prepared, and</p> <p>(b) the transferee of those shares</p> <p>(i) produces a share certificate in his name or properly endorsed share certificates, or</p> <p>(ii) otherwise establishes that he owns the shares, and demands, not later than ten days before the meeting or such shorter period before the meeting as the by-laws of the corporation may provide, that his name be included in the list before the meeting,</p> <p>in which case the transferee is entitled to vote his shares at the meeting.</p>	<p>Repeal</p>
<p>90(4) A shareholder may examine the list of shareholders</p> <p>(a) during usual business hours at the registered office of the corporation or at the place where its central share register is maintained; and</p> <p>(b) at the meeting of shareholders for which the list was prepared.</p>	<p>(a) during usual business hours at the registered office of the corporation or at the place where its central securities register is maintained; and</p>
<p>Proxy provisions</p>	
<p>91(1) A shareholder entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or one or more alternate proxyholders who are not required to be shareholders, which proxyholders shall have all the rights of the shareholder to attend and act at the meeting in the place and stead of the shareholder except to the extent limited by the proxy.</p>	
<p>91(2) A proxy shall be executed by the shareholder or by his attorney authorized in writing.</p>	<p>91(2) A proxy shall be executed by the shareholder or by his personal representative authorized in writing.</p>
<p>91(3) A proxy is valid</p> <p>(a) at the meeting in respect of which it is given or any adjournment thereof, or</p> <p>(b) at any meeting held during the period specified in a proxy which period shall not exceed fourteen months but a proxy shall be valid for only one annual meeting during that period.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>91(4) A shareholder may revoke a proxy</p> <p>(a) by depositing a written instrument of revocation or a proxy of later date executed by him or by his attorney authorized in writing</p> <p>(i) at a 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 thereof, at which the proxy is to be used, or</p> <p>(ii) with the chairman of the meeting on the day of the meeting or an adjournment thereof; or</p> <p>(b) in any other manner permitted by law.</p>	
	<p>91(4.1) A shareholder or his personal representative may sign, by electronic signature, a proxy or a revocation of proxy.</p>
<p>91(5) The directors may specify in a notice calling a meeting of shareholders a time not exceeding forty-eight hours, excluding Saturdays and holidays, preceding the meeting or adjournment thereof before which time proxies to be used at the meeting must be deposited with the corporation or its agent.</p>	
<p>92(1) Unless the articles, by-laws or a unanimous shareholder agreement otherwise provide, the holder or holders of the majority of the shares entitled to vote at a meeting of shareholders present in person or by proxy constitute a quorum.</p>	
<p>92(2) If a quorum is present at the opening of a meeting of shareholders, the shareholders present in person or represented by proxy may, unless the articles, by-laws or a unanimous shareholder agreement otherwise provide, proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting</p>	
<p>92(3) If a quorum is not present at the opening of a meeting of shareholders, the shareholders present in person or represented in proxy may adjourn the meeting to a fixed time and place but not transact any other business.</p>	
<p>92(4) If a corporation has only one shareholder, or only one holder of any class or series of shares, or if only one person is present at a meeting holding or representing sufficient shares to constitute a quorum, the shareholder present in person or by proxy constitutes a meeting.</p>	
<p>93(1) Unless the articles otherwise provide, each share of a corporation entitles the holder thereof to one vote at a meeting of shareholders.</p>	
<p>93(2) If a body corporate or association is a shareholder 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 shareholders of the corporation.</p>	
<p>93(3) An individual authorized under subsection (2) may exercise on behalf of the body corporate or association he represents all the powers it could exercise if it were an individual shareholder.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
93(4) Unless the by-laws otherwise provide, if two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons who are present, in person or by proxy, vote, they shall vote as one on the shares jointly held by them.	
94(1) Unless the by-laws otherwise provide, voting at a meeting of shareholders shall be by show of hands except where a ballot is demanded by a shareholder or proxyholder entitled to vote at the meeting.	
94(2) A shareholder or proxyholder may demand a ballot either before or after any vote by show of hands.	
	94(3) 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.
95(1) A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders.	
95(2) A resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of shareholders, and signed by all the shareholders or signed counterparts of such resolution by all the shareholders entitled to vote at that meeting, satisfies all the requirements of this Act relating to meetings of shareholders duly called, constituted and held.	
	95(2.1) For purposes of subsections 95(1) and (2), signed shall include an electronic signature as defined in the <i>Electronic Transactions Act</i> .
95(3) A copy of every resolution or counterpart thereof referred to in subsection (1) shall be kept with the minutes of the meetings of shareholders.	
96(1) The holders of not less than ten per cent of the issued shares of a corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition.	
96(2) The requisition referred to in subsection (1), which may consist of several documents of like form each signed by one or more shareholders, shall state the business to be transacted at the meeting and shall be sent to each director and to the registered office of the corporation.	
96(3) Upon receiving the requisition referred to in subsection (1), the directors shall call a meeting of shareholders to transact the business stated in the requisition, unless (a) a record date has been fixed under subsection 86(2); (b) the directors have called a meeting of shareholders and have given notice thereof under section 87; or (c) the business of the meeting as stated in the requisition includes matters described in paragraphs 89(5)(b) to (e).	

Existing Provisions	Proposed Changes to Existing Provisions ¹
96(4) Except where subsection (3) applies, if the directors do not within twenty-one days after receiving the requisition referred to in subsection (1) call a meeting, any shareholder who signed the requisition may call the meeting.	
96(5) A meeting called under this section shall be called as nearly as possible in the manner in which meetings are to be called pursuant to the by-laws and this Part.	
96(6) Unless the shareholders otherwise resolve at a meeting called by requisitionists under subsection (4), the corporation shall (a) reimburse the requisitionists the expenses reasonably incurred by them in requisitioning, calling and holding the meeting, and (b) withhold rateably the amount the requisitionists were reimbursed from money due or to become due by way of fees or other remuneration to each director who was in default in not calling the meeting.	96(6) Unless the requisitionists have not acted in good faith and in the interest of shareholders, the corporation shall
97(1) If for any reason it is impracticable to call a meeting of shareholders of a corporation in the manner in which meetings of those shareholders may be called, or to conduct the meeting in the manner prescribed by the by-laws or by this Act, or if for any other reason the Court thinks fit, the Court, upon the application of a director, a shareholder entitled to vote at the meeting or the Director, may order a meeting to be called, held and conducted in such manner as the Court directs.	97(1) If for any reason it is impracticable to call a meeting of shareholders of a corporation in the manner in which meetings of those shareholders may be called, or to conduct the meeting in the manner prescribed by the by-laws, the articles or by this Act, or if for any other reason the Court thinks fit, the Court, upon the application of a director, a shareholder entitled to vote at the meeting or the Director, may order a meeting to be called, held and conducted in such manner as the Court directs and upon such terms as to security for the costs of holding the meeting or otherwise as the Court deems fit.
97(2) Without restricting the generality of subsection (1), the Court may order that the quorum required by the by-laws or this Act be varied or dispensed with at a meeting called, held and conducted pursuant to this section.	97(2) Without restricting the generality of subsection (1), the Court may order that the quorum required by the by-laws, the articles or this Act be varied or dispensed with at a meeting called, held and conducted pursuant to this section.
97(3) A meeting called, held and conducted pursuant to this section is for all purposes a meeting of shareholders of the corporation duly called, held and conducted.	
98(1) A corporation or a shareholder or director may apply to the Court to determine any controversy with respect to an election or appointment of a director or auditor of the corporation. 98(2) Upon an application under this section, the Court may make any order it thinks fit including, without limiting the generality of the foregoing, (a) an order restraining a director or auditor, if any, 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 including in the order directions for the management of the business and affairs of the corporation until a new election is held or appointment made; and (d) an order determining the voting rights of shareholders and of persons claiming to own shares.	
99(1) A written agreement between two or more shareholders may provide that in exercising voting rights the shares held by them shall be voted as therein provided	Subsection 99(1) should be renumbered as a separate section.

Existing Provisions	Proposed Changes to Existing Provisions ¹
99(2) An otherwise lawful written agreement among all the shareholders of a corporation, or among all the shareholders and a person who is not a shareholder, that restricts, in whole or in part, the powers of the directors to manage the business and affairs of the corporation is valid.	99(2) An otherwise lawful written agreement among all the shareholders of a corporation, or among all the shareholders and one or more persons who are not shareholders, that restricts, in whole or in part, the powers of the directors to manage, or supervise the management of , the business and affairs of the corporation is valid.
	99(2.1) A unanimous shareholder agreement may, without restricting the generality of subsection (2), be amended in the manner specified therein.
99(3) Where a person who is the beneficial owner of all the issued shares of a corporation makes a written declaration that restricts in whole or part the powers of the directors to manage the business and affairs of a corporation, the declaration shall be deemed to be a unanimous shareholder agreement.	99(3) Where a person who is the beneficial owner of all the issued shares of a corporation makes a written declaration that restricts in whole or part the powers of the directors to manage, or supervise the management of , the business and affairs of a corporation, the declaration shall be deemed to be a unanimous shareholder agreement.
99(4) A transferee of shares subject to a unanimous shareholder agreement shall be deemed to be a party to the agreement.	
99(5) A shareholder who is a party to a unanimous shareholder agreement has all the rights, powers and duties of a director of the corporation and incurs all the liabilities of the directors of the corporation to which the agreement relates to the extent that the agreement restricts the powers of the directors to manage the business and affairs of the corporation, and the directors are thereby relieved of their duties and liabilities to the same extent.	99(5) A shareholder who is a party to a unanimous shareholder agreement has all the rights, powers, duties and liabilities of a director of a corporation, whether arising under this Act or otherwise, including any defences available to the directors , to which the agreement relates to the extent that the agreement restricts the discretion or powers of the directors to manage or supervise the management of the business and affairs of the corporation and the directors are relieved of their duties and liabilities to the same extent.
	99(5.1) Nothing in this section prevents shareholders from fettering their discretion when exercising the powers of directors under a unanimous shareholder agreement.
99(6) A close corporation by-law pursuant to section 78 of the Companies Act shall be deemed to be a unanimous shareholder agreement for purposes of this Act.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>Transfer of shares subject to unanimous shareholder agreement</p> <p>99(7) If a unanimous shareholder agreement is in effect when a person who was not otherwise a party to the agreement acquires a share of the corporation, other than under subsection (2),</p> <p>(a) the person who acquired the share shall be deemed to be a party to the agreement whether or not that person had actual knowledge of it when he or she acquired the share; and</p> <p>(b) neither the acquisition of the share nor the registration of that person as a shareholder operates to terminate the agreement.</p> <p>Notice of objection</p> <p>99(8) If a person referred to in subsection (7) is a purchaser for value without notice of the unanimous shareholder agreement and the transferor's share certificate, if any, did not contain a reference to the unanimous shareholder agreement, the transferee may, within 60 days after he or she actually receives a complete copy of the agreement, send to the corporation and the transferor a notice of objection.</p> <p>Rights of transferee</p> <p>99(9) If a person sends a notice of objection under subsection (8), that person is entitled to,</p> <p>(a) rescind the contract under which the shares were acquired by giving notice to that effect to the corporation and the transferor within 60 days after the transferee actually receives a complete copy of the unanimous shareholder agreement; or</p> <p>(b) demand that the transferor pay the transferee the fair value of the shares held by the transferee, determined as of the close of business on the day on which the transferee delivers the notice of objection to the corporation, in which case subsection 131(3), (15) and (16) apply, with the necessary modifications, as if the transferor were the corporation.</p> <p>Deficiency</p> <p>99(10) A transferee who is entitled to be paid the fair value of the transferee's shares under clause (9) (b) also has the right to recover from the transferor the amount by which the value of the consideration paid for those shares exceeds their fair value.</p>
<p>Part X Financial Reporting</p>	
<p>100(1) The directors of a corporation shall place before the shareholders at every annual meeting</p> <p>(a) comparative financial statements relating separately to</p> <p>(i) the period that began on the date the corporation came into existence and ended not more than six 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 ended not more than six months before the annual meeting, and</p> <p>(ii) the immediately preceding financial year;</p> <p>(b) the report of the auditor, if any has been appointed; and</p> <p>(c) any further information respecting the financial position of the corporation and the results of its operations required by the articles, the by-laws or any unanimous shareholder agreement.</p> <p>100(2) Notwithstanding paragraph (1)(a), the financial statements referred to in subparagraph (1)(a)(ii) may be omitted if the reason for the omission is set out in the financial statements, or in a note thereto, to be placed before the shareholders at an annual meeting.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>100(3) The financial statements described in subsection (1) shall be prepared in accordance with generally accepted accounting principles.</p>	
	<p>100.1(1) Notwithstanding any provisions under this Part, directors are relieved from their obligation under this Act to produce and publish financial statements</p> <p>(a) if all of the shareholders of the corporation, whether or not their shares otherwise carry the right to vote, resolve by a unanimous resolution to waive the production and publication of the financial statements; or</p> <p>(b) if and to the extent provided by a court order waiving the production and publication of some or all of the financial statements and on any terms the court considers appropriate.</p> <p>100.1(2) A waiver referred to in subsection (1) of this section may be given before, on or after the date on which financial statements are, required to be produced and published and is effective for those financial statements only.</p>
<p>101(1) A corporation may prepare the financial statements referred to in section 100 in consolidated form, and in any case the corporation shall keep at its registered office copies of the financial statements of each subsidiary body corporate.</p>	<p>101(1) A corporation may prepare the financial statements referred to in section 100 in consolidated form, and in any case the corporation shall keep at its registered office copies of the financial statements of each subsidiary body corporate and of each body corporate the accounts of which are consolidated.</p>
<p>101(2) Shareholders of a corporation and their agents and legal representatives may upon request therefor examine the statements referred to in subsection (1) during the usual business hours of the corporation and may make extracts therefrom free of charge.</p>	<p>101(2) Shareholders of a corporation and their personal representatives may upon request therefor examine the statements referred to in subsection (1) during the usual business hours of the corporation and may make extracts therefrom free of charge.</p>
<p>101(3) A corporation may, within fifteen days of a request to examine under subsection (2), apply to the Court for an order barring the right of any person to so examine, and the Court may, if it is satisfied that such examination would be detrimental to the corporation or a subsidiary body corporate, bar such right and make any further order it thinks fit.</p>	
<p>102(1) The directors of a corporation shall approve the financial statements referred to in section 100 and the approval shall be evidenced by the signature of one or more directors.</p>	
	<p>102(1.1) Signature includes an electronic signature as defined under the <i>Electronic Transactions Act</i>.</p>
<p>102(2) A corporation shall not issue, publish or circulate copies of the financial statements referred to in section 100 unless the financial statements are</p> <p>(a) approved and signed in accordance with subsection (1), and</p> <p>(b) accompanied by a report, if available, of the auditor of the corporation, if any auditor has been appointed.</p>	
<p>102(3) A corporation that violates or fails to comply with subsection (2) commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category E offence.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>103(1) A corporation shall, not less than twenty-one days or such shorter period as may be consented to by a shareholder or such period as may be provided in the articles or in a unanimous shareholder agreement before each annual meeting of shareholders or before the signing of a resolution under section 95 in lieu of the annual meeting, send a copy of the documents referred to in section 100 to each shareholder, except to a shareholder who has informed the corporation in writing that he does not want a copy of these documents.</p>	<p>103(1) A corporation shall, not less than ten days or such shorter period as may be consented to by a shareholder or such period as may be provided in the articles or in a unanimous shareholder agreement before each annual meeting of shareholders or before the signing of a resolution under section 95 in lieu of the annual meeting, send a copy of the documents referred to in section 100 to each shareholder, except to a shareholder who has informed the corporation in writing that he does not want a copy of these documents.</p>
	<p>103(2) A corporation, whether a reporting issuer or not, shall be in compliance with the obligation to send the above documents by posting the relevant documents on a website or an internet file hosting service that can be accessed by the shareholder without a fee payment and by sending a notice informing the shareholder that the documents have been posted and explaining how to access them.</p> <p>103(3) The corporation may send the notice to the shareholder by electronic communication to the shareholder</p> <p>(a) if the shareholder has consented to being sent such notice or documents by electronic communication;</p> <p>(b) if the articles of the corporation provide for the sending of such notice or documents by electronic communication; or</p> <p>(c) if it is a reporting issuer, it meets the requirements set out under or pursuant to the <i>Securities Act</i>.</p>
<p>104(1) Subject to subsection (5), a person is disqualified from being an auditor of a corporation if he is not independent of the corporation, any of its affiliates, or the directors or officers of any such corporation or its affiliates.</p>	
<p>104(2) For the purposes of this section,</p> <p>(a) independence is a question of fact; and</p> <p>(b) a person shall be deemed not to be independent if he or his business partner</p> <p>(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 any such corporation or any of its affiliates,</p> <p>(ii) beneficially owns or controls, directly or indirectly, a material interest in the securities or security interests of the corporation or any of its affiliates, or</p>	
<p>(iii) has been a liquidator or trustee in bankruptcy of the corporation or any of its affiliates within two years of his proposed appointment as auditor of the corporation.</p>	<p>(iii) has been a receiver, receiver-manager, liquidator or trustee in bankruptcy of the corporation or any of its affiliates within two years of his proposed appointment as auditor of the corporation.</p>
	<p>104(2.1) For the purposes of subsection (2), a person's business partner includes a shareholder of that person.</p>
<p>104(3) An auditor who becomes disqualified under this section shall, subject to subsection (5), resign forthwith after becoming aware of his disqualification.</p>	
<p>104(4) An interested person may apply to the Court for an order declaring an auditor to be disqualified under this section and the office of auditor to be vacant.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>104(5) An interested person may apply to the Court for an order exempting an auditor from disqualification under this section and the Court may, if it is satisfied that an exemption would not unfairly prejudice the shareholders, make an exemption order on such terms as it thinks fit, which order may have retrospective effect.</p>	
<p>105(1) Shareholders of a corporation may by ordinary resolution at the first meeting of shareholders and at each succeeding annual meeting appoint an auditor to hold office until the close of the next annual meeting.</p> <p>105(2) An auditor appointed under section 62 is eligible for appointment under subsection (1).</p> <p>105(3) A resolution under subsection (1) is valid only until the next succeeding annual meeting of shareholders.</p> <p>105(4) The remuneration of an auditor may be fixed by ordinary resolution of the shareholders or, if not so fixed, may be fixed by the directors.</p> <p>105(5) If an auditor is not appointed at a meeting, then the incumbent auditor continues in office until his successor is appointed unless a resolution is passed not to appoint an auditor for the ensuing year.</p>	
<p>106(1) An auditor of a corporation ceases to hold office when</p> <p>(a) he dies or resigns; or</p> <p>(b) he is removed pursuant to section 107.</p> <p>106(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.</p>	
<p>107(1) The shareholders of a corporation may by ordinary resolution at a special meeting remove from office an auditor appointed by resolution under section 105.</p>	
<p>107(2) A vacancy created by the removal of an auditor may be filled at the meeting at which the auditor is removed.</p>	<p>107(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 under section 108.</p>
<p>108(1) Subject to subsection (3), the directors shall forthwith fill a vacancy in the office of auditor.</p> <p>108(2) If there is not a quorum of directors, the directors then in office shall, within twenty-one days after a vacancy in the office of auditor occurs, call a special meeting of shareholders 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 shareholder.</p> <p>108(3) The articles of a corporation may provide that a vacancy in the office of auditor shall only be filled by vote of the shareholders.</p> <p>108(4) An auditor appointed to fill a vacancy holds office for the unexpired term of his predecessor.</p>	
<p>109(1) The auditor of a corporation shall receive notice of the annual meeting of shareholders and is entitled to attend thereat.</p>	
<p>109(2) If a director or shareholder of a corporation, whether or not the shareholder is entitled to vote at the meeting, gives written notice not less than ten days before a meeting of shareholders 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 his duties as auditor.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
109(3) A director or shareholder who sends a notice referred to in subsection (2) shall send concurrently a copy of the notice to the registered office of the corporation.	
109(4) repealed: 2008, c.11, 5.4	
<p>109(5) An auditor who</p> <p>(a) resigns,</p> <p>(b) receives a notice or otherwise learns of a meeting of shareholders called for the purpose of removing him from office,</p> <p>(c) receives a notice or otherwise learns of a meeting of directors or shareholders 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 his term of office has expired or is about to expire, or</p> <p>(d) receives a notice or otherwise learns of a meeting of shareholders at which a resolution referred to in section 105 is to be proposed, is entitled to submit to the corporation a written statement giving the reasons for his resignation or the reasons why he opposes any proposed action or resolution.</p>	<p>(d) receives a notice or otherwise learns of a meeting of shareholders at which no resolution is being proposed to appoint an auditor for the ensuing year,</p>
	<p>109(5.1) The corporation is required to send a notice to the auditor 10 days in advance of a meeting of shareholders where a shareholder meeting, special or otherwise, is called</p> <p>(a) for the purpose of removing him from office;</p> <p>(b) for 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 his term of office has expired or is about to expire; or</p> <p>(c) for which no resolution is being proposed to appoint an auditor for the ensuing year.</p>
109(6) The corporation shall forthwith send a copy of the statement referred to in subsection (5) to every shareholder entitled to receive notice of any meeting referred to in subsection (1) and to the Director.	<p>109(6) The corporation shall forthwith send a copy of the statement referred to in subsection (5) to every shareholder entitled to receive notice of any meeting referred to in subsection (1).</p> <p>Note: Deleted "and to the Director".</p>
109(7) No person shall accept appointment or consent to be appointed as auditor of a corporation if he is replacing an auditor who has resigned, been removed or whose term of office has expired or is about to expire until he has requested and received from that auditor a written statement of the circumstances and the reasons why, in that auditor's opinion, he is to be replaced.	
109(8) Notwithstanding subsection (7), a person otherwise qualified may accept appointment or consent to be appointed as auditor of a corporation if, within fifteen days after making the request referred to in that subsection, he does not receive a reply.	
109(9) Unless subsection (8) applies, an appointment as auditor of a corporation of a person who has not complied with subsection (7) is void.	
110(1) An auditor of a corporation shall make the examination that is in his opinion necessary to enable him to report on the financial statements required by this Act to be placed before the shareholders, except such financial statements or part thereof that relate to the period referred to in subparagraph 100(1)(a)(ii).	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>110(2) Notwithstanding section 111, an auditor of a corporation may reasonably rely upon the report of an auditor of a body corporate or an unincorporated business the accounts of which are included in whole or in part in the financial statements of the corporation.</p> <p>110(3) For the purpose of subsection (2), reasonableness is a question of fact.</p> <p>110(4) Subsection (2) applies whether or not the financial statements of the holding corporation reported upon by the auditor are in consolidated form.</p>	
<p>111(1) Upon the demand of an auditor of a corporation, the present or former directors, officers, employees or agents of the corporation and the former auditors of the corporation shall furnish such</p> <p>(a) information and explanations, and</p> <p>(b) access to records, documents, books, accounts and vouchers of the corporation or any of its subsidiaries,</p> <p>as are, in the opinion of the auditor, necessary to enable him to make the examination and report required under section 110 and as the directors, officers, employees, agents or former auditors are reasonably able to furnish.</p>	
<p>111(2) Upon the demand of an auditor of a corporation, the directors of a corporation shall obtain from and furnish to the auditor such information and explanations from the present or former directors, officers, employees or agents of any subsidiary of the corporation as are, in the opinion of the auditor, necessary to enable him to make the examination and report required under section 110 and as the directors, officers, employees or agents are reasonably able to furnish.</p>	
	<p>No civil liability</p> <p>111(3) A person who in good faith makes an oral or written communication under subsection (1) or (2) is not liable in any civil proceeding arising from having made the communication.</p>
<p>112 Any oral or written statement or report made under this Act by the auditor or former auditor of a corporation has qualified privilege.</p>	
	<p>Notice of errors</p> <p>112.1(1) A director or an officer of a corporation shall forthwith notify the auditor of any error or mis-statement of which the director or officer becomes aware in a financial statement that the auditor or a former auditor has reported on.</p> <p>Error in financial statements</p> <p>112.1(2) An auditor or former auditor of a corporation who is notified or becomes aware of an error or mis-statement in a financial statement on which they have reported, if in their opinion the error or mis-statement is material, shall inform each director accordingly.</p> <p>Duty of directors</p> <p>112.1(3) When under subsection (2) the auditor or former auditor informs the directors of an error or mis-statement in a financial statement, the directors shall</p> <p>(a) prepare and issue revised financial statements; or</p> <p>(b) otherwise inform the shareholders.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>Part XI Fundamental Changes</p>	
<p>113(1) Subject to sections 115 and 116, a corporation may by special resolution from time to time amend its articles to add, change or remove any provision that is permitted by this Act to be, or that is, set out in its articles, including, without limiting the generality of the foregoing, to</p> <ul style="list-style-type: none"> (a) change its name; (b) Repealed: 1993, c.52, s.5 (c) add, change or remove any restriction upon the business or businesses that the corporation may carry on; (d) add, change or remove any maximum number of shares that the corporation is authorized to issue or any maximum consideration for which any shares of the corporation are authorized to be issued; (e) create new classes of shares; (f) Repealed: 1983, c.15, s.18 (g) change the designation of all or any of its shares, and add, change or remove any rights, privileges, restrictions and conditions, including rights to accrued dividends, in respect of all or any of its shares, whether issued or unissued; (h) change the kind of shares of any class or series whether issued or unissued to another kind of shares of any class or series; (i) change the shares of any class or series, whether issued or unissued, into a different number of shares of the same class or series or into the same or a different number of shares of other classes or series; (j) divide a class of shares, whether issued or unissued, into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof; (k) authorize the directors to divide any class of unissued shares into series and fix the number of shares in each series and the rights, privileges, restrictions and conditions thereof; (l) authorize the directors to change the rights, privileges, restrictions and conditions attached to unissued shares of any series; (m) revoke, diminish or enlarge any authority conferred under paragraphs (k) and (l); (n) subject to section 70, increase or decrease the number, or minimum or maximum number, of directors; and (o) add, change or remove restrictions on the issue or transfer of shares of any class or series. 	<p>(o) add, change or remove restrictions on the issue, transfer or ownership of shares of any class or series.</p>
<p>113(2) The directors of a corporation may, if authorized by the shareholders in a special resolution to that effect, revoke a special resolution authorizing an amendment under this section without further approval of the shareholders at any time prior to the issuance by the Director of a certificate of amendment of articles in respect of such amendment.</p> <p>113(3) Notwithstanding subsection (1), where a corporation has a designated number name, the directors may amend its articles to change that name to a name that is not a number name.</p>	
<p>114(1) The directors or any shareholder who is entitled to vote at an annual meeting of shareholders may, in accordance with section 89, make a proposal to amend the articles.</p>	<p>114(1) A director or any shareholder who is entitled to vote at an annual meeting of shareholders may, in accordance with section 89, make a proposal to amend the articles.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>114(2) Notice of a meeting of shareholders at which a proposal to amend the articles is to be considered shall set out the proposed amendment and, where applicable, shall state that a dissenting shareholder may be entitled to be paid the fair value of his shares in accordance with section 131, but failure to make that statement does not invalidate an amendment.</p>	
<p>115(1) The holders of shares of a class or, subject to subsection (2), of a series are, unless the articles otherwise provide in the case of an amendment referred to in paragraph (a), (b) or (e), entitled to vote separately as a class or series upon a proposal to amend the articles to</p> <p>(a) increase or decrease any maximum number of authorized shares of such class or series or increase any maximum number of authorized shares of a class or series, having rights or privileges equal or superior to the shares of such class or series;</p> <p>(b) effect an exchange, reclassification or cancellation of all or part of the shares of such class or series;</p> <p>(c) add, change or remove the rights, privileges, restrictions or conditions attached to the shares of such class or series and, without limiting the generality of the foregoing,</p> <p>(i) remove or change prejudicially rights to accrued dividends or rights to cumulative dividends,</p> <p>(ii) add, remove or change prejudicially redemption rights,</p> <p>(iii) reduce or remove a dividend preference or a liquidation preference, or</p> <p>(iv) add, remove or change prejudicially conversion privileges, options, voting rights, or rights to acquire securities of a corporation, or sinking fund provisions;</p> <p>(d) increase the rights or privileges of any class or series of shares having rights or privileges equal or superior to the shares of such class or series;</p> <p>(e) create a new class or series of shares equal or superior to the shares of such class or series;</p> <p>(f) make any class or series of shares having rights or privileges inferior to the shares of such class or series equal or superior to the shares of such class or series;</p> <p>(g) effect an exchange or create a right of exchange of the shares of another class or series into the shares of such class or series; or</p>	
<p>(h) add, change or remove restrictions on the transfer of such class or series.</p>	<p>(h) add, change or remove restrictions on the issue, transfer or ownership of the shares of such class or series.</p>
<p>115(2) The holders of a series of shares of a class are entitled to vote separately as a series under subsection (1) only if such series is affected by an amendment in a manner different from other shares of the same class.</p> <p>115(3) Subsection (1) applies whether or not shares of a class or series otherwise carry the right to vote.</p> <p>115(4) A proposed amendment to the articles referred to in subsection (1) is adopted when the holders of the shares of each class or series entitled to vote separately thereon as a class or series have approved the amendment by special resolution.</p>	
<p>116(1) Subject to any revocation under subsection 113(2), after an amendment has been adopted under section 113 or 115, articles of amendment in the form provided by the Director shall be sent to the Director within three months after the confirmation.</p> <p>116(2) If an amendment effects or requires a reduction of stated capital, subsections 35(3) and (4) apply.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
117 Upon receipt of articles of amendment, the Director shall issue a certificate of amendment.	
118(1) An amendment becomes effective on the date shown in the certificate of amendment and the articles are amended accordingly.	118(1) An amendment becomes effective on the date shown in the certificate of amendment and the articles are amended accordingly on that date.
118(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 any of 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.	
119(1) The corporation may at any time, and shall when reasonably so directed by the Director, restate by special resolution the articles of incorporation as amended	119(1) The directors of the corporation may at any time, and shall when reasonably so directed by the Director, restate the articles of incorporation as amended.
119(2) Restated articles of incorporation shall be sent to the Director in the form provided by the Director.	
119(3) Upon receipt of restated articles of incorporation, the Director shall issue a restated certificate of incorporation. 119(4) Restated articles of incorporation are effective on the date shown in the restated certificate of incorporation and supersede the original articles of incorporation and all amendments to them.	
120 Two or more corporations, including holding or subsidiary corporations, may amalgamate and continue as one corporation.	
121(1) Where corporations propose to amalgamate, each such corporation 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 under section 4; (b) subject to subsection (2), the basis upon which and manner in which the holders of the issued shares of each amalgamating corporation are to receive (i) securities of the amalgamated corporation, (ii) money, and (iii) securities of any body corporate other than the amalgamated corporation, in the amalgamation; (c) the manner of payment of money instead of the issue of fractional shares of the amalgamated corporation or of any other body corporate the securities of which are to be received in the amalgamation; (d) whether the by-laws of the amalgamated corporation are to be those of one of the amalgamating corporations and if not, a copy of the proposed by-laws; and (e) such other details as may be necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated corporation. 121(2) Where shares of one of the amalgamating corporations are held by or on behalf of another of the amalgamating corporations, the amalgamation agreement shall provide for the cancellation of such shares upon the amalgamation becoming effective without any repayment of capital in respect thereof, and no provision shall be made in the agreement for the conversion of such shares into shares of the amalgamated corporation.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>122(1) The directors of each amalgamating corporation shall submit the amalgamation agreement for approval at a meeting of the holders of shares of the amalgamating corporation of which they are directors and, subject to subsection (4), of the holders of each class or series of such shares.</p> <p>122(2) A notice of a meeting of shareholders complying with section 87 shall be sent in accordance with that section to each shareholder of each amalgamating corporation, and shall</p> <p>(a) include or be accompanied by a copy or summary of the amalgamation agreement; and</p> <p>(b) state that a dissenting shareholder may be entitled to be paid the fair value of his shares in accordance with section 131, but failure to make that statement does not invalidate an amalgamation.</p> <p>122(3) Each share of an amalgamating corporation carries the right to vote in respect of an amalgamation whether or not it otherwise carries the right to vote.</p> <p>122(4) The holders of shares of a class or series of shares of an amalgamating corporation are entitled to vote separately as a class or series in respect of an amalgamation if the amalgamation agreement contains a provision that, if contained in a proposed amendment to the articles, would entitle those holders to vote as a class or series under section 115.</p> <p>122(5) Subject to subsection (4), an amalgamation agreement is adopted when the shareholders of each amalgamating corporation have approved of the amalgamation by special resolution.</p> <p>122(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 shareholders of all or any of the amalgamating corporations.</p>	
<p>123(1) A holding corporation and one or more of its wholly owned subsidiary corporations may amalgamate and continue as one corporation without complying with sections 121 and 122,</p> <p>(a) if the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and</p> <p>(b) if the resolutions provide that,</p> <p>(i) the shares of each amalgamating subsidiary corporation shall be cancelled without any repayment of capital in respect thereof,</p> <p>(ii) except as may be prescribed, the articles of amalgamation shall be the same as the articles of incorporation of the amalgamating holding corporation, and</p> <p>(iii) no securities shall be issued and no assets shall be distributed by the amalgamated corporation in connection with the amalgamation.</p>	<p>(a.1) all the issued shares of each amalgamating subsidiary corporation are held by one or more of the other amalgamating corporations, and</p> <p>(ii) except as permitted by s. 123(1.1) or as may be prescribed, the articles of amalgamation shall be the same as the articles of incorporation of the amalgamating holding corporation, and</p>
	<p>123(1.1) The articles of amalgamation may set out a name for the amalgamated corporation that is not the name of the amalgamating holding corporation.</p>
<p>123(2) Two or more wholly owned subsidiary corporations of the same holding body corporate may amalgamate and continue as one corporation without complying with sections 121 and 122,</p> <p>(a) if the amalgamation is approved by a resolution of the directors of each amalgamating corporation; and</p> <p>(b) if the resolutions provide that,</p> <p>(i) the shares of all but one of the amalgamating subsidiary corporations shall be cancelled without any repayment of capital in respect thereof,</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
(ii) except as may be prescribed, the articles of amalgamation shall be the same as the articles of incorporation of the amalgamating subsidiary corporation whose shares are not cancelled, and	(ii) except as permitted by s. 123(2.1) or as may be prescribed, the articles of amalgamation shall be the same as the articles of incorporation of the amalgamating subsidiary corporation whose shares are not cancelled, and
(iii) the stated capital of the amalgamating subsidiary corporations whose shares are cancelled shall be added to the stated capital of the amalgamating subsidiary corporation whose shares are not cancelled.	
	<p>123(2.1) The articles of amalgamation may set out</p> <p>(a) a name for the amalgamated corporation that is not the name of the amalgamating subsidiary corporation whose shares are not cancelled; and</p> <p>(b) a different number or minimum and maximum number of directors than in the articles of the amalgamating subsidiary corporation whose shares are not cancelled.</p>
124(1) Subject to subsection 122(6), after an amalgamation has been adopted under section 122 or approved under section 123, articles of amalgamation shall be sent to the Director in the form provided by the Director together with the documents required by sections 17 and 64.	
<p>124(2) The articles of amalgamation shall have attached thereto a statement of a director or an officer of each amalgamating corporation that</p> <p>(a) there are reasonable grounds for believing that,</p> <p>(i) each amalgamating corporation is and the amalgamated corporation will be able to pay its liabilities as they become due, and</p> <p>(ii) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and</p> <p>(b) there are reasonable grounds for believing that</p> <p>(i) no creditor will be prejudiced by the amalgamation, or</p> <p>(ii) adequate notice has been given to all known creditors of the amalgamating corporations and no creditor objects except on grounds that are frivolous or vexatious.</p>	
<p>124(3) For the purposes of subsection (2), adequate notice is given if</p> <p>(a) a notice in writing is sent to each known creditor having a claim against the corporation that exceeds one thousand dollars at the last address of the creditor known to the corporation;</p> <p>(b) a notice of the proposed amalgamation is published once in a newspaper published or distributed in the place where each amalgamating corporation has its registered office;</p> <p>(c) a notice is published in The Royal Gazette; and</p> <p>(d) each notice states that the corporation intends to amalgamate with one or more specified corporations in accordance with this Act unless a creditor of the corporation objects to the amalgamation within thirty days from the date of the notice.</p> <p>124(4) Upon receipt of articles of amalgamation and the statement, the Director shall issue a certificate of amalgamation.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>125 Upon the date set forth in the certificate of amalgamation,</p> <p>(a) the amalgamation becomes effective and the amalgamating corporations are amalgamated and continue as one corporation under the terms and conditions prescribed in the amalgamation agreement;</p> <p>(b) the amalgamated corporation possesses all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and administrative, all contracts, disabilities and debts of each of the amalgamating corporations;</p> <p>(c) a conviction against, or ruling, order or judgment in favour of or against an amalgamating corporation may be enforced by or against the amalgamated corporation;</p>	
<p>(d) the articles of amalgamation shall be deemed to be the articles of incorporation of the amalgamated corporation and, except for the purposes of subsection 4(1), the certificate of amalgamation shall be deemed to be the certificate of incorporation of the amalgamated corporation; and</p>	<p>(d) the articles of amalgamation shall be deemed to be the articles of incorporation of the amalgamated corporation and, except for the purposes of subsection 7(1), the certificate of amalgamation shall be deemed to be the certificate of incorporation of the amalgamated corporation; and</p>
<p>(e) the amalgamated corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against an amalgamating corporation before the amalgamation has become effective.</p>	
<p>126(1) A body corporate</p> <p>(a) incorporated under the laws of any jurisdiction other than New Brunswick may, if so authorized by the laws of the jurisdiction in which it is incorporated, or</p> <p>(b) incorporated or continued under the laws of the Province may, apply to the Director for a certificate of continuance.</p> <p>126(2) Articles of continuance shall be sent to the Director in the form provided by the Director together with the documents prescribed by sections 17 and 64.</p> <p>126(3) The articles of continuance shall make any amendments to the original or restated articles of incorporation, articles of amalgamation, letters patent or supplementary letters patent, special Act or any other instrument by which the body corporate was incorporated, and any amendments thereto, necessary to make the articles of continuance conform to the laws of New Brunswick, and may make such other amendments as would be permitted under this Act if the body corporate were incorporated under the laws of New Brunswick, if the same shareholder approval has been obtained for such other amendments as would have been required under this Part if the body corporate were incorporated under the laws of New Brunswick.</p> <p>126(4) Upon receipt of articles of continuance and any other prescribed documents, the Director shall issue a certificate of continuance.</p>	
<p>126(5) On the date shown in the certificate of continuance,</p> <p>(a) the body corporate becomes a corporation to which this Act applies as if it has been incorporated under this Act;</p> <p>(b) the articles of continuance shall be deemed to be the articles of incorporation of the continued corporation; and</p> <p>(c) the certificate of continuance shall be deemed to be the certificate of incorporation of the continued corporation.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>126(6) The Director shall send a copy of the certificate of continuance to the appropriate official or public body in the jurisdiction in which continuation under the Act was authorized, but this does not apply with respect to a body corporate continued in accordance with section 192.</p>	
<p>126(7) When a body corporate is continued as a corporation under this Act,</p> <p>(a) the corporation possesses all the property, rights, privileges and franchises and is subject to all the liabilities, including civil, criminal and administrative, and all contracts, disabilities and debts of the body corporate;</p> <p>(b) a conviction against, or ruling, order or judgment in favour of or against, the body corporate may be enforced by or against the corporation; and</p> <p>(c) the corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the body corporate.</p>	
<p>126(8) A share of a body corporate issued before the body corporate was continued under this Act shall be deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance, irrespective of whether the share is fully paid, and of any designation, rights, privileges, restrictions or conditions set out on or referred to in the certificate representing the share, and continuance under this section does not deprive a holder of any right or privilege that he claims under, or relieve him of any liability in respect of, an issued share.</p>	
<p>126(9) For the purposes of subsection (8), “share” includes an instrument referred to in subsection 28(1), a share warrant as defined in the <i>Companies Act</i> or a like instrument.</p>	
<p>127(1) Subject to subsection (8), a corporation may, if it is authorized by the shareholders in accordance with this section, and it establishes to the satisfaction of the Director that its proposed continuance in another jurisdiction will not adversely affect creditors or shareholders of the corporation, apply to the appropriate official or public body of another jurisdiction requesting that the corporation be continued as if it had been incorporated under the laws of that other jurisdiction.</p>	
	<p>127(1.1) Notwithstanding subsection (1), the Director shall give his satisfaction where the proposed continuance is in another Canadian jurisdiction and the application is not prohibited by subsection (8).</p>
<p>127(2) A notice of a meeting of shareholders complying with section 87 shall be sent in accordance with that section to each shareholder and shall state that a dissenting shareholder may be entitled to be paid the fair value of his shares in accordance with section 131, but failure to make that statement does not invalidate a discontinuance under this Act.</p> <p>127(3) Each share of the corporation carries the right to vote in respect of a continuance whether or not it otherwise carries the right to vote.</p>	
<p>127(4) An application for continuance under subsection (1) becomes authorized when the shareholders voting thereon have approved of the continuance by a special resolution.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>127(5) The directors of a corporation may, if authorized by the shareholders at the time of approving an application for continuance under this section, abandon the application without further approval of the shareholders.</p>	
	<p>127(5.1) Forthwith upon the corporation having been continued under the laws of another jurisdiction, the corporation shall send a notice to the Director that it has been continued.</p>
<p>127(6) Subject to subsection (1), upon receipt of notice satisfactory to him that the corporation has been continued under the laws of another jurisdiction, the Director shall file the notice and issue a certificate of discontinuance.</p> <p>127(7) This Act ceases to apply to the corporation on the date shown in the certificate of discontinuance, which shall be dated the date upon which the corporation is continued under the laws of another jurisdiction.</p>	
<p>127(8) A corporation shall not apply under subsection (1) to be continued as a body corporate under the laws of another jurisdiction unless those laws provide in effect that</p> <ul style="list-style-type: none"> (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 the corporation may be enforced against the body corporate or a ruling, order or judgment in favour of or against the corporation may be enforced by or against the body corporate. 	
	<p>127(9) A corporation may apply under the <i>Companies Act</i> to be continued as a company under the <i>Companies Act</i>, but limiting its purposes, objects and powers for which letters patent may be issued under that Act.</p> <p>129(10) The provisions of this section apply on a same basis for a corporation applying pursuant to subsection (9) to be continued under the <i>Companies Act</i>.</p> <p>Note: Ancillary amendments will be required under the <i>Companies Act</i> to facilitate this.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>128(1) In this section “arrangement”, with respect to a corporation, includes</p> <p>(a) the addition to, change or removal from the articles of the corporation of any provision that is permitted by this Act to be, or that is, set out in the articles;</p> <p>(b) an amalgamation of the corporation with another corporation;</p> <p>(c) an amalgamation of a body corporate with a corporation that results in an amalgamated corporation subject to this Act;</p> <p>(d) a transfer of all or substantially all the property of the corporation to another body corporate in exchange for securities, money or other property of the body corporate;</p> <p>(e) an exchange of securities of the corporation held by security holders for other securities, money or other property of the corporation or securities, money or other property of another body corporate that is not a takeover bid under section 133;</p> <p>(f) a liquidation and dissolution of the corporation;</p> <p>(g) a compromise between a corporation and its creditors or any class of its creditors or between a corporation and the holders of its shares or debt obligations or any class of those holders; or</p>	<p>(g) a compromise between a corporation and its creditors or any class of its creditors or between a corporation and the holders of its shares or debt obligations or any class of those holders;</p>
<p>(h) any combination of the foregoing.</p>	<p>(h) any other reorganization or scheme involving the business or affairs of the corporation or of any or all of the holders of its securities or of any options or rights to acquire any of its securities that is, at law, an arrangement; or</p> <p>(i) any combination of the foregoing.</p> <p>128(1.1) For purposes of paragraphs 128(d) and (e), the securities of a corporation held by security holders may be exchanged for securities or other property of a person, business trust or similar entity provided the said the securities or property is a financial asset as defined in the <i>Securities Transfer Act</i>, except as otherwise provided in sections 10 to 16 of that Act.</p>
<p>128(2) An application may be made to the Court by a corporation or a security holder or creditor of a corporation for an order approving an arrangement in respect of the corporation.</p>	
<p>128(3) If an arrangement can be effected under any other provision of this Act, an application may not be made under this section unless it is impracticable to effect the arrangement under that other provision.</p>	<p>Repeal</p>
<p>128(4) In connection with an application under this section, the Court may make one or more of the following orders:</p>	<p>128(4) Notwithstanding that an arrangement can be effected under any other provision of this Act, an application can be made for an arrangement under this section, and the Court may make any interim or final order it thinks fit including, without limiting the generality of the foregoing:</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>(a) an order determining the notice to be given to any interested person or dispensing with notice to any person;</p> <p>(b) an order appointing counsel, at the expense of the corporation, to represent the interests of the shareholders;</p> <p>(c) an order requiring a corporation to call, hold and conduct a meeting of all or any particular group of holders of any securities or options or rights to acquire securities of the corporation or creditors in such manner as the Court directs;</p> <p>(d) an order permitting a shareholder to dissent under section 131 if the arrangement is adopted;</p> <p>(e) an order that the arrangement or proposed arrangement shall be deemed not to have been adopted unless it has been approved by such majority, which majority may be</p> <p>(i) in the case of a vote of shareholders or a class of shareholders, a majority of at least two-thirds of the votes cast by the shareholders voting on the resolution,</p> <p>(ii) in the case of a vote of creditors or a class of creditors, a majority in number representing at least two-thirds of the amount of their claims,</p> <p>(iii) in the case of a vote of the holders of debt obligations or a class of those holders, a majority in number representing at least two-thirds of their claims, and</p> <p>(iv) in the case of a vote of holders of options or rights to acquire securities, the majority that would be required under paragraphs (i) and (iii) if those holders had acquired ownership of the securities; or</p> <p>(f) an order approving the arrangement as proposed by the corporation or as amended in any manner the Court may direct.</p>	
<p>128(5) An applicant under this section shall give the Director notice of the application, and the Director is entitled to appear and be heard in person or by counsel.</p>	<p>128(5) An applicant for an interim or final order under this section shall give the Director notice of the application, and the Director is entitled to appear and be heard in person or by counsel.</p>
<p>129(1) After an order referred to in paragraph 128(4)(f) has been made, articles of arrangement in the form provided by the Director shall be sent to the Director together with the documents required by sections 17 and 64, if applicable.</p>	
<p>129(2) Upon receipt of articles of arrangement, the Director shall issue a certificate of arrangement.</p>	
	<p>129(2.1) An arrangement becomes effective on the date shown in the certificate of arrangement.</p>
<p>130(1) A sale, lease or exchange of all or substantially all the property of a corporation other than in the ordinary course of business of the corporation requires the approval of the shareholders in accordance with subsections (3) to (7).</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>130(1.1) Subsection 130(1) does not apply to a disposition of all or substantially all of the undertaking of the company</p> <ul style="list-style-type: none"> (a) by way of security interest; (b) by a lease if <ul style="list-style-type: none"> (i) the term of the lease, at its beginning, does not exceed 3 years, and (ii) any option or covenant for renewal included in the lease is not capable of extending the total lease periods beyond 3 years; (c) to a body corporate that is a wholly owned subsidiary of the corporation; (d) to a body corporate of which the corporation is a wholly owned subsidiary; (e) to a body corporate if the corporation and the body corporate are <ul style="list-style-type: none"> (i) wholly owned subsidiaries of the same holding body corporate, or (ii) wholly owned by the same person; or (f) to the person, other than a corporation, who holds all of the shares of <ul style="list-style-type: none"> (i) the corporation, or (ii) a body corporate of which the corporation is a wholly owned subsidiary.
<p>130(2) Where a sale, lease or exchange of all or substantially all the property of a corporation is proposed, a meeting of the shareholders shall be called and a notice of a meeting of shareholders complying with section 87 shall be sent in accordance with that section to each shareholder and shall</p> <ul style="list-style-type: none"> (a) include or be accompanied by a copy or summary of the agreement of sale, lease or exchange; and (b) state that a dissenting shareholder may be entitled to be paid the fair value of his shares in accordance with section 131, but failure to make that statement does not invalidate a sale, lease or exchange referred to in subsection (1). <p>130(3) At the meeting referred to in subsection (2), the shareholders may approve the sale, lease or exchange and may fix or authorize the directors to fix any of the terms and conditions thereof.</p> <p>130(4) Each share of the corporation carries the right to vote in respect of a sale, lease or exchange referred to in subsection (1) whether or not it otherwise carries the right to vote.</p> <p>130(5) If sale, lease or exchange by a corporation referred to in subsection (1) would affect a particular class or series of shares of the corporation in a manner different from the shares of another class or series of the corporation entitled to vote on the sale, lease or exchange referred to in subsection (1), the holders of such first mentioned class or series of shares, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series in respect to such sale, lease or exchange.</p> <p>130(6) The approval of the shareholders of a corporation of a sale, lease or exchange referred to in subsection (1) is not effective until the holders of the shares of each class or series of shares of the corporation entitled to vote separately on the sale, lease or exchange have, in each case by special resolution, approved the sale, lease or exchange.</p> <p>130(7) The directors of a corporation may, if authorized by the shareholders 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 shareholders.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>131(1) Subject to sections 132 and 166, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 128(4)(d) that affects the holder or if the corporation resolves to</p> <p>(a) amend its articles under section 113 to add, change or remove restrictions on the transfer of shares of a class or series of the shares of the corporation;</p> <p>(b) amend its articles under section 113 to add, change or remove any restriction upon the business or businesses that the corporation may carry on;</p> <p>(c) amend its articles under section 113 to provide that meetings of the shareholders may be held outside New Brunswick at one or more specified places;</p> <p>(d) amalgamate with another corporation, otherwise than under section 123;</p> <p>(e) be continued under the laws of another jurisdiction under section 127; or</p> <p>(f) sell, lease or exchange all or substantially all its property under subsection 130(1).</p>	<p>131(1) Subject to sections 132 and 166, a holder of shares of any class of a corporation entitled to vote may dissent if the corporation is subject to an order under paragraph 128(4)(d) that affects the holder or if the corporation resolves to</p> <p>(a) amend its articles under section 113 to add, change or remove restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;</p> <p>(f) sell, lease or exchange all or substantially all its property under subsection 130(1) and section 130(1.1) does not apply.</p>
<p>131(2) A holder of shares of any class or series of shares entitled to vote under section 115 may dissent if the corporation resolves to amend its articles in a manner described in that section.</p>	<p>131(2) For purposes of subsection 131(1), a holder of shares of any class or series of shares entitled to vote under section 115 may dissent if the corporation resolves to amend its articles in a manner described in that section.</p>
<p>131(3) In addition to any other right he may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which he dissents becomes effective, or an order is made under subsection 128(5), to be paid by the corporation the fair value of the shares held by him in respect of which he dissents, determined as of the close of business on the day before the resolution is adopted or an order is made, but in determining the fair value of the shares any change in value reasonably attributable to the anticipated adoption of the resolution shall be excluded.</p>	
<p>131(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by him on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.</p>	
<p>131(5) A dissenting shareholder shall send to the registered office of the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of his right to dissent.</p>	
<p>131(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has sent the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn his objection.</p>	<p>131(5.1) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (5).</p>
<p>131(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has sent the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn his objection.</p>	
<p>131(6.1) A notice sent under subsection (6) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.</p>	<p>131(6.1) A notice sent under subsection (6) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>131(7) A dissenting shareholder shall, within twenty days after he receives a notice under subsection (6), or, if he does not receive such notice, within twenty days after he learns that the resolution has been adopted, send to the corporation a written notice containing</p> <ul style="list-style-type: none"> (a) his name and address; (b) the number and class of shares in respect of which he dissents; and (c) a demand for payment of the fair value of such shares. 	
<p>131(8) Not later than the thirtieth day after the sending of a notice under subsection (7), a dissenting shareholder shall send the certificates representing the shares in respect of which he dissents to the corporation or its transfer agent.</p>	<p>131(8) Not later than the thirtieth day after the sending of a notice under subsection (7), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which he dissents to the corporation or its transfer agent.</p>
<p>131(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.</p>	<p>131(9) A dissenting shareholder who fails to comply with subsections (5), (7), and (8) has no right to make a claim under this section.</p>
<p>131(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>131(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of his shares as determined under this section except where</p> <p>(a) the dissenting shareholder withdraws his notice before the corporation makes an offer under subsection (12),</p> <p>(b) the corporation fails to make an offer in accordance with subsection (12) and the dissenting shareholder withdraws his notice, or</p> <p>(c) the directors revoke a resolution to amend the articles under subsection 113(2), terminate an amalgamation agreement under subsection 122(6), abandon an application for continuance under subsection 127(5), or abandon a sale, lease or exchange under subsection 130(7),</p> <p>in which case his rights as the holder of the shares in respect of which he had dissented are reinstated as of the date he sent the notice referred to in subsection (7), and he is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that have been endorsed in accordance with subsection (10), to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.</p>	<p>131(11.1) A dissenting shareholder whose rights are reinstated under subsection (11) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (10),</p> <p>(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or</p> <p>(b) if a resolution is passed by the directors under section 46 with respect to that class and series of shares</p> <p>(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and</p> <p>(ii) to be sent the notice referred to in section 46.</p> <p>131(11.2) A dissenting shareholder whose rights are reinstated under subsection (11) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (7) is entitled,</p> <p>(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (7); and</p> <p>(b) to be sent the notice referred to in section 46.</p>
<p>131(12) A corporation shall, not later than fourteen days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice</p>	<p>131(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice</p>
<p>(a) a written offer to pay for his shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or</p> <p>(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.</p>	
<p>131(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>131(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.</p>	
<p>131(15) Where a corporation fails to make an offer under subsection (12) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the Court may allow, apply to the Court to fix a fair value for the shares of any dissenting shareholder.</p>	
<p>131(16) If a corporation fails to apply to the Court under subsection (15), a dissenting shareholder may apply to the Court for the same purpose within a further period of twenty days or within such further period as the Court may allow.</p>	
<p>131(17) If a corporation fails to comply with subsection (12), then the costs of a shareholder application under subsection (16) are to be borne by the corporation unless the Court otherwise orders.</p>	
<p>131(18) Before making application to the Court under subsection (15) or not later than seven days after receiving notice of an application to the Court under subsection (16), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,</p> <ul style="list-style-type: none"> (a) has sent to the corporation the notice referred to in subsection (7), and (b) has not accepted an offer made by the corporation under subsection (12), if such offer was made, <p>of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in paragraphs (a) and (b), within three days after he satisfies such conditions.</p>	
<p>131(19) All dissenting shareholders who satisfy the conditions set out in paragraphs (18)(a) and (b) shall be deemed to be joined as parties to an application under subsection (15) or (16) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the Court in the proceedings commenced by the application.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>131(20) Upon an application to the Court under subsection (15) or (16), the Court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the Court shall then fix a fair value for the shares of all dissenting shareholders.</p> <p>131(21) The Court may in its discretion appoint one or more appraisers to assist the Court to fix a fair value for the shares of the dissenting shareholders.</p> <p>131(22) The final order of the Court in the proceedings commenced by an application under subsection (15) or (16) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in paragraphs (18) (a) and (b).</p> <p>131(23) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.</p>	
<p>131(24) Where subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.</p>	
<p>131(25) Where subsection (26) applies, a dissenting shareholder, by written notice delivered to the registered office of the corporation within thirty days after receiving a notice under subsection (24), may</p> <p>(a) withdraw his notice of dissent, in which case the corporation shall be deemed to consent to the withdrawal and the shareholder is reinstated to his full rights as a shareholder, or</p> <p>(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 shareholders.</p>	
<p>131(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that</p> <p>(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or</p> <p>(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.</p>	
<p>131(27) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1), the Court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (3), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance with such terms and conditions as the Court thinks fit and notice of any such application and a copy of any order made by the Court upon such application shall be served upon the Director.</p>	<p>131(27) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the Court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (3), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance with such terms and conditions as the Court thinks fit.</p> <p>Note: Deleted "and notice of any such application and a copy of any order made by the Court upon such application shall be served upon the Director"</p>
<p>131(28) The Director may appoint counsel to assist the Court upon the hearing of an application under subsection (27).</p>	<p>Repeal</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>132(1) In this section, “reorganization” means a court order made under</p> <p>(a) section 166;</p> <p>(b) the Bankruptcy Act, Chapter B-3 of the Revised Statutes of Canada, 1970, approving a proposal; or</p> <p>(c) any other Act that affects the rights among the corporation, its shareholders and creditors.</p>	<p>(b) <i>the Bankruptcy and Insolvency Act (Canada) or the Companies Creditors Arrangement Act (Canada)</i>; or</p>
<p>132(2) If a corporation is subject to a reorganization, its articles may be amended by such order to effect any change that might lawfully be made by an amendment under section 113.</p>	
<p>132(3) Where a reorganization is made, the Court may also</p> <p>(a) authorize the issue of debt obligations of the corporation, whether or not convertible into shares of any class or having attached any rights or options to acquire shares of any class, and fix the terms thereof; and</p> <p>(b) appoint directors in place of or in addition to all or any of the directors then in office.</p>	<p>(a) authorize the issue of debt obligations of the corporation, whether or not convertible into shares of any class or series or having attached any rights or options to acquire shares of any class or series, and fix the terms thereof; and</p>
<p>132(4) After a reorganization has been made, articles of reorganization shall be sent to the Director in the form provided by the Director together with the documents required by sections 17 and 71, if applicable.</p> <p>132(5) Upon receipt of articles of reorganization, the Director shall issue a certificate of amendment.</p>	
<p>132(6) A reorganization becomes effective on the date shown in the certificate of amendment and the articles of incorporation are amended accordingly</p>	<p>132(6) A reorganization becomes effective on the date shown in the certificate of amendment and the articles are amended accordingly.</p>
<p>132(7) A shareholder is not entitled to dissent under section 131 if an amendment to the articles of incorporation is effected under this section.</p>	<p>132(7) A shareholder is not entitled to dissent under section 131 if an amendment to the articles is effected under this section.</p>
<p>Part XII Take Over Bids</p>	
<p>133(1) In this section “dissenting offeree” means, where an offer is made for all the shares of a class of shares of a corporation, a holder of a share of that class who does not accept the offer and includes a subsequent holder of that share who acquires it from the first mentioned holder.</p>	<p>Repeal</p>
<p>133(2) If within one hundred and twenty days after the date of an offer to purchase shares the offer is accepted by the holders of not less than ninety percent of the shares of any class of shares to which the offer relates, other than shares held at the date of the offer by or on behalf of the offeror or an affiliate or associate of the offeror, the offeror is entitled, upon complying with this section, to acquire the shares held by the dissenting offerees.</p>	<p>Repeal</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>133(3) An offeror may acquire shares held by a dissenting offeree by sending by registered mail within sixty days after the date of termination of the offer, and in any event within one hundred and eighty days after the date of the offer, an offeror's notice to each dissenting offeree and to the Director stating that</p> <p>(a) the offerees holding more than ninety per cent of the shares to which the offer relates accepted the offer;</p> <p>(b) the offeror is bound to take up and pay for or has taken up and paid for the shares of the offerees who accepted the offer;</p> <p>(c) a dissenting offeree is required to elect</p> <p>(i) to transfer his shares to the offeror on the terms on which the offeror acquired the shares of the offerees who accepted the offer, or</p> <p>(ii) to demand payment of the fair value of his shares in accordance with subsections (9) to (16) by notifying the offeror within twenty days after he receives the offeror's notice;</p> <p>(d) a dissenting offeree who does not notify the offeror in accordance with subparagraph (c)(ii) shall be deemed to have elected to transfer his shares to the offeror on the same terms that the offeror acquired the shares from the offerees who accepted the offer; and</p> <p>(e) a dissenting offeree must send his shares to which the offer relates to the offeree corporation within twenty days after he receives the offeror's notice.</p>	<p>Repeal</p>
<p>133(4) Concurrently with sending the offeror's notice under subsection (3) to a dissenting offeree, the offeror shall send to the offeree corporation a copy of the offeror's notice, which constitutes a demand under subsection 88(1) of the <i>Securities Transfer Act</i> that the offeree corporation not register a transfer with respect to each share held by a dissenting offeree.</p>	<p>Repeal</p>
<p>133(5) A dissenting offeree to whom an offeror's notice is sent under subsection (3) shall, within twenty days after he receives that notice, send his share certificates of the class of shares to which the offer relates to the offeree corporation.</p>	<p>Repeal</p>
<p>133(6) Within twenty days after the offeror sends an offeror's notice under subsection (3), the offeror shall pay or transfer to the offeree corporation the amount of money or other consideration that the offeror would have had to pay or transfer to a dissenting offeree if the dissenting offeree had elected to transfer his shares under subparagraph (3)(c)(i).</p>	<p>Repeal</p>
<p>133(7) The offeree corporation shall be deemed to hold in trust for the dissenting shareholders the money or other consideration it receives under subsection (6), and the offeree corporation shall deposit the money in a separate account in a bank or other body corporate any of whose deposits are insured under the <i>Canada Deposit Insurance Corporation Act</i>, Chapter C-3 of the Revised Statutes of Canada, 1970, and shall place the other consideration in the custody of a bank or such other body corporate.</p>	<p>Repeal</p>
<p>133(7.1) A corporation that violates or fails to comply with subsection (7) commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence.</p>	<p>Repeal</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>133(8) Within thirty days after the offeror sends an offeror's notice under subsection (3), the offeree corporation shall</p> <p>(a) issue to the offeror a share certificate in respect of the shares that were held by dissenting offerees;</p> <p>(b) give to each dissenting offeree who elects to transfer his shares under subparagraph (3)(c)(i) and who sends his share certificates as required under subsection (5), the money or other consideration to which he is entitled, disregarding fractional shares, which may be paid for in money; and</p> <p>(c) send to each dissenting shareholder who has not sent his share certificates as required under subsection (5) a notice stating that</p> <p>(i) his shares have been cancelled,</p> <p>(ii) the offeree corporation or some designated person holds in trust for him the money or other consideration to which he is entitled as payment for or in exchange for his shares, and</p> <p>(iii) the offeree corporation will, subject to subsections (9) to (16), send that money or other consideration to him forthwith after receiving his shares.</p>	Repeal
<p>133(9) If a dissenting offeree has elected to demand payment of the fair value of his shares under subparagraph (3)(c)(ii), the offeror may, within twenty days after it has paid the money or transferred the other consideration under subsection (6), apply to the Court to fix the fair value of the shares of that dissenting offeree.</p>	Repeal
<p>133(10) If an offeror fails to apply to the Court under subsection (9), a dissenting offeree may apply to the Court for the same purpose within a further period of twenty days.</p>	Repeal
<p>133(11) A dissenting offeree is not required to give security for costs in an application made under subsection (9) or (10).</p>	Repeal
<p>133(12) Upon an application under subsection (9) or (10)</p> <p>(a) all dissenting offerees referred to in subparagraph (3)(c)(ii) whose shares have not been acquired by the offeror shall be joined as parties and are bound by the decision of the Court; and</p> <p>(b) the offeror shall notify each affected dissenting offeree of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel.</p>	Repeal
<p>133(13) Upon an application to the Court under subsection (9) or (10) the Court may determine whether any other person is a dissenting offeree who should be joined as a party, and the Court shall then fix a fair value for the shares of all dissenting offerees.</p>	Repeal
<p>133(14) The Court may in its discretion appoint one or more appraisers to assist the Court to fix a fair value for the shares of a dissenting offeree.</p>	Repeal
<p>133(15) The final order of the Court shall be made against the offeror in favour of each dissenting offeree and for the amount for his shares as fixed by the Court.</p>	Repeal

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>133(16) In connection with proceedings under this section, the Court may make any order it thinks fit and, without limiting the generality of the foregoing, it may</p> <p>(a) fix the amount of money or other consideration that is deemed to be held in trust under subsection (7);</p> <p>(b) order that that money or other consideration be held in trust by a person other than the offeree corporation;</p> <p>(c) allow a reasonable rate of interest on the amount payable to each dissenting offeree from the date he sends or delivers his share certificates under subsection (5) until the date of payment; and</p> <p>(d) order that any money or other consideration payable to a shareholder who cannot be found be disposed of in accordance with subsection 153(1).</p>	<p>Repeal</p>
<p>133(17) Where an offeror has not exercised the right conferred by subsection (2), a dissenting shareholder may, within thirty days after the date on which the notice referred to in subsection (3) could be sent, require the offeror to acquire the shares held by the dissenting shareholder and subsections (3) to (16) shall apply mutatis mutandis.</p>	<p>Repeal</p>
<p>134 Where an offer is made for less than all the shares of any class which, together with any other shares of the offeror, his affiliates or associates would constitute fifty per cent of the outstanding voting securities of a corporation,</p> <p>(a) the offer shall be made to all security holders of that class, and</p> <p>(b) where a greater number of securities is offered than the offeror is bound or willing to accept, the securities taken up by the offeror shall be taken up as nearly as may be pro rata, disregarding fractions, according to the number of securities sent by each offeree.</p>	<p>Repeal</p>
<p>Part XIII Liquidation and Dissolution</p>	
<p>135(1) This Part does not apply to a corporation that is bankrupt within the meaning of the Bankruptcy Act, chapter B-3 of the Revised Statutes of Canada, 1970</p>	<p>135 (1) This Part, other than sections 136 and 139, does not apply to a corporation that is an insolvent person or a bankrupt as those terms are defined in subsection 2(1) of the <i>Bankruptcy and Insolvency Act</i>.</p>
<p>135(2) Any proceedings taken under this Part to dissolve or to liquidate and dissolve a corporation shall be stayed if at any time a corporation becomes subject to or takes a proceeding under the Bankruptcy Act, chapter B-3 of the Revised Statutes of Canada, 1970.</p>	<p>135(2) Any proceedings taken under this Part to dissolve or to liquidate and dissolve a corporation shall be stayed if the corporation is at any time found, in a proceeding under the <i>Bankruptcy and Insolvency Act</i>, to be an insolvent person as defined in subsection 2(1) of that Act.</p>
<p>136(1) Where a corporation is dissolved under section 139, any interested person may apply to the Director to have the corporation revived.</p> <p>136(2) Where a body corporate has had its charter forfeited under the <i>Companies Act</i>, any interested person may apply to the Director to have the body corporate revived.</p>	<p>136(1) Where a corporation is dissolved, any interested person may apply to the Director to have the corporation revived.</p> <p>136(2) Where a body corporate has had its charter forfeited under the <i>Companies Act</i>, any interested person may apply to the Director to have the body corporate revived as a corporation under this Act.</p>
<p>136(3) Articles of revival shall be sent to the Director in the form provided by the Director.</p>	
<p>136(4) Upon receipt of articles of revival, the Director may issue a certificate of revival.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>136(4.1) Where a corporation is dissolved under section 139 or where a body corporate has had its charter forfeited under the <i>Companies Act</i>, the Lieutenant-Governor in Council may, in writing, direct the Director to revive the corporation or body corporate, as the case may be.</p> <p>136(4.2) Where the Director receives a direction from the Lieutenant-Governor in Council under subsection (4.1), the Director shall issue a certificate of revival.</p>	
<p>136(5) Subject to subsection (6), a corporation or body corporate is revived on the date shown on the certificate of revival and thereafter the corporation or body corporate, subject to the rights acquired by any person after its dissolution, has all the rights and privileges and is liable for the obligations that it would have had if it had not been dissolved or had its charter forfeited.</p>	
<p>136(6) The Director may</p> <p>(a) impose any terms upon the issuance of the certificate of revival, or</p> <p>(b) direct a body corporate to apply for a certificate of continuance under section 126.</p>	
<p>137(1) A corporation that has not issued any shares may be dissolved at any time by resolution of all the directors.</p> <p>137(2) A corporation that has no property and no liabilities may be dissolved by special resolution of the shareholders or, where it has issued more than one class of shares, by special resolutions of the holders of each class whether or not they are otherwise entitled to vote.</p>	
<p>137(3) A corporation that has property or liabilities or both may be dissolved by special resolution of the shareholders or, where it has issued more than one class of shares, by special resolutions of the holders of each class whether or not they are otherwise entitled to vote, if</p> <p>(a) by the special resolution or resolutions the shareholders authorize the directors to cause the corporation to distribute any property and discharge any liabilities; and</p>	
<p>(b) the corporation has distributed any property and discharged any liabilities before it sends articles of dissolution to the Director pursuant to subsection (4).</p>	<p>(b) the corporation has distributed any property and</p> <p>i) discharged any liabilities;</p> <p>ii) has made adequate provision for the payment of each of its liabilities by one or more shareholders of the corporation that have legally assumed responsibility to pay the liabilities and there are reasonable grounds for the corporation in believing that the shareholder is able to pay the liabilities as they become due, or</p> <p>iii) all creditors have provided their written consent to the corporation that it may proceed to be dissolved</p> <p>before it sends articles of dissolution to the Director pursuant to subsection (4).</p>
<p>137(4) Articles of dissolution shall be sent to the Director in the form provided by the Director.</p> <p>137(5) Upon receipt of articles of dissolution, the Director shall issue a certificate of dissolution.</p> <p>137(6) The corporation ceases to exist on the date shown in the certificate of dissolution.</p>	
<p>138(1) The directors may propose the voluntary liquidation and dissolution of a corporation.</p>	<p>138(1) The directors may propose, or a shareholder may propose in accordance with section 89, the voluntary liquidation and dissolution of a corporation.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>138(2) Notice of any meeting of shareholders at which voluntary liquidation and dissolution is to be proposed shall set out the terms thereof.</p>	
<p>138(3) A corporation may be liquidated and dissolved by special resolution of the shareholders ratifying a proposal by the directors, and, where the corporation has issued more than one class of shares, special resolutions of the holders of each class, whether or not they are otherwise entitled to vote, shall be required ratifying such directors' proposal.</p>	<p>138(3) A corporation may be liquidated and dissolved by special resolution of the shareholders, and, where the corporation has issued more than one class of shares, special resolutions of the holders of each class, whether or not they are otherwise entitled to vote, shall be required ratifying such directors' proposal.</p>
<p>138(4) A statement of intent to dissolve shall be sent to the Director in the form provided by the Director.</p>	
<p>138(5) Upon receipt of a statement of intent to dissolve, the Director shall issue a certificate of intent to dissolve.</p>	
<p>138(6) Upon issue of a certificate of intent to dissolve, the corporation shall cease to carry on business except to the extent necessary for the liquidation, but its corporate existence continues until the Director issues a certificate of dissolution.</p>	
<p>138(7) After issue of a certificate of intent to dissolve, the corporation shall</p> <ul style="list-style-type: none"> (a) immediately cause notice thereof to be sent or delivered to each known creditor of the corporation; (b) forthwith publish notice thereof once a week for four consecutive weeks in a newspaper published or distributed in the place where the corporation has its registered office and take reasonable steps to give notice thereof in each province in Canada where the corporation was carrying on business at the time it sent the statement of intent to dissolve to the Director; (c) proceed to collect its property, to dispose of properties that are not to be distributed in kind to its shareholders, to discharge all its obligations and to do all other acts required to liquidate its business; and (d) after giving the notice required under paragraphs (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, among its shareholders according to their respective rights. 	
<p>138(8) The Director or 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 upon such application the Court may so order and make any further order it thinks fit</p> <p>138(9) An applicant under this section shall give the Director notice of the application, and the Director is entitled to appear and be heard in person or by counsel.</p>	
<p>138(10) At any time after issue of a certificate of intent to dissolve and before issue of a certificate of dissolution, a certificate of intent to dissolve may be revoked by sending to the Director a statement of revocation of intent to dissolve in the form provided by the Director, if such revocation is approved in the same manner as the resolution under subsection (3).</p> <p>138(11) Upon receipt of a statement of revocation of intent to dissolve, the Director shall issue a certificate of revocation of intent to dissolve.</p> <p>138(12) On the date shown in the certificate of revocation of intent to dissolve, the revocation is effective and the corporation may again carry on its business or businesses.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>138(13) If a certificate of intent to dissolve has not been revoked and the corporation has complied with subsection (7), the corporation shall prepare articles of dissolution.</p> <p>138(14) Articles of dissolution shall be sent to the Director in the form provided by the Director.</p> <p>138(15) Upon receipt of articles of dissolution, the Director shall issue a certificate of dissolution.</p> <p>138(16) The corporation ceases to exist on the date shown in the certificate of dissolution.</p>	
<p>139(1) Subject to subsections (2) and (3), where a corporation</p> <p>(a) has not commenced business within three years after the date shown in its certificate of incorporation,</p> <p>(b) has not carried on its business for three consecutive years, or</p> <p>(c) is in default in sending to the Director any fee, notice or document required by this Act,</p> <p>the Director may dissolve the corporation by issuing a certificate of dissolution under this section or he may apply to the Court for an order dissolving the corporation, in which case section 144 applies.</p>	<p>(d) the incorporation fee paid to incorporate the corporation has not been honoured for payment or the payment has been rejected,</p> <p>(e) does not have any directors [unless the new provisions dealing with corporations established without a Board of Directors is applicable], or</p> <p>(f) has not complied with section 17, 18(1), 18(4) or 19 of the Act and has not rectified the non-compliance to the satisfaction of the Director within 60 days of being notified of the non-compliance by the Director</p>
<p>139(2) The Director shall not dissolve a corporation under this section unless he has</p> <p>(a) sent by ordinary mail notice of his decision to dissolve the corporation to the corporation at its registered office or to its mailing address as indicated in the records of the Director, and</p>	<p>(a) sent by ordinary mail notice of his decision to dissolve the corporation to the corporation at its registered office or to its mailing address or its email address as indicated in the records of the Director, and</p>
<p>(b) published notice of his decision to dissolve the corporation in The Royal Gazette.</p>	
<p>139(2.1) Publication in The Royal Gazette of the notice of the Director's decision to dissolve a corporation shall be deemed to be notice to the corporation.</p>	
<p>139(2.2) Sixty days after the notice of the Director's decision to dissolve a corporation is published in The Royal Gazette, the Director may dissolve the corporation.</p>	
<p>139(3) Unless cause to the contrary has been shown or an order has been made by the Court under section 144, the Director may, after the expiry of the period referred to in subsection (2.2), issue a certificate of dissolution.</p> <p>139(4) The corporation ceases to exist on the date shown in the certificate of dissolution.</p>	
<p>140(1) The Director or any interested person may apply to the Court for an order dissolving a corporation if the corporation has</p> <p>(a) failed for two or more consecutive years to comply with the requirements of this Act with respect to the holding of annual meetings of shareholders;</p>	<p>(a) failed for one year to comply with the requirements of this Act with respect to the holding of annual meetings of shareholders;</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>(b) contravened subsection 14(2), or section 19, 101 or 103; or (c) procured any certificate under this Act by misrepresentation.</p>	
<p>140(2) An applicant under this section other than the Director shall give the Director notice of the application, and the Director is entitled to appear and be heard in person or by counsel.</p>	
<p>140(3) Upon an application under this section or section 139, the Court may (a) order that the corporation be dissolved; (b) order that the corporation be liquidated and dissolved under the supervision of the Court; or (c) make any other order it thinks fit. 140(4) Upon receipt of an order under this section, section 139 or section 141, the Director shall, (a) if the order is to dissolve the corporation, issue a certificate of dissolution; or (b) if the order is to liquidate and dissolve the corporation under the supervision of the Court, issue a certificate of intent to dissolve and publish notice of such order in The Royal Gazette. 140(5) The corporation ceases to exist on the date shown in the certificate of dissolution.</p>	
<p>141(1) The Court may order the liquidation and dissolution of a corporation upon the application of a shareholder, (a) if the Court is satisfied that in respect of a corporation (i) any act or omission of the corporation effects a result, or (ii) the business or the affairs of the corporation are or have been exercised in a manner, that is oppressive or unfairly prejudicial to or that unfairly disregards the interest of any shareholder, creditor, director or officer; or</p>	<p>(a) if the Court is satisfied that in respect of a corporation or any of its affiliates (i) any act or omission of the corporation or any of its affiliates effects a result, or (ii) the business or the affairs of the corporation or any of its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to or that unfairly disregards the interest of any security holder, creditor, director or officer; or</p>
<p>(b) if the Court is satisfied that (i) a unanimous shareholder agreement entitles a complaining shareholder 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.</p>	
<p>141(2) In an application under this section, the Court may make such order under this section or section 166 as it thinks fit. 141(3) Section 167 applies to an application under this section.</p>	
<p>142(1) An application to the Court to supervise a voluntary liquidation and dissolution under subsection 138(8) shall state the reasons, verified by an affidavit of the applicant, why the Court should supervise the liquidation and dissolution. 142(2) If the Court makes an order applied for under subsection 138(8), the liquidation and dissolution of the corporation shall continue under the supervision of the Court in accordance with this Act.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>143(1) An application under subsection 141(1) shall state the reasons, verified by an affidavit of the applicant, why the corporation should be liquidated and dissolved.</p> <p>143(2) Upon an application under subsection 141(1), the Court may make an order requiring the corporation and any person having an interest in the corporation or claim against it to show cause, at a time and place therein specified, not less than four weeks after the date of the order, why the corporation should not be liquidated and dissolved.</p>	
<p>143(3) Upon an application under subsection 141(1) the Court may order the directors and officers of the corporation to furnish to the Court all material information known to or reasonably ascertainable by them, including</p> <ul style="list-style-type: none"> (a) a financial statement of the corporation; (b) the name and address of each shareholder of the corporation; and (c) the name and address of each creditor or claimant, including any creditor or claimant with unliquidated, future or contingent claims, and any person with whom the corporation has a contract. 	
<p>143(4) A copy of an order made under subsection (2) shall be</p> <ul style="list-style-type: none"> (a) published as directed in the order, at least once in each week before the time appointed for the hearing, in a newspaper published or distributed in the place where the corporation has its registered office; and (b) served upon the Director and each person named in the order. 	
<p>143(5) Publication and service of an order under this section shall be effected by the corporation or by such other person and in such manner as the Court may order.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>144(1) 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 thinks fit including, without limiting the generality of the foregoing,</p> <ul style="list-style-type: none"> (a) an order to liquidate; (b) an order appointing a liquidator, with or without security, fixing his remuneration or replacing a liquidator; (c) an order appointing inspectors or referees, specifying their powers, fixing their remuneration or 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 <ul style="list-style-type: none"> (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 director, officer or shareholder <ul style="list-style-type: none"> (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 such 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) upon 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 such terms as the Court thinks fit and confirming any act of the liquidator; (l) subject to subsection 149(2), an order approving any proposed interim or final distribution to shareholders in money or in property; (m) an order disposing of any property belonging to creditors or shareholders who cannot be found; (n) upon the application of any director, officer, shareholder, creditor or the liquidator, <ul style="list-style-type: none"> (i) an order staying the liquidation on such terms and conditions as the Court thinks fit, (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; and (o) after the liquidator has rendered his final account to the Court, an order dissolving the corporation. 	<p>(n) upon the application of any director, officer, security holder, creditor or the liquidator.</p>
<p>144(2) The liquidation of a corporation commences when the Court makes an order therefor.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>145(1) If the Court makes an order for liquidation of a corporation,</p> <p>(a) the corporation continues in existence but shall cease to carry on business, except the business that is, in the opinion of the liquidator, required for an orderly liquidation; and</p> <p>(b) the powers of the officers, directors and shareholders cease and vest in the liquidator, except as specifically authorized by the Court.</p> <p>145(2) The liquidator may delegate any of the powers vested in him by paragraph (1)(b) to the officers, directors or shareholders.</p>	
<p>146(1) When making an order for the liquidation of a corporation or at any time thereafter, the Court may appoint any person, including a director, an officer or a shareholder or any other corporation, as liquidator of the corporation.</p>	<p>146(1) When making an order for the liquidation of a corporation or at any time thereafter, the Court may appoint any person, including a director, an officer or a shareholder or any other body corporate, as liquidator of the corporation.</p>
<p>146(2) Where 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.</p>	
<p>147 A liquidator shall</p> <p>(a) forthwith after his appointment give notice thereof to the Director and to each claimant and creditor known to the liquidator;</p> <p>(b) forthwith publish notice in The Royal Gazette and by insertion once a week for two consecutive weeks in a newspaper published or distributed in the place where the corporation has its registered office and in such other places and manner as the Court may direct, requiring any person</p> <p>(i) indebted to the corporation, to render an account and pay to the liquidator at the time and place specified any amount owing,</p> <p>(ii) possessing property of the corporation, to deliver it to the liquidator at the time and place specified, and</p> <p>(iii) having a claim against the corporation, whether liquidated, unliquidated, future or contingent, to present particulars thereof in writing to the liquidator not later than two months after the first publication of the notice;</p> <p>(c) take into his custody and control the property of the corporation;</p> <p>(d) open and maintain a trust account for the money of the corporation;</p> <p>(e) keep accounts of the money of the corporation received and paid out by him;</p> <p>(f) maintain separate lists of the shareholders, creditors and other persons having claims against the corporation;</p> <p>(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;</p> <p>(h) deliver to the Court and to the Director, at least once in every twelve-month period after his appointment or more often as the Court may require, financial statements of the corporation in the form required by section 100 or in such other form as the liquidator may think proper or as the Court may require; and</p> <p>(i) after his final accounts are approved by the Court, distribute any remaining property of the corporation among the shareholders according to their respective rights.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>148(1) A liquidator may</p> <p>(a) retain lawyers, accountants, engineers, appraisers and other professional advisers;</p> <p>(b) bring, defend or take part in any civil, criminal or administrative action or proceeding in the name and on behalf of the corporation;</p> <p>(c) carry on the business of the corporation as required for an orderly liquidation;</p> <p>(d) sell by public auction or private sale any property of the corporation;</p> <p>(e) do all acts and execute any documents in the name and on behalf of the corporation;</p> <p>(f) borrow money on the security of the property of the corporation;</p> <p>(g) settle or compromise any claims by or against the corporation; and</p> <p>(h) do all other things necessary for the liquidation of the corporation and distribution of its property.</p>	
<p>148(2) A liquidator is not liable if he relies in good faith upon</p> <p>(a) financial statements of the corporation represented to him by an officer of the corporation or in a written report of an auditor, if any, of the corporation to reflect fairly the financial condition of the corporation; or</p> <p>(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.</p>	<p>148 (2) A liquidator is not liable if the liquidator exercised the care, diligence and skill that a reasonably prudent person would have exercised in comparable circumstances, including reliance in good faith on</p> <p>(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 fairly to reflect the financial condition of the corporation;</p> <p>(b) a report or advice of an officer or employee of the corporation, where it is reasonable in the circumstances to rely on the report or advice; or</p> <p>(c) a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him.</p>
<p>148(3) If a liquidator has reason to believe that any person has in his possession or under his control, or has concealed, withheld or misappropriated any property of the corporation, he 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.</p> <p>148(4) If the examination referred to 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.</p>	
<p>149(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.</p>	
<p>149(2) Within one year after his appointment, and after paying or making adequate provision for all claims against the corporation, the liquidator shall apply to the Court</p> <p>(a) for approval of his final accounts and for an order permitting him to distribute in money or in kind the remaining property of the corporation to its shareholders according to their respective rights; or</p> <p>(b) for an extension of time, setting out the reasons therefor.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>149(3) If a liquidator fails to make the application required by subsection (2), a shareholder of the corporation may apply to the Court for an order for the liquidator to show cause why a final accounting and distribution should not be made.</p> <p>149(4) A liquidator shall give notice of his intention to make an application under subsection (2) to the Director, each inspector appointed under section 144, each shareholder and any person who provided a security or fidelity bond for the liquidation, and he shall publish the notice in a newspaper published or distributed in the place where the corporation has its registered office or as otherwise directed by the Court.</p>	
<p>149(5) If the Court approves the final accounts rendered by a liquidator, the Court shall make an order</p> <p>(a) directing the Director to issue a certificate of dissolution;</p> <p>(b) directing the custody or disposal of the documents and records of the corporation; and</p> <p>(c) subject to subsection (6), discharging the liquidator.</p>	
<p>149(6) The liquidator shall forthwith send or deliver a certified copy of the order referred to in subsection (5) to the Director.</p> <p>149(7) Upon receipt of the order referred to in subsection (5), the Director shall issue a certificate of dissolution.</p> <p>149(8) The corporation ceases to exist on the date shown in the certificate of dissolution.</p>	
<p>150(1) If in the course of liquidation of a corporation the shareholders resolve or the liquidator proposes to</p> <p>(a) exchange all or substantially all of the property of the corporation for securities of another body corporate that are to be distributed to the shareholders, or</p> <p>(b) distribute all or part of the property of the corporation to the shareholders in kind,</p> <p>a shareholder may apply to the Court for an order requiring the distribution of the property of the corporation to be in money.</p> <p>150(2) Upon an application under subsection (1), the Court may order</p> <p>(a) all the property of the corporation to be converted into and distributed in money; or</p> <p>(b) the claims of any shareholder applying under this section to be satisfied by a distribution in money or in such manner as the Court may direct.</p>	
<p>151(1) A person who has been granted custody of the documents and records of a dissolved corporation remains liable to produce such documents and records for six years following the date of its dissolution or until the expiry of such other shorter period as may be ordered under subsection 149(5).</p> <p>151(2) Repealed: 2008, c.11, s.4</p>	
<p>152(1) In this section “shareholder” includes the heirs and legal representatives of a shareholder.</p>	<p>152(1) In this section “shareholder” includes the heirs and personal representatives of a shareholder.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>152(2) Notwithstanding the dissolution of a corporation under this Act,</p> <p>(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;</p> <p>(b) a civil, criminal or administrative action or proceeding may be brought against the corporation within two years after its dissolution as if the corporation had not been dissolved; and</p> <p>(c) any property distributed to shareholders that would otherwise have been available to satisfy any judgment or order if the corporation had not been dissolved remains available for such purpose.</p> <p>152(3) Service of a document on a corporation after its dissolution may be effected by serving the document upon a person shown in the last notice filed under section 64 or 71.</p> <p>152(4) Notwithstanding the dissolution of a corporation, a shareholder to whom any of its property has been distributed is liable to any person claiming under subsection (2) to the extent of the amount received by that shareholder upon such distribution, and an action to enforce such liability may be brought within two years after the date of the dissolution of the corporation.</p> <p>152(5) A Court may order an action referred to in subsection (4) to be brought against the persons who were shareholders as a class, subject to such conditions as the Court thinks fit and, if the plaintiff establishes his claim, the Court may refer the proceedings to a referee or other officer of the Court who may</p> <p>(a) add as a party to the proceedings before him each person found by the plaintiff who was a shareholder;</p> <p>(b) determine, subject to a subsection (4), the amount that each person who was a shareholder shall contribute towards satisfaction of the plaintiff's claim; and</p> <p>(c) direct payment of the amounts so determined.</p>	
<p>153(1) Upon the dissolution of a corporation, the portion of the property distributable to a creditor or shareholder who cannot be found shall be either converted into money and paid to the Minister of Finance or transferred, delivered or conveyed to Her Majesty in right of New Brunswick.</p> <p>153(2) A payment under subsection (1) shall be deemed to be in satisfaction of a debt or claim of such creditor or shareholder.</p> <p>153(3) If at any time a person establishes that he is entitled to any money paid to the Minister of Finance under this section, the Minister of Finance shall pay an equivalent amount to him out of the Consolidated Fund.</p>	
<p>154(1) Subject to subsection 152(2) and section 153, property of a corporation that has not been disposed of at the date of its dissolution vests in Her Majesty in right of New Brunswick.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>154(2) If a corporation is revived under section 136, any property other than money that vested in Her Majesty pursuant to subsection (1) and that has not been disposed of shall be returned to the corporation and there shall be paid to the corporation out of the Consolidated Fund</p> <p>(a) an amount equal to any money received by Her Majesty pursuant to subsection (1); and</p> <p>(b) where property other than money vested in Her Majesty pursuant to subsection (1) and that property has been disposed of, an amount equal to the lesser of</p> <p>(i) the value of any such property at the date it vested in Her Majesty, and</p> <p>(ii) the amount realized by Her Majesty from the disposition of that property.</p>	
<p>154(3) When a corporation is revived under section 136, any property other than money to be returned to the corporation in accordance with subsection (2) shall vest in the corporation without any deed, bill of sale or other document from the Crown or any action by the Crown.</p>	
<p>Part XIV Investigations</p>	
<p>155(1) The holders of not less than ten per cent of the issued shares of any class of the corporation or the Director may apply, ex parte or upon such notice as the Court may require, to the Court for an order directing an investigation to be made of the corporation and any of its affiliated corporations.</p>	<p>155(1) The holders of not less than five per cent of the issued shares of any class of the corporation or the Director may apply, ex parte or upon such notice as the Court may require, to the Court for an order directing an investigation to be made of the corporation and any of its affiliated corporations.</p>
<p>155(2) If, upon an application under subsection (1), it appears that</p> <p>(a) the business of the corporation or any of its affiliates is or has been carried on with intent to defraud any person,</p> <p>(b) the business 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 security holder,</p> <p>(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</p> <p>(d) persons concerned with the formation, business or affairs of the corporation or any of its affiliates have in connection therewith acted fraudulently or dishonestly,</p> <p>the Court may order an investigation to be made of the corporation and any of its affiliated corporations.</p> <p>155(3) If a security holder makes an application under subsection (1) he shall give the Director reasonable notice thereof, and with leave of the Court the Director may appear and be heard in person or by counsel.</p> <p>155(4) An applicant under this section shall provide such security for costs as the Court may order.</p> <p>155(5) An application under this section shall be heard in camera.</p> <p>155(6) No person shall publish anything relating to ex parte proceedings under this section except with the authorization of the Court or the written consent of the corporation being investigated.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>156(1) In connection with an investigation under this Part, the Court may make any order it thinks fit including, without limiting the generality of the foregoing,</p> <ul style="list-style-type: none"> (a) an order to investigate; (b) an order appointing an inspector, who may be the Director, fixing the remuneration of an inspector, and replacing an inspector; (c) an order determining the notice to be given to any interested person, or dispensing with notice to any person; (d) an order authorizing an inspector to enter any premises in which the Court is satisfied there might be relevant information, and to examine anything and make copies of any document or record found on the premises; (e) an order requiring any person to produce documents or records to the inspector; (f) an order authorizing an inspector to conduct a hearing, administer oaths and examine any person upon oath, and prescribing rules for the conduct of the hearing; (g) an order requiring any person to attend a hearing conducted by an inspector and to give evidence upon oath; (h) an order giving directions to an inspector or any interested person on any matter arising in the investigation; (i) an order requiring an inspector to make an interim or final report to the Court; (j) an order determining whether a report of an inspector should be published and, if so, ordering the Director to publish the report in whole or in part or to send copies to any person the Court designates; (k) an order requiring an inspector to discontinue an investigation; and (l) an order requiring any person, other than the Director, to pay all or part of the costs of the investigation. 	<ul style="list-style-type: none"> b) an order appointing an inspector, other than the Director, fixing the remuneration of an inspector, and replacing an inspector;
<p>156(2) An inspector shall send to the Director a copy of every report made by the inspector under this Part.</p>	
<p>157(1) An inspector under this Part has the powers set out in the order appointing him.</p> <p>157(2) In addition to the powers set out in the order appointing him, an inspector appointed to investigate a corporation may furnish 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, in respect of the corporation, any allegation of improper conduct that is the same as or similar to the conduct described in subsection 155(2).</p> <p>157(3) An inspector shall upon request produce to an interested person a copy of any order made under subsection 156(1).</p>	
<p>158(1) Any interested person may apply to the Court for an order that a hearing conducted by an inspector under this Part be heard in camera and for directions on any matter arising in the investigation.</p> <p>158(2) An individual who is being examined at a hearing conducted by an inspector under this Part has a right to be represented by counsel during the examination.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
159 No person is excused from attending and giving evidence and producing documents and records to an inspector under this Part by reason only that the evidence tends to criminate him or subject him to any proceeding or penalty, but no such evidence shall be used or is receivable against him in any proceeding thereafter instituted against him under any Act of New Brunswick.	
160 Any oral or written statement or report made in good faith by an inspector or any other person in an investigation under this Part has absolute privilege.	
161 Nothing in this Part shall be construed to affect the privilege that exists in respect of a solicitor and his client.	
162 The Director may make inquiries of any person relating to compliance with this Act.	
Part XV Remedies, Offences and Penalties	
163 In this Part, “action” means an action under this Act;(action)	
“complainant” means (a) a registered holder or beneficial owner, or a former registered holder or beneficial owner, of a share of a corporation or any of its affiliates,	“complainant” means (a) a registered holder or beneficial owner, or a former 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 of the corporation, (d) the Director, or (e) any other person who, in the discretion of the Court, is a proper person to make an application under this Part	
164(1) Subject to subsection (2), a complainant may apply to the Court for leave to bring an action in the name and on behalf of a corporation or any of its subsidiaries, or for leave to intervene in an action to which any such body corporate is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the body corporate. 164(2) No action may be brought and no intervention in any action may be made under 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 his intention to apply to the Court under 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.	
165 In connection with an action brought or intervened in under section 164, the Court may at any time make any order it thinks fit 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;	

Existing Provisions	Proposed Changes to Existing Provisions ¹
(c) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present shareholders or to a present creditor of the corporation or its subsidiary instead of to the corporation or its subsidiary; and	(c) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former or present security holders of the corporation or its subsidiary instead of to the corporation or its subsidiary; and
(d) an order requiring the corporation or its subsidiary to pay reasonable legal fees incurred by the complainant in connection with the action.	
166(1) A complainant may apply to the Court for an order under this section.	
166(2) If, upon an application under subsection (1), the Court is satisfied that in respect of a corporation or any of its affiliates (a) any act or omission of the corporation or any of its affiliates effects a result, (b) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or (c) the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner,	
that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any shareholder, creditor, director or officer, the Court may make an order to rectify the matters complained of.	that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder , creditor, director or officer, the Court may make an order to rectify the matters complained of.
166(3) In connection with an application under this section the Court may make any interim or final order it thinks fit 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 by-laws or creating or amending a unanimous shareholder agreement; (d) an order directing an issue or exchange of securities;	
(e) an order directing changes in the directors as permitted by subsection 132(3); (f) an order directing a corporation, subject to subsection (6), or any other person, to purchase shares of a shareholder; (g) an order directing a corporation, subject to subsection (6), or any other person, to pay to a shareholder any part of the moneys paid by him for shares;	(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, to pay to a security holder any part of the moneys that the security holder paid 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) an order 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 100 or an accounting in such other form as 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 under section 168; (l) an order liquidating and dissolving the corporation; (m) an order directing an investigation under Part XIV to be made; and (n) an order requiring the trial of any issue.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>166(4) If an order made under this section directs amendments of the articles or by-laws of a corporation,</p> <p>(a) the directors shall forthwith comply with subsection 132(4); and</p> <p>(b) no other amendment to the articles or by-laws shall be made without the consent of the Court, until the Court otherwise orders.</p> <p>166(5) A shareholder is not entitled to dissent under section 131 if an amendment to the articles is effected under this section.</p>	
<p>166(6) A corporation shall not be ordered to make a payment to a shareholder under paragraph (3)(f) or (g) if</p> <p>(a) the corporation is or would after that payment be unable to pay its liabilities as they become due; or</p> <p>(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities</p>	<p>166(6) A corporation shall not be ordered to make a payment to a security holder under paragraph (3)(f) or (g) if</p>
<p>166(7) An applicant under this section may apply in the alternative for an order under section 141.</p>	
<p>167(1) An application made or an action brought or intervened in under this Part shall 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 shareholders of such body corporate, but evidence of approval by the shareholders may be taken into account by the Court in making an order under section 141, 165 or 166.</p> <p>167(2) An application made or an action brought or intervened in under this Part shall not be stayed, discontinued, settled or dismissed for want of prosecution without the approval of the Court given upon such terms as the Court thinks fit and, if the Court determines that the interests of any complainant may be substantially affected by such stay, discontinuance, settlement or dismissal, the Court may order any party to the application or action to give notice to the complainant.</p> <p>167(3) A complainant shall give such security for costs in any application made or action brought or intervened in under this Part as may be ordered by the Court.</p> <p>167(4) In an application made or an action brought or intervened in under 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 is accountable for such interim costs upon final disposition of the application or action.</p>	
<p>168(1) 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 other records of a corporation, the corporation, a shareholder of the corporation or any aggrieved person may apply to the Court for an order that the registers or records be rectified.</p>	<p>168(1) 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 other records of a corporation, the corporation, a security holder of the corporation or any aggrieved person may apply to the Court for an order that the registers or records be rectified.</p>
	<p>168(1.1) If the name of a person is alleged</p> <p>i) to have been wrongly set out on a form filed with the Director,</p> <p>ii) wrongly deleted or omitted from a form filed with the Director under the Act, or</p> <p>iii) that the corporation has failed to file a notice of change of directors in accordance with this Act</p> <p>an aggrieved person may apply to the Court for rectification.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>168(2) An applicant under this section shall give the Director notice of the application and the Director, with leave of the Court, may appear and be heard in person or by counsel.</p>	
	<p>168(2.1) An applicant under this section shall give the corporation notice of the application and the corporation may appear and be heard in person or by counsel.</p>
<p>168(3) In connection with an application under this section, the Court may make any order it thinks fit including, without limiting the generality of the foregoing,</p> <p>(a) an order requiring the registers or records of the corporation to be rectified;</p> <p>(b) an order restraining the corporation from calling or holding a meeting of shareholders or paying a dividend before rectification;</p> <p>(c) an order determining the right of a party to the proceedings to have his name entered or retained in, or deleted or omitted from, the registers or records of the corporation, whether the issue arises between two or more shareholders or alleged shareholders, or between the corporation and any shareholders or alleged shareholders; and</p> <p>(d) an order compensating a party who has incurred a loss.</p>	<p>(b) an order restraining the corporation from calling or holding a meeting of shareholders or paying a dividend or making any other distribution or payment to shareholders before rectification;</p> <p>(c) an order determining the right of a party to the proceedings to have his name entered or retained in, or deleted or omitted from, the registers or records of the corporation, whether the issue arises between two or more security holders or alleged security holders, or between the corporation and any security holders or alleged security holders;</p> <p>(d) an order compensating a party who has incurred a loss;</p> <p>(e) an order rectifying the records of the Director as to forms filed with the Director; and</p> <p>(f) an order requiring the corporation to file a notice of change of directors with the Director.</p>
<p>169 The Director may apply to the Court for directions in respect of any matter concerning his duties under this Act, and on such application the Court may give such directions and make such further order as it thinks fit.</p>	
<p>170(1) If the Director refuses to file any articles or other document required by this Act to be filed by him before the articles or other document become effective, he shall, within twenty days after receipt thereof by him or twenty days after he receives any approval that may be required under any other Act, whichever is later, give written notice of his refusal to the person who sent the articles or document, giving reasons therefor.</p>	
<p>170(2) If the Director does not file or give written notice of his refusal to file any articles or document within the time limited therefor in subsection (1), he shall be deemed to have filed the articles or document.</p>	<p>170(2) If the Director does not file or give written notice of his refusal to file any articles or document within the time limited therefor in subsection (1), he shall be deemed for the purposes of section 171 to have refused to file the articles or document.</p>
<p>171 A person who is aggrieved by a decision of the Director</p> <p>(a) to refuse to file in the form submitted to him any articles or other document required by this Act to be filed by him,</p> <p>(b) to give a name, to change or revoke a name, or to refuse to reserve, accept, change or revoke a name under section 10,</p> <p>(c) to refuse to grant an exemption under subsection 8(2), and any regulations thereunder,</p> <p>(d) to refuse to issue a certificate of discontinuance under section 127,</p> <p>(e) to refuse to revive a corporation under section 136, or</p> <p>(f) to dissolve a corporation under section 139,</p> <p>may apply to the Court for an order requiring the Director to change his decision, and upon such application the Court may so order and make any further order it thinks fit.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>172 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, by-laws, or a unanimous shareholder agreement a complainant may, in addition to any other right he has, apply to the Court for an order directing any such person to comply with, or restraining any such person from acting in breach of, any provisions thereof, and upon such application the Court may so order and make any further order it thinks fit.</p>	
<p>173 Where this Act states that a person may apply to the Court, the application may be made in a summary manner as the Rules of Court provide, and subject to any order respecting notice to interested parties or costs, or any other order the Court thinks fit.</p>	
<p>174 An appeal lies to the Court of Appeal from any order made by The Court of Queen's Bench of New Brunswick under this Act.</p>	
<p>175(1) A person who knowingly makes or assists in making a report, return, notice or other document required by this Act or the regulations to be sent to the Director or to any other person that</p> <p>(a) contains an untrue statement of a material fact, or</p> <p>(b) omits to state a material fact required therein or necessary to make a statement contained therein not misleading in the light of the circumstances in which it was made,</p> <p>commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence</p>	
<p>175(2) If the person who commits an offence under subsection (1) is a body corporate, then, whether or not the body corporate has been prosecuted or convicted, any director or officer of the body corporate who knowingly authorizes, permits or acquiesces in such failure commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence.</p>	<p>175(2) If the person who commits an offence under subsection (1) is a body corporate, then, whether or not the body corporate has been prosecuted or convicted, any director or officer of the body corporate who knowingly authorizes, permits or acquiesces in the commission of the offence commits the offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence.</p>
<p>175(3) No person commits an offence under subsection (1) or (2) if the untrue statement or omission was unknown to him and in the exercise of reasonable diligence could not have been known to him.</p>	<p>175(3) No person is guilty of an offence under subsection (1) or (2) if the person did not know, and in the exercise of reasonable diligence could not have known, of the untrue statement or omission.</p>
<p>176(1) Where a person commits an offence under this Act, any court in which proceedings in respect of the offence are taken may, in addition to any punishment it may impose, order that person to comply with the provisions of this Act for the contravention of which he has been convicted.</p>	
<p>176(2) Repealed: 2008, c.11, s.4</p>	
<p>176(3) If an offence under this Act continues for more than one day,</p> <p>(a) the minimum fine that may be imposed is the minimum fine set by the <i>Provincial Offences Procedure Act</i> multiplied by the number of days during which the offence continues, and</p> <p>(b) the maximum fine that may be imposed is the maximum fine set by the <i>Provincial Offences Procedure Act</i> multiplied by the number of days during which the offence continues.</p>	
<p>176(4) Any prosecution for an offence under this Act may be instituted at any time within two years from the time when the subject matter of the complaint arose.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>176(5) No civil remedy for an act or omission is suspended or affected by reason that the act or omission is an offence under this Act.</p>	
<p>Part XVI General</p>	
<p>177(1) A notice or document required by this Act, the regulations, the articles or the by-laws to be sent to a shareholder or director of a corporation may be sent by prepaid mail addressed to, or may be delivered personally to,</p> <p>(a) the shareholder at his latest address as shown in the records of the corporation or its transfer agent; or</p> <p>(b) the director at his latest address as shown in the records of the corporation or in the last notice filed under section 64 or 71.</p>	
<p>177(2) A director named in a notice sent by a corporation to the Director under section 64 or 71 and filed by the Director shall be deemed for the purposes of the service of the notice or document referred to in subsection (1) to be a director of the corporation referred to in the notice.</p>	<p>177(2) A director named in a notice sent by a corporation to the Director under section 64 or 71 and filed by the Director is presumed for the purposes of this Act to be a director of the corporation referred to in the notice.</p>
<p>177(3) A notice or document sent in accordance with subsection (1) to a shareholder or director of a corporation shall be deemed to be received by him at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the shareholder or director did not receive the notice or document at that time or at all.</p>	
<p>177(4) If a corporation sends a notice or document to a shareholder in accordance with subsection (1) and the notice or document is returned on three consecutive occasions because the shareholder cannot be found, the corporation is not required to send any further notices or documents to the shareholder until he informs the corporation in writing of his new address.</p>	<p>177(4) If a corporation sends a notice or document to a shareholder in accordance with subsection (1) and the notice or document is returned on two consecutive occasions because the shareholder cannot be found, the corporation is not required to send any further notices or documents to the shareholder until he informs the corporation in writing of his new address.</p>
<p>178(1) A notice or document required to be sent to or served upon a corporation may be sent by registered mail to the registered office of the corporation shown in the last notice filed under section 17 and, if so sent, shall be deemed to be received or served at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the corporation did not receive the notice or document at that time or at all.</p>	
<p>178(2) If there are reasonable grounds for believing that a corporation will not receive a notice or document, then a notice or document required to be sent to or served upon a corporation may be sent by registered mail to or served upon any director of the corporation as shown in the last notice filed under subsection 64(1) or 71(1), and, if so sent, shall be deemed to be received or served on the corporation at the time it would be delivered in the ordinary course of mail to such director or served upon such director, unless there are reasonable grounds for believing that the director did not receive the notice or document at the time or at all.</p>	
<p>179 Where a notice or document is required by this Act or the regulations to be sent, the notice may be waived or the time for the notice may be waived or abridged at any time, either before or after the event, with the consent in writing of the person entitled thereto.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
180(1) Where this Act requires or authorizes the Director to issue a certificate or to certify any fact, the certificate shall be signed by the Director.	
180(1.1) For the purposes of subsection (1), any signature of the Director may be printed, stamped or otherwise mechanically reproduced.	180(1.1) For the purposes of subsection (1), any signature of the Director may be printed, stamped or otherwise mechanically or electronically reproduced.
180(2) Except in a proceeding under section 140 to dissolve a corporation, a certificate referred to in subsection (1) or a certified copy of such certificate, when introduced as evidence in any civil, criminal or administrative action or proceeding or for any other purpose, is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.	180(2) A certificate referred to in subsection (1) or a certified copy of such certificate , when introduced as evidence in any civil, criminal or administrative action or proceeding or for any other purpose, is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate, and without further proof thereof.
181(1) A certificate issued on behalf of a corporation stating any fact that is set out in the articles, the by-laws, a unanimous shareholder agreement, the minutes of the meetings of the directors, a committee of directors or the shareholders, or in a trust indenture or other contract to which the corporation is a party may be signed by a director or an officer of the corporation.	
181(2) When introduced as evidence in any civil, criminal or administrative action or proceeding, (a) a certificate referred to in subsection (1), (b) a certified extract from any register of a corporation, or (c) a certified copy of minutes or extracts from minutes of a meeting of shareholders, directors or a committee of directors of a corporation, is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.	
181(3) An entry in a share register of, or a share certificate issued by, a corporation is, in the absence of evidence to the contrary, proof that the registered holder is owner of the share described in the register or in the certificate.	
182 Where a notice or document is required to be sent to the Director under this Act, the Director may accept a photostatic or photographic copy thereof.	182 Where a notice or document is required to be sent to the Director under this Act, the Director may accept a photostatic, photographic or electronic copy thereof.
183(1) The Director may require that a document or a fact stated in a document required by this Act or the regulations to be sent to him shall be verified in accordance with subsection (2).	
183(2) A document or fact required by this Act or by the Director to be verified may be verified by affidavit made under oath or by statutory declaration under the <i>Evidence Act</i> before any commissioner for taking affidavits to be read in The Court of Queen's Bench of New Brunswick or a Notary Public or in any such other manner as may be prescribed or permitted by the <i>Evidence Act</i> .	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>183(3) In addition to the above, the Director may request a corporation to provide verification</p> <p>(a) of the accuracy of it listing of directors on any form filed under the Act, and</p> <p>(b) of its registered office being in compliance with sections 18 and 19 of the Act</p> <p>and the corporation shall provide such verification within 30 days thereof.</p> <p>183(4) Where such verification is not provided or is not satisfactory to the Director that there is compliance with the Act, the Director may proceed to give notice of intent to dissolve the corporation or to cancel the registration of an extra-provincial corporation and sections 139 and 201 apply mutatis mutandi.</p>
	<p>183.1 (1) On an application to incorporate or to continue into the Act or to file any other document under any provision of the Act, the Director may request proof of the following or that the person submitting the application has verified the following:</p> <p>(a) the existence, identity and address of the incorporators,</p> <p>(b) the existence, identity and address of any persons named as directors and that the named directors consent to be listed as directors of the corporation and that they are not disqualified by section 63 of this Act from becoming a director of the corporation,</p> <p>(c) that the registered office address of the corporation would be in compliance with section 18 and 19 of the Act, and</p> <p>(d) any other fact stated in a document.</p> <p>183.1(2) The Director may issue directives to provide for the manner in which business is to be conducted in the Registry.</p> <p>183.1(3) The Director may issue a directive setting out the requirements for parties filing on behalf of another party the steps they are required to take to verify</p> <p>(a) the existence, identity and address of the incorporators,</p> <p>(b) the existence, identity and address of any persons named as directors and that the named directors consent to be listed as directors of the corporation and that they are not disqualified by section 63 of the <i>Business Corporations Act</i> from becoming a director of the corporation, and</p> <p>(c) that the registered office address of the corporation would be in compliance with sections 18 and 19 of the Act.</p> <p>183.1(4) The Director may require a certification from any or all third party filers that they have met or did meet at the time of filing of a document the requirements of any directive as it relates to any filing under the Act.</p>
<p>184(1) The Lieutenant-Governor in Council may appoint a Director to carry out the purposes of this Act.</p>	<p>184(1) Service New Brunswick may appoint a Director to carry out the purposes of this Act.</p>
<p>184(1.1) Service New Brunswick may appoint one or more deputy directors to carry out the purposes of this Act.</p> <p>184(2) Service New Brunswick or the Director may authorize a deputy director to carry out or to exercise any duties or any powers that may be carried out or exercised by the Director under this Act.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>184(3) A document in writing signed by a proper officer of Service New Brunswick or the Director authorizing a deputy director to carry out the duties or to exercise the powers that may be carried out or exercised by the Director under this Act shall, without proof of the signature or appointment of the officer or Director, be accepted by all courts in the Province as conclusive proof of the authority stated in the document.</p> <p>184(4) The deputy director in possession of a written authority referred to in subsection (3) shall, upon proof that his name is the same as the deputy director named therein, be deemed to be the deputy director named therein.</p> <p>184(5) A written authority issued by the officer or the Director under subsection (3) shall be effective until revoked.</p>	
<p>185(1) The Lieutenant-Governor in Council may make regulations</p> <p>(a) prescribing any matter required or authorized by this Act to be prescribed;</p> <p>(b) requiring the payment of a fee in respect of the filing, examination or copying of any document, or in respect of any action that the Director is required or authorized to take under this Act;</p> <p>(c) prescribing the amount of any fee required to be paid under this Act or the regulations;</p> <p>(c.1) waiving, in whole or in part, any fee required to be paid under this Act or the regulations subject to such terms and conditions as the Lieutenant-Governor in Council considers appropriate;</p> <p>(c.2) setting terms and conditions relating to the payment of fees;</p> <p>(d) respecting the format and contents of annual returns, notices and other documents required to be sent to the Director or to be issued by him;</p> <p>(e) prescribing rules with respect to exemptions permitted by this Act;</p> <p>(e.1) defining “bank” for the purposes of paragraph 195(d);</p> <p>(f) prescribing recognized stock exchanges for the purpose of this Act;</p> <p>(g) prescribing rules with respect to names prohibited by this Act; or</p>	
<p>(h) exempting from any provision of this Act a shareholder dividend re-investment plan which was in force on or before December 31, 1979.</p>	Repeal
<p>185(2) For the purposes of this section, “dividend re-investment plan” means any plan whereby a shareholder of a corporation, while a member of such plan, may subscribe for and purchase shares of that corporation by assignment of dividends paid on shares of that corporation owned by him or held on his behalf or by making additional cash payments, all in accordance with the provisions of such plan.</p>	Repeal
<p>185.1(1) The Director may prescribe the form and content of the forms that are required to be sent to the Director under this Act, including prescribing whether a signature is required and any additional requirements respecting signatures.</p> <p>185.1(2) The Director may, in the forms referred to in subsection (1), request personal information either directly from an individual to which the information relates, or indirectly, from any other person authorized to complete the form.</p> <p>185.1(3) The <i>Regulations Act</i> does not apply to forms or requirements referred to in subsection (1).</p> <p>185.1(4) If there is a conflict or an inconsistency between a form referred to in subsection (1) and this Act or any regulation made under this Act, this Act or the regulation made under this Act prevails.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>185.2(1) The Director may use an email address</p> <p>(a) provided by the corporation when submitting a document for filing under the Act, or</p> <p>(b) when the corporation, with consent, provides the email address of the corporation (or representative or agent thereof) to the Director (or other public body) to allow the Director to communicate with the corporation for purposes of communicating with the corporation (and its representative or agent thereof), including</p> <p>(c) the sending of a notice of the requirement to file an annual return or other document under the Act,</p> <p>(d) the notification to the corporation of the intent to dissolve the corporation or to cancel the registration of an extra-provincial corporation, and</p> <p>(e) the notification to the corporation of the dissolution or cancellation.</p>
<p>186(1) In this section, “statement” means a statement of intent to dissolve and a statement of revocation of intent to dissolve referred to in section 138.</p>	
<p>186(2) Where articles or a statement relating to a corporation are required to be sent to the Director, the Director shall, upon receipt of the articles or statement, any other required documents and the prescribed fee, unless otherwise specifically provided,</p> <p>(a) record the date of filing,</p> <p>(b) issue the appropriate certificate,</p> <p>(c) file a copy of the certificate and relevant articles or statement,</p> <p>(d) send to the corporation or its representative a copy of the certificate and relevant articles or statement, and</p> <p>(e) publish in The Royal Gazette notice of the issue of the certificate, and the cost of the publication shall be paid by the incorporators or corporation.</p>	
<p>186(2.1) The articles or statement referred to in subsection (1) shall be signed by a director or officer of the corporation or, in the case of articles of incorporation, by the incorporators.</p>	
<p>186(2.2) Where articles or a statement referred to in subsection (2) are submitted in paper form, the person submitting the articles or statement shall, at the request of the Director, submit two copies of the articles or statement.</p>	
<p>186(3) A certificate referred to in subsection (2) issued by the Director may be dated the day he receives the articles, statement or Court order pursuant to which the certificate is issued or any later day specified by the Court or person who signed the articles or statement.</p> <p>186(4) Repealed: 2004, c.6, s.1</p>	
<p>187(1) A corporation shall, on or before the last day of the month following the anniversary month of the corporation, send to the Director without notice an annual return in the form provided by the Director signed by a director or an officer of the corporation and the Director shall file it.</p>	
<p>187(2) The Director shall furnish any person with a certificate certifying that a corporation has sent to the Director a document required to be sent to him under this Act.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>188 The Director may alter a notice or document, other than an affidavit or statutory declaration, if so authorized by the person who sent the document or by his representative.</p>	
<p>189(1) If a certificate containing an error is issued to a corporation by the Director, the directors or shareholders of the corporation shall, upon the request of the Director, pass the resolutions and send to him the documents required to comply with this Act, and shall take such other steps as the Director may reasonably require, and the Director may demand the surrender of the certificate and issue a correct certificate.</p> <p>189(2) A certificate issued under subsection (1) may bear the date of the certificate it replaces.</p> <p>189(3) If a certificate issued under subsection (1) materially amends the terms of the original certificate, the Director shall forthwith give notice of the correction in The Royal Gazette.</p>	<p>Corrections</p> <p>189(1) In this section, “document” means articles, or an application, certificate, notice, order, statement or other document in relation to a body corporate, that is</p> <p>(a) filed with the Director; or</p> <p>(b) issued by the Director.</p> <p>Corrections by the Director</p> <p>189(2) The Director may correct an error in a document if the error was made by the Director provided the Director gives notice to the body corporate to which the document relates.</p> <p>Director may request body corporate to act</p> <p>189(3) If a document contains an error, the directors or shareholders of a body corporate shall, at the Director’s request,</p> <p>(a) pass the resolutions and send the Director the documents required to comply with this Act;</p> <p>(b) certify that there are reasonable grounds to believe that no shareholder or creditor will be prejudiced;</p> <p>(c) certify that the correction will represent the original intention of the corporation or the incorporators, as the case may be; and</p> <p>(d) take any other steps that the Director may reasonably require so that the Director may correct the document or accept the filing of a corrected document under the Act.</p> <p>189(3.1) Where the Director is of the opinion that shareholders or creditors would be unduly prejudiced by a correction to a certificate or the filing of a corrected document under the Act, the Director may refuse to issue a correction or to accept for filing a corrected document under the Act.</p> <p>Application to Court</p> <p>189(4) Notwithstanding 189(3), if a document filed with the Director in relation to a body corporate contains an error, the body corporate, an interested person or the Director may apply to the Court for an order that the document be corrected or a corrected document be filed or issued under the Act.</p> <p>189(5) Notice of application shall be served on the Director and if the body corporate is not the applicant, on the body corporate and the Director and body corporate may appear before the Court and to be heard in person or by counsel.</p> <p>Surrender of original document</p> <p>189(6) For the purpose of correcting a document under this section, the Director may at any time demand the return of the original document. The person who possesses the original document shall, upon receiving the Director’s demand, surrender it to the Director without delay.</p> <p>Director’s action after correction</p> <p>189(7) After a document is corrected under this section, the Director may issue or file the corrected document.</p> <p>Date of corrected document</p> <p>189(8) A document corrected under this section shall bear the date of the document it replaces</p> <p>(a) unless the correction is made with respect to the date of the document, in which case the document shall bear the corrected date; or</p> <p>(b) in the case of a document corrected by Court order, unless the Court decides otherwise.</p> <p>Notice in certain circumstances</p> <p>189(9) If a corrected certificate or order materially amends the terms of the original certificate or order, the Director shall publish a notice of the correction in the Royal Gazette.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>Documents being declared invalid and void ab initio by the Court</p> <p>189.1(1) A body corporate, interested person or the Director may make application to the Court that any document sent to the Director or issued by the Director should be declared invalid and void ab initio and the Court may make any order it sees so fit, including</p> <ul style="list-style-type: none"> (a) declaring the document to be invalid and void ab initio; and (b) ordering a rectification of the Director's record to reflect the order. <p>189.1(2) Notice of application shall be served the Director and, if the body corporate is not the applicant, the body and the Director and body corporate may appear on the hearing of the application and be heard in person or by counsel.</p>
	<p>Remedying corporate mistakes</p> <p>189.2(1) In this section, "corporate mistake" means an omission, defect, error or irregularity that has occurred in the conduct of the business or affairs of a corporation as a result of which</p> <ul style="list-style-type: none"> (a) a breach of a provision of this Act or the regulation under the Act; (b) there has been default in compliance with the articles of the corporation; (c) proceedings at or in connection with any of the following have been rendered ineffective <ul style="list-style-type: none"> (i) a meeting of shareholders, (ii) a meeting of the directors or of a committee of directors, or (iii) any meeting purporting to be a meeting referred to in subparagraph (i) or (ii); or (d) a consent resolution or records purporting to be a consent resolution of directors or shareholders have been rendered ineffective. <p>189.2(2) Despite any other provision of this Act, the Court, on the application of the corporation, may make an order to correct or cause to be corrected, to negate or to modify or cause to be modified the consequences in law of a corporate mistake or to validate any act, matter or thing rendered or alleged to have been rendered invalid by or as a result of the corporate mistake, and may give ancillary or consequential directions it considers necessary.</p> <p>189.2(3) The Court must, before making an order under this section, consider the effect that the order might have on the corporation and on its directors, officers, creditors and shareholders and on the beneficial owners of its shares.</p> <p>189.2(4) Unless the Court orders otherwise, an order made under subsection (2) does not prejudice the rights of any third party who acquired those rights</p> <ul style="list-style-type: none"> (a) for valuable consideration; and (b) without notice of the corporate mistake that is the subject of the order. <p>189.2(5) Notice of application shall be served on the Director and the Director may appear on the hearing of the application and be heard in person or by counsel.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>Validation of creation, allotment or issue of shares</p> <p>189.3(1) Notwithstanding any other section of the Act, the creation, allotment or issue of shares by a corporation, including on the exercise of conversion or exchange rights attached to securities, may be validated by the Court under this section where</p> <p>(a) the creation, allotment or issue of those shares, or any of the terms of the allotment or issue of those shares, is inconsistent with</p> <p>(i) a provision, applicable to the corporation, of this Act, or</p> <p>(ii) the articles of the corporation; or</p> <p>(b) the creation, allotment or issue of those shares is otherwise invalid.</p> <p>189.3(2) In a case to which subsection (1) applies, the Court, on the application of the corporation may make an order under this section.</p> <p>189.3(3) Notice of application shall be served on the Director and the Director may appear on the hearing of the application and be heard in person or by counsel.</p> <p>189.3(4) Where on application the Court is satisfied that it is just and equitable to do so it may make one or more of the following orders:</p> <p>(a) an order that validates the creation, allotment or issue of those shares;</p> <p>(b) an order that confirms the terms of the allotment or issue of those shares as if the terms of the allotment or issue were consistent with a provision of this Act applicable to the corporation or the articles of the corporation as the case may be; and</p> <p>(c) make any order it thinks fit in the circumstances that is just and equitable.</p> <p>189.3(5) Where an order is to be made that will result in a necessary correction to the articles of the corporation, the provisions of s. 189 must be followed mutatis mutandis.</p> <p>189.3(6) Prior to the Court making any order, the Court may require approval of shareholders, securities holders or creditors to the extent the Court views it is proper to have such approval.</p> <p>189.3(7) The Court may, if it thinks fit, require the order be filed with the Director as it relates to the corporation.</p>
<p>190(1) A person is entitled during usual business hours to examine a document required by this Act or the regulations to be sent to the Director, except a report sent to him under subsection 156(2), and upon payment of the prescribed fee, to make copies of or extracts therefrom.</p> <p>190(2) The Director shall furnish any person with a copy or a certified copy of a document required by this Act or the regulations to be sent to the Director, except a report sent to him under subsection 156(2).</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>191(1) All documents filed with the Director may be in bound or loose-leaf form or in photographic film form, or may be entered or recorded by any system of mechanical or electronic data processing or by any other information storage device that is capable of reproducing any required information in intelligible written form within a reasonable time.</p> <p>191(2) Documents required by this Act to be filed and records required by this Act to be prepared and maintained by the Director may be in bound or loose-leaf form or in photographic film form, or may be entered or recorded by any system of mechanical or electronic data processing or by any other information storage device that is capable of reproducing any required information in intelligible written form within a reasonable time.</p> <p>191(3) Where documents filed with the Director or records maintained by the Director are maintained other than in written form,</p> <p>(a) the Director shall furnish any copy required to be furnished under subsection 190(2) in intelligible written form; and</p> <p>(b) a report reproduced from such documents or records, if it is certified as correct by the Director, is, without proof of the office or signature thereof, admissible in evidence to the same extent as the original written documents or records would have been.</p>	
<p>191(4) The Director is not required to produce any document or record where a copy of that document or record is furnished in compliance with paragraph (3)(a).</p>	
<p>191(5) The Director is not required to produce any document or record, other than a certificate and relevant articles or statement filed under section 186, after six years from the date he receives it.</p>	
	<p>Access to records</p> <p>191.1 (1) In relation to documents required by this Act to be filed with the Director</p> <p>(a) the record of such filings that the Director has on each corporation; and</p> <p>(b) a summary or extract of the information from such record may be made available to the public by means of electronic access to those filings and records, under the terms and conditions that have been established by the Director including where applicable a fee structure for such electronic access as determined by Service New Brunswick.</p> <p>191.1(2) Where the Director has maintained a record in photographic film form, public access to such records shall be as follows:</p> <p>(a) by provision of copies or certified copies of any documents in accordance with the Act and Regulations; and</p> <p>(b) by provision of a vesicular copy of the said record in accordance with the Act and Regulations.</p> <p>191.1(3) Notwithstanding the <i>Right to Information and Protection of Privacy Act</i>, but subject to the above subsections, the Director</p> <p>(a) shall provide copies and certified copies of documents containing personal information therein;</p> <p>(b) may provide electronic access to such documents as permitted above; or</p> <p>(c) may provide electronic access to a summary or extract of the relevant information from such record as permitted above.</p> <p>Note: The above would also be followed to amend the following Acts along similar lines</p> <p><i>Companies Act</i></p> <p><i>Limited Partnership Act</i></p> <p><i>Partnerships and Business Names Registration Act</i></p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>191.2 The documents filed or registered under the following Acts are deemed to be a public registry under the <i>Right to Information and Protection of Privacy Act</i>:</p> <p><i>Business Corporations Act</i> <i>Companies Act</i> <i>Limited Partnership Act</i> <i>Partnerships and Business Names Registration Act</i></p>
<p>192(1) In this section “charter” includes</p> <p>(a) an Act of incorporation and any amendments thereto; and</p> <p>(b) letters patent of incorporation and any letters patent supplementary thereto.</p> <p>192(2) The shareholders of any body corporate incorporated or continued by or under the laws of the Province who are entitled to vote at annual meetings of shareholders may, notwithstanding any provision in any other Act or any provision in the charter of the body corporate,</p> <p>(a) by special resolution, authorize the directors of the body corporate to apply under section 126 for a certificate of continuance; and</p> <p>(b) by the same resolution, make any amendment to the charter of the body corporate that a corporation incorporated under this Act may make to its articles.</p> <p>192(3) Notwithstanding subsection (2), the shareholders of a body corporate may not, by a special resolution under that subsection, make any change of the nature referred to in subsection 113(1) that affects a class or series of shares unless</p> <p>(a) the charter of the body corporate otherwise provides for an amendment of the nature referred to in paragraph 113(1)(e); or</p> <p>(b) the holders of the class or series of shares approve the change in accordance with section 115.</p> <p>192(4) The directors of a body corporate incorporated or continued under the laws of the Province, notwithstanding any provision in the charter of the body corporate, may apply under section 126 for a certificate of continuance where the articles of continuance do not make any amendment to the charter of the body corporate other than an amendment required to conform to this Act.</p> <p>192(5) A shareholder is not entitled to dissent under section 131 in respect of an amendment made under subsection (2), (3) or (4).</p> <p>192(6) Upon the coming into force of this Act, no body corporate, the incorporation or continuation of which is provided for in this Act, shall be incorporated or continued under the Companies Act.</p>	
<p>Part XVII Extra-Provincial Corporations</p>	
<p>193 In this Part,</p>	
<p>“anniversary month”, with reference to a registered extra-provincial corporation, means the month of each year that is the same as the month in which its certificate of registration was issued or the month of each year it elects under subsection 209(3), or, in the case of an extra-provincial corporation deemed to have been registered under section 196,</p> <p>(a) the month of each year that is the same as the month in which the extra-provincial corporation first filed a statement under section 126 of the Companies Act, or</p> <p>(b) the month of each year that the extra-provincial corporation elects under subsection 196(4);(mois anniversaire)</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>“attorney for service” or “attorney” means the individual resident in New Brunswick who, or the corporation incorporated or continued under this Act that, according to the Director’s records,</p> <p>(a) consents, in the form provided by the Director, to act as an extra-provincial corporation’s attorney for service, and</p> <p>(b) is appointed under this Part.</p>	<p>“agent for service” means the individual resident in New Brunswick who, or the corporation incorporated or continued under this Act that, according to the Director’s records,</p> <p>(a) consents to act as an extra-provincial corporation’s agent for service, and</p>
<p>“charter” includes</p> <p>(a) a statute, ordinance or other law incorporating an extra-provincial corporation, as amended from time to time,</p> <p>(b) letters patent of incorporation and any supplementary letters patent,</p> <p>(c) a memorandum of association, as amended from time to time,</p> <p>(d) any other instrument of incorporation, as amended from time to time, and</p> <p>(e) any certificate, licence or other instrument evidencing incorporation;</p>	
<p>“internal regulations” includes by-laws, articles of association, rules or regulations relating to the management of the business and affairs of an extra-provincial corporation, by whatever name they are called, if they are made by the members or a class of members of, or the board of directors, board of management or other governing body of, the extra-provincial corporation;</p>	
<p>“registered” means registered under this Part;</p>	
<p>“registered office” means the office of an extra-provincial corporation which is located in the jurisdiction of incorporation of that extra-provincial corporation at the address specified in the charter or other incorporation document or documents of the extra-provincial required to be filed by the laws of the incorporator’s jurisdiction and includes head office.</p>	
<p>194(1) For the purposes of this Part, an extra-provincial corporation carries on business in New Brunswick if</p>	<p>194(1) For the purposes of this Part, an extra-provincial corporation carries on business in New Brunswick, whether it is for the purpose of gain or not for gain, if</p>
<p>(a) its name, or any name under which it carries on business, appears or is announced in any advertisement in which an address in New Brunswick is given for the extra-provincial corporation;</p> <p>(b) it has a resident agent or representative or a warehouse, office or place of business in New Brunswick;</p> <p>(c) it solicits business in New Brunswick;</p> <p>(d) it is the owner of any estate or interest in land in New Brunswick;</p> <p>(e) it is licensed or registered or required to be licensed or registered under any Act of New Brunswick entitling it to do business;</p> <p>(f) it is the holder of a certificate of registration under the <i>Motor Vehicle Act</i>;</p> <p>(g) it is the holder of a licence issued under the <i>Motor Carrier Act</i>; or</p> <p>(h) it otherwise carries on business in New Brunswick.</p>	
<p>194(2) Where an extra-provincial corporation has its name or any name under which it carries on business listed in a telephone directory for any part of New Brunswick, that corporation shall be deemed, in the absence of evidence to the contrary, to be carrying on business in New Brunswick.</p>	<p>194(2) Where an extra-provincial corporation has its name or any name under which it carries on business listed in a telephone directory that is specifically published for any part of New Brunswick, that corporation shall be deemed, in the absence of evidence to the contrary, to be carrying on business in New Brunswick.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
194(2.1) An extra-provincial corporation is not carrying on business in New Brunswick by reason only that it is a general or limited partner in a limited partnership or an extra-provincial limited partnership that has filed a declaration under the <i>Limited Partnership Act</i> .	
	<p>194(2.2) An extra-provincial corporation is not carrying on business in New Brunswick by reason only that the corporation is carrying on the practice of an eligible profession and activities incidental or directly related thereto in New Brunswick as a partner, member or associate in a designated limited liability partnership or extra-provincial limited liability partnership under the <i>Partnerships and Business Names Act</i>.</p> <p>Note: Eligible profession has the same meaning as in the <i>Partnerships and Business Names Act</i>, i.e., a profession that is regulated by an Act of the Legislature.</p>
	194(2.3) An extra-provincial corporation is not carrying on business in New Brunswick by reason only that it is a general partner in a partnership provided that the partnership has registered a certificate of partnership or certificate of renewal of partnership under the <i>Partnerships and Business Names Registration Act</i> .
194(3) The Director may exempt an extra-provincial corporation from the operation of this Part except subsection (4) if he is satisfied that it does not carry on business for the purpose of gain.	<p>194(3) Any extra-provincial corporation that the Director has exempted from the operation of this Part</p> <p>(a) shall be deemed to be registered as an extra-provincial corporation, provided the corporation is in legal existence at the time of proclamation of this subsection; and</p> <p>(b) where such exempted corporation is no longer in legal existence at the date this subsection is proclaimed, the exemption under this section will be deemed to have lapsed as of the date of proclamation of this subsection.</p> <p>Note: The Regulation under this Act may set the fees and other charges that will not apply to an extra-provincial corporation that does not carry on business for gain. The Regulation may define the words “does not carry on business for gain” for purposes of this Act.</p>
194(4) An extra-provincial corporation exempted under subsection (3) shall	Repeal
<p>195 This Part does not apply to</p> <p>(a) an extra-provincial corporation required to be licensed as an insurer under the <i>Insurance Act</i>,</p> <p>(b) an extra-provincial corporation to which the <i>Foreign Resident Corporations Act</i> applies,</p> <p>(c) a licensed extra-provincial company as defined in the <i>Loan and Trust Companies Act</i>, or</p>	
(d) a bank incorporated under the laws of Canada or any other bank as defined in the regulations.	(d) a bank incorporated under the laws of Canada or an authorized foreign bank within the meaning of section 2 of the <i>Bank Act (Canada)</i> or any other bank as defined in the regulations.

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>195.1 The Lieutenant-Governor in Council may make regulations exempting, from this Part or such provisions of this Part as may be specified in the regulations and on such terms and conditions as may be specified in the regulations, the extra-provincial corporations incorporated under the laws of such jurisdictions as may be specified in the regulations.</p>	<p>195.1(1) The Lieutenant-Governor in Council may make regulations exempting, from this Part or such provisions of this Part as may be specified in the regulations and on such terms and conditions as may be specified in the regulations, the extra-provincial corporations incorporated under the laws of such jurisdictions as may be specified in the regulations.</p>
	<p>195.1(2) The Director may specify the forms under this Part and their content based on the jurisdiction of the extra-provincial corporation.</p> <p>195.1(3) An extra-provincial corporation incorporated under the laws of a jurisdiction set out in the Regulation is not required to file a notice of change of directors, an appointment of an agent for service or change of the agent, an annual return or such other forms, as specified and as set out in the Regulation.</p> <p>195.1(4) Notwithstanding subsection (3) when a Regulation thereunder does not require an extra-provincial corporation to file a notice, an appointment or form, an extra-provincial corporation may voluntarily file and the Director may file it.</p>
<p>196(1) An extra-provincial corporation shall apply to be registered under this Part not later than thirty days after it commences to carry on business in New Brunswick.</p> <p>196(1.1) An extra-provincial corporation that violates or fails to comply with subsection (1) commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category E offence.</p> <p>196(1.2) If an extra-provincial corporation commits an offence under subsection (1.1), whether or not the extra-provincial corporation has been prosecuted or convicted, any director or officer of the extra-provincial corporation who knowingly authorizes, permits or acquiesces in such violation or failure to comply commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category E offence.</p>	
<p>196(2) An extra-provincial corporation that has filed all statements as required under section 126 of the <i>Companies Act</i> shall be deemed to be registered under this Part, but shall, not later than ninety days after the coming into force of this Act, send to the Director the appointment of an individual who is a resident of New Brunswick as its attorney for service, in the prescribed form.</p>	
<p>196(3) An extra-provincial corporation may apply to be registered under this Part notwithstanding that it does not carry on business in New Brunswick.</p>	
<p>196(4) Where an extra-provincial corporation is</p> <p>(a) deemed to be registered under this section, and</p> <p>(b) incorporated under the laws of Canada or a province or territory of Canada,</p> <p>it may elect as its anniversary month the month of each year that is the same as the month in which it was incorporated by sending a notice in the form provided by the Director to the Director.</p>	
<p>197(1) An extra-provincial corporation shall apply to the Director for registration by sending a copy of a statement in the form provided by the Director.</p>	
<p>197(1.1) A statement referred to in subsection (1) shall be signed by a director or officer of the extra-provincial corporation.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>197(1.2) Where the statement referred to in subsection (1) is submitted in paper form, the person submitting the statement shall, at the request of the Director, submit two copies of the statement.</p>	
<p>197(2) The statement shall be accompanied by</p> <ul style="list-style-type: none"> (a) the appointment of its attorney for service, in the form provided by the Director; (b) the prescribed fee; and (c) such other material or information as the Director may require. 	<p>197(2) The statement shall be accompanied by</p> <ul style="list-style-type: none"> (a) the appointment of its agent for service for service, in prescribed form;
<p>197(3) If all or any part of any material or information required by the Director is not in the English or French language, the Director may require the submission to him of a translation of the material or information, verified in accordance with section 210.1, before he registers the extra-provincial corporation.</p>	
<p>198 The Director may, upon request, reserve for ninety days a name for an extra-provincial corporation that</p> <ul style="list-style-type: none"> (a) is about to change its name, or (b) is intended to result from an amalgamation of one or more bodies corporate. 	
<p>199(1) An extra-provincial corporation shall not be registered in its own name if that name is</p> <ul style="list-style-type: none"> (a) the name of or deceptively similar to the name of a corporation, a body corporate registered under this Part, a company under the <i>Companies Act</i>, a limited partnership formed or continued under the <i>Limited Partnership Act</i>, an extra-provincial limited partnership that has filed a declaration under the <i>Limited Partnership Act</i>, or a firm or person that has registered under the <i>Partnerships and Business Names Registration Act</i>, except if such corporation, body corporate, company, partnership, firm or person consents, (b) prohibited by regulation or is deceptively misdescriptive, (c) reserved for a corporation or an intended corporation under section 9, (d) reserved for an extra-provincial corporation or an intended extra-provincial corporation under section 198, or (e) reserved for a body corporate, firm or person under any other Act, <p>unless the extra-provincial corporation registers a business name in accordance with the <i>Partnerships and Business Names Registration Act</i>, under which the corporation will carry on business in New Brunswick.</p>	
<p>199(2) If, through inadvertence or otherwise, an extra-provincial corporation is registered in contravention of subsection (1), the Director may, after giving the extra-provincial corporation an opportunity to be heard, require the extra-provincial corporation to register, in accordance with the <i>Partnerships and Business Names Registration Act</i>, a business name that he approves within sixty days after he so requires; and the extra-provincial corporation shall comply with any such requirement.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>200(1) On receipt of the statement referred to in section 197, any other documents required by that section and the prescribed fee for an application for registration from an extra-provincial corporation, the Director shall, unless otherwise specifically provided,</p> <ul style="list-style-type: none"> (a) record the date of filing, (b) issue the appropriate certificate, (c) file a copy of the certificate and relevant statement, (d) send to the corporation or its representative a copy of the certificate and relevant statement, and (e) publish in The Royal Gazette notice of the issue of the certificate, and the cost of the publication shall be paid by the extra-provincial corporation. 	
<p>200(2) A certificate of registration issued under this section to an extra-provincial corporation is conclusive proof for the purposes of this Act and for all other purposes that the provisions of this Act in respect of registration of the extra-provincial corporation and all requirements precedent and incidental to registration have been complied with, and that the extra-provincial corporation has been registered under this Part as of the date shown in the certificate of registration.</p>	
<p>200(3) If the Director refuses to register an extra-provincial corporation or file any documents required by this Part to be filed by him before the documents become effective, he shall, within twenty days after receipt thereof by him or twenty days after he receives any approval that may be required under any other Act, whichever is later, give written notice of his refusal to the person who sent the statement or document, giving reasons therefor.</p>	
<p>200(4) A person who is aggrieved by the decision of the Director may apply to the Court for an order requiring the Director to change his decision, and upon such application the Court may so order and make any further order it sees fit.</p>	
<p>201(1) Subject to subsection (2), the Director may cancel the registration of an extra-provincial corporation if</p> <ul style="list-style-type: none"> (a) the extra-provincial corporation is in default in sending to the Director any fee, notice or document required by this Part; <ul style="list-style-type: none"> (a.1) in the opinion of the Director, the extra-provincial corporation ceases to carry on business in New Brunswick; (b) the extra-provincial corporation has sent a notice to the Director under subsection (4) or (5); (c) the extra-provincial corporation is dissolved; (d) the extra-provincial corporation does not comply with a directive of the Director under section 199(2); or (e) the extra-provincial corporation has otherwise contravened this Part. 	
<p>201(2) The Director shall not cancel the registration of an extra-provincial corporation under subsection (1) until</p> <ul style="list-style-type: none"> (a) he has sent by ordinary mail notice of his decision to cancel the registration with his reasons for it <ul style="list-style-type: none"> (i) to the extra-provincial corporation at its registered office or to its mailing address as indicated in the records of the Director, and (ii) to its attorney for service, and (b) he has published a notice of his decision to cancel the registration in The Royal Gazette. 	<p>201(2) The Director shall not cancel the registration of an extra-provincial corporation under subsection (1)(a), (a.1), (d) or (e) until</p> <ul style="list-style-type: none"> (i) to the extra-provincial corporation at its registered office or to its mailing address or email address as indicated in the records of the Director, and (ii) to its agent for service to their mailing address or email address, and

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>201(2.01)) The Director shall immediately cancel the registration of an extra-provincial corporation</p> <p>(a) under subsection (1)(b) where the notice has been sent by the corporation, its agent for service or by an lawyer acting on its behalf; and</p> <p>(b) under (1)(c) where the Director has received notification from the corporation, its agent for service or from the jurisdiction of incorporation that the corporation is dissolved.</p>
<p>201(2.1) Publication in The Royal Gazette of the Director's notice of his decision to cancel the registration of an extra-provincial corporation shall be deemed to be notice to the extra-provincial corporation.</p>	
<p>201(2.2) Sixty days after the notice of the Director's decision to cancel the registration of the extra-provincial corporation is published in The Royal Gazette, the Director may cancel the registration.</p>	<p>201(2.2) Thirty days after the notice of the Director's decision to cancel the registration of the extra-provincial corporation is published in The Royal Gazette, the Director may cancel the registration.</p>
<p>201(3) On receipt of an application in a form provided by the Director accompanied by the prescribed reinstatement fee, in addition to any other fees, notices and documents required to be sent to the Director, the Director may reinstate the registration of an extra-provincial corporation that was cancelled under paragraph (1)(a).</p>	
	<p>201(3.01) The Director may require confirmation that the agent for service last on record with the Director consents to continue as the agent for service for the corporation or that a completed form 25 and 25.1 accompanies the request for reinstatement.</p>
<p>201(3.1) Where the Director reinstates the registration of an extra-provincial corporation, he shall issue a certificate of reinstatement of registration.</p> <p>201(3.2) Where the Director issues a certificate of reinstatement of registration, he shall publish in The Royal Gazette notice of the certificate of reinstatement of registration and the cost of the publication shall be paid by the extra-provincial corporation.</p>	
<p>201(3.3) The cancellation of the registration of an extra-provincial corporation does not affect its liability for its obligations.</p>	
<p>201(3.4) A certificate of reinstatement of registration issued under this Part to an extra-provincial corporation is conclusive proof for the purposes of this Act and for all other purposes that the provisions of this Act in respect of reinstatement of registration of the extra-provincial corporation and all requirements precedent and incidental to reinstatement of registration have been complied with, and that the extra-provincial corporation has been reinstated under this Part as of the date shown in the certificate of reinstatement of registration.</p>	
<p>201(3.5) If the Director refuses to reinstate the registration of an extra-provincial corporation, he shall, within twenty days of receipt of any fee, notice or document required to be sent to him, give written notice of his refusal to the person who sent the fee, notice or document.</p>	
<p>201(4) An extra-provincial corporation that ceases to carry on business in New Brunswick shall send a notice to that effect to the Director.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>201(5) An extra-provincial corporation registered under subsection 196(3) may send a notice to the Director that it wishes to cancel its registration.</p>	
<p>201.1 The registration of an extra-provincial corporation is reinstated on the date shown in the certificate of reinstatement of registration and thereafter the extra-provincial corporation has all the rights and privileges that it would have had if its registration had not been cancelled.</p>	
<p>202(1) An extra-provincial corporation shall set out its name or the name under which it carries on business in the Province in legible characters in all contracts, invoices, negotiable instruments and orders for goods or services issued or made by or on behalf of that corporation.</p> <p>202(2) Whenever an extra-provincial corporation which is required to register a business name under the <i>Partnerships and Business Names Registration Act</i> pursuant to section 199, sets out its corporate name in contracts, invoices, negotiable instruments or orders for goods or services issued or made by or on behalf of the corporation, the extra-provincial corporation shall set out as well in legible characters that business name.</p>	
<p>203(1) If an individual appointed as an attorney dies or if an attorney resigns or the appointment is revoked, the extra-provincial corporation shall forthwith send to the Director an appointment of its attorney for service in the form provided by the Director and the Director shall file the appointment.</p>	<p>203(1) The extra-provincial corporation shall forthwith send to the Director an appointment of its agent for service in the form provided by the Director</p> <p>(a) if an individual appointed as an agent for service dies or no longer is resident in New Brunswick;</p> <p>(b) if an agent for service resigns or the appointment is revoked; or</p> <p>(c) if the corporation appointed as agent for service is no longer incorporated or continued under this Act or is dissolved, and the Director shall file the appointment.</p>
<p>203(2) Where the attorney for an extra-provincial corporation intends to resign, the attorney shall</p> <p>(a) give not less than sixty days notice to the extra-provincial corporation at its registered office, and</p> <p>(b) send a copy of the notice to the Director who shall file it.</p>	<p>203(2) Where the agent for service for an extra-provincial corporation intends to resign, the attorney shall</p>
<p>203(3) An attorney shall send to the Director without delay a notice of any change of the attorney's address in the form provided by the Director and the Director shall file the notice.</p>	<p>203(3) An agent for service shall send to the Director without delay a notice of any change of the agent for service's address in the form provided by the Director and the Director shall file the notice.</p>
<p>203(4) The address of an attorney shown in the attorney's appointment or in a notice under subsection (3) shall be an office that is accessible to the public during normal business hours.</p>	<p>203(4) The address of an agent for service shown in the agent for service's appointment or in a notice under subsection (3) shall be an office that is accessible to the public during normal business hours.</p>
<p>204 Service of any process, notice or document in any civil, criminal or administrative action or proceeding shall be deemed to have been sufficiently made upon an extra-provincial corporation if made upon the attorney as shown in the most recent notice on the records of the Director.</p>	<p>204 Service of any process, notice or document in any civil, criminal or administrative action or proceeding shall be deemed to have been sufficiently made upon an extra-provincial corporation if made upon the agent for service as shown in the most recent notice on the records of the Director unless subsection 203(2) is applicable and the said sixty days has expired.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>205(1) A notice or document may be sent or served upon an extra-provincial corporation by</p> <p>(a) personally serving the attorney according to the notice filed pursuant to section 197 or 203;</p> <p>(b) delivering the document or notice to the address, according to the Director's records, of its attorney; or</p> <p>(c) sending the document or notice by registered mail to that address.</p> <p>205(2) A notice or document sent by registered mail to the attorney's address in accordance with paragraph (1)(c) shall be deemed to be received or served at the time it would be delivered in the ordinary course of mail, unless there are reasonable grounds for believing that the attorney did not receive the notice or document at that time or at all.</p>	<p>(a) personally serving the agent for service according to the notice filed pursuant to section 197 or 203;</p> <p>(b) delivering the document or notice to the address, according to the Director's records, of its agent for service; or</p> <p>205(2) A notice or document sent by registered mail to the agent of service's address in accordance with paragraph (1)(c) shall be deemed to be received or served at the time it would be delivered in the ordinary course of mail, unless there are reasonable grounds for believing that the agent of service did not receive the notice or document at that time or at all.</p>
<p>206(1) A registered extra-provincial corporation shall send to the Director in the form provided by the Director</p> <p>(a) a notice of any change in the name of an extra-provincial corporation resulting from an amendment of its charter, and</p> <p>(b) a notice of any change in</p> <p>(i) the address of its principal office in New Brunswick and its registered office, and</p> <p>(ii) the membership of its board of directors, board of management or other governing body,</p> <p>within one month after the effective date of the change and the Director shall file the notice.</p>	
<p>206(2) A notice sent to the Director pursuant to subparagraph (1)(b)(ii) shall contain the address of each new member of the board of directors, board of management or governing body.</p> <p>206(3) Upon receipt and filing of a notice sent to the Director pursuant to paragraph (1)(a), the Director shall, subject to subsection 199(1), issue a certificate of amendment of and change his records accordingly.</p>	
<p>207(1) When a registered extra-provincial corporation amalgamates with one or more other extra-provincial corporations, it shall send to the Director a statement in the form provided by the Director relating to the amalgamated extra-provincial corporation and the documents referred to in section 197 within one month after the effective date of the amalgamation.</p> <p>207(2) Upon receiving the documents referred to in subsection (1), the Director shall file them and issue a certificate of registration of the amalgamated extra-provincial corporation.</p>	

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>208(1) If liquidation proceedings are commenced in respect of a registered extra-provincial corporation, the extra-provincial corporation or, if a liquidator is appointed, the liquidator</p> <p>(a) shall send to the Director forthwith after the commencement of those proceedings a notice showing that the proceedings have commenced and the address of the liquidator, if one is appointed, and</p> <p>(b) shall send to the Director forthwith after the completion of those proceedings a return relating to the liquidation.</p> <p>208(2) The Director shall</p> <p>(a) upon receiving a notice under paragraph (1)(a), file it and publish a notice respecting the liquidation in The Royal Gazette, and</p> <p>(b) upon receiving a return under paragraph (1)(b), file it and cancel the registration of the extra-provincial corporation forthwith after the expiration of three months following the date of filing of the return.</p> <p>208(3) The liquidator of a registered extra-provincial corporation shall send to the Director a notice of any change in his address within one month after the effective date of the change, and the Director shall file the notice.</p>	<p>Repeal</p>
<p>209(1) A registered extra-provincial corporation shall, annually, on or before the last day of the month following the anniversary month, send to the Director an annual return, in the form provided by the Director, signed by a director or an officer of the extra-provincial corporation and the Director shall file it.</p>	
<p>209(2) Notwithstanding subsection (1), a registered extra-provincial corporation incorporated under the laws of Canada or a province or territory of Canada may file with the Director the annual return required by the laws of the jurisdiction in which it was incorporated rather than an annual return in the form provided by the Director under this Act.</p>	
<p>209(3) A registered extra-provincial corporation incorporated under the laws of Canada or a province or territory of Canada may elect as its anniversary month the month of each year that is the same as the month in which it was incorporated by sending a notice in the form provided by the Director to the Director.</p>	
<p>209.1 Where a registered extra-provincial corporation is issued</p> <p>(a) articles of continuance, or</p> <p>(b) any instrument evidencing continuance</p> <p>under the laws of any jurisdiction other than New Brunswick, the registered extra-provincial corporation shall send to the Director notice of such issuance in the form provided by the Director.</p>	
<p>210(1) The Director shall furnish any person with a certificate that an extra-provincial corporation has sent to the Director a document required to be sent to him under this Act.</p>	
<p>210(2) A certificate purporting to be signed by the Director and stating that a named extra-provincial corporation was or was not registered on a specified day or during a specified period, or a certified copy of such certificate, when introduced as evidence in any civil, criminal or administrative action or proceeding, is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate.</p>	<p>210(2) A certificate purporting to be signed by the Director and stating that a named extra-provincial corporation was or was not registered on a specified day or during a specified period, or a certified copy of such certificate, when introduced as evidence in any civil, criminal or administrative action or proceeding, is, in the absence of evidence to the contrary, proof of the facts so certified without proof of the signature or official character of the person appearing to have signed the certificate and without further proof thereof.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
<p>210.1(1) The Director may require that a document or a fact stated in a document required by this Part or the regulations to be sent to him shall be verified in accordance with subsection (2).</p> <p>210.1(2) A document or fact required by this Part or by the Director to be verified may be verified by affidavit made under oath or by statutory declaration under the <i>Evidence Act</i> before any commissioner for taking affidavits to be read in The Court of Queen's Bench of New Brunswick or a notary public or in any such other manner as may be prescribed or permitted by the <i>Evidence Act</i>.</p>	
<p>211 No act of an extra-provincial corporation, including any transfer of property to or by an extra-provincial corporation, is invalid by reason only</p> <p>(a) that the act or transfer is contrary to or not authorized by its charter or internal regulations or any law of the jurisdiction in which it is incorporated, or</p> <p>(b) that the extra-provincial corporation was not then registered.</p>	
<p>212 No person is affected by or shall be deemed to have notice or knowledge of the contents of a document concerning an extra-provincial corporation by reason only that the document has been filed with the Director.</p>	
<p>213(1) An extra-provincial corporation, while unregistered, is not capable of commencing or maintaining any action or other proceeding in any court in New Brunswick in respect of any contract made in the course of carrying on business in New Brunswick while it was unregistered or otherwise in violation of this Part.</p> <p>213(2) If an extra-provincial corporation is not registered at the time it commences an action or proceeding referred to in subsection (1) but becomes registered afterward, the action or proceeding may be maintained as if it was registered before the commencement of the action or proceeding.</p>	
<p>213(3) This section does not apply to an extra-provincial corporation incorporated under the laws of Canada.</p>	<p>213(3) This section does not apply to an extra-provincial corporation</p> <p>(a) incorporated under the laws of Canada, or</p> <p>(b) exempted from this Part.</p>
<p>214 Repealed: 2008, c.11, s.4</p>	
<p>214.1(1) A person who knowingly makes or assists in making a report, return, notice or other document required by this Part or the regulations to be sent to the Director which</p> <p>(a) contains an untrue statement of a material fact, or</p> <p>(b) omits to state a material fact required therein or necessary to make a statement contained therein not misleading in the light of the circumstances in which it was made,</p> <p>commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence.</p>	
<p>214.1(2) If the person who commits an offence under subsection (1) is a body corporate, then, whether or not the body corporate has been prosecuted or convicted, any director or officer of the body corporate who knowingly authorizes, permits or acquiesces in such failure commits an offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence.</p>	<p>214.1(2) If the person who commits an offence under subsection (1) is a body corporate, then, whether or not the body corporate has been prosecuted or convicted, any director or officer of the body corporate who knowingly authorizes, permits or acquiesces in the commission of the offence commits the offence punishable under Part II of the <i>Provincial Offences Procedure Act</i> as a category F offence.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
214.1(3) No person commits an offence under subsection (1) or (2) if the untrue statement or omission was unknown to him and in the exercise of reasonable diligence could not have been known to him.	214.1(3) No person is guilty of an offence under subsection (1) or (2) if the person did not know, and in the exercise of reasonable diligence could not have known, of the untrue statement or omission.
214.2(1) Repealed: 2008, c.11, s.4	
214.2(2) If an offence under this Part continues for more than one day, (a) the minimum fine that may be imposed is the minimum fine set by the <i>Provincial Offences Procedure Act</i> multiplied by the number of days during which the offence continues, and (b) the maximum fine that may be imposed is the maximum fine set by the <i>Provincial Offences Procedure Act</i> multiplied by the number of days during which the offence continues.	
214.2(3) Any prosecution for an offence under this Part may be instituted at any time within two years from the time when the subject matter of the complaint arose.	
214.2(4) No civil remedy for an act or omission is suspended or affected by reason that the act or omission is an offence under this Part.	

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>Part XVIII Corporations Established Without A Board Of Directors</p> <p>215(1) A corporation may operate without a board of directors and directors provided it complies with the following provisions</p> <ul style="list-style-type: none"> (a) there exists a unanimous shareholder agreement in effect that withdraws all powers from the board of directors and directors and confers them on either all the shareholders or third persons; or (b) there is a sole shareholder of the corporation who has agreed to have the powers of the board of directors conferred on the said sole shareholder; and (c) the corporation has filed a Notice with the Director on a form provided by the Director. <p>215(2) The effective date of the withdrawal that a corporation may operate without a board of directors and directors is the date of filing of the Notice with the Director or such later date as specified in the Notice.</p> <p>215(3) The Notice shall set out the names of all shareholders of the corporation and, if applicable, the name of any third persons and</p> <ul style="list-style-type: none"> (a) if an individual, their residential address or address for service; and (b) if a body corporate, its registered office address and jurisdiction of incorporation. <p>215(4) Where there is a change in the shareholders or third persons that have been conferred the powers under subsection (1), the corporation shall file within 30 days a notice of the change with the Director on a form provided by the Director.</p> <p>215(5) The shareholders or third persons named in the notice that have been conferred the powers of the directors in accordance with this section,</p> <ul style="list-style-type: none"> (a) shall manage or supervise the management of the business and affairs of the corporation; (b) shall have all rights, powers and duties of a director of a corporation and of the board of directors of the corporation; and (c) shall have all the liabilities that a director of a corporation would have at law and have as well any defences at law available to directors. <p>215(6) For purposes of this Act, except where inconsistent, where the word “director” or “board of directors” appears in the Act, it applies mutatis mutandi to the shareholders or third party that have been conferred the powers of the directors under subsection (1).</p> <p>215(7) Where subsection (1) is no longer applicable, the corporation shall file within 30 days thereof a Notice of Cessation with the Director on a form provided by the Director.</p> <p>215(8) A fee may be prescribed for the filing of the notice, a notice of the change or notice of cessation.</p> <p>Note: Also being considered is whether an ancillary amendment to section 16 of the Act is required along the following lines:</p> <p>16(g) that the shareholders or third persons named in the Notice filed under section 215 have not been conferred the powers of the directors in accordance with section 215.</p>
	<p>Part XIX Unlimited Liability Corporations (ULCs)</p> <p>Note: For ease of comment, these sections will be numbered starting at section 300.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	Definition
	300 “Unlimited liability corporation” means a corporation that has, in its Articles, the statement referred to in section 301.
	Articles of a ULC
	301 A corporation is an unlimited liability corporation if its articles contain the following statement: The shareholders of this corporation are jointly and severally liable to satisfy the liabilities of the corporation to the extent provided in section 304 of the <i>Business Corporation Act</i> .
	Name of the ULC
	302(1) The word “Unlimited Liability Corporation” or the abbreviation “ULC”, shall be part, other than only in a figurative or descriptive sense, of the name of every unlimited liability corporation but the corporation may use and may be legally designated by either the full or the abbreviated form. 302(2) Section 8(1) of the Act does not apply to an unlimited liability corporation. 302(3) The name of an unlimited liability corporation shall not have the word “Limited, Limitee, Ltd. or Ltee” in its name.
	Prohibition to the use of the ULC words for other corporations
	303 No corporation, except an unlimited liability corporation, shall have the words “Unlimited Liability Corporation” or the abbreviation “ULC” in its corporate name nor use a business name that includes those words.
	Liability of shareholders of a ULC
	304(1) Subject to subsection (2), shareholders and former shareholders of an unlimited liability corporation are jointly and severally liable as follows: (a) if the corporation liquidates, the shareholders and former shareholders are jointly and severally liable, from the commencement of the corporation’s liquidation to its dissolution, to contribute to the assets of the corporation for the payment of the unlimited liability corporation’s liabilities; and (b) whether or not the corporation liquidates, the shareholders and former shareholders are jointly and severally liable, upon the corporation’s dissolution, for payment to the corporation’s creditors of the unlimited liability corporation’s liabilities.

Existing Provisions	Proposed Changes to Existing Provisions ¹
	<p>304(2) A former shareholder of an unlimited liability corporation is not liable under subsection (1) unless it appears to the Court that the shareholders of the unlimited liability corporation are unable to satisfy liabilities referred to in subsection (1), and, even in that case, is not liable under subsection (1)</p> <p>(a) in respect of any liability of the unlimited liability corporation that arose after the former shareholder ceased to be a shareholder of the unlimited liability corporation;</p> <p>(b) in a liquidation of the corporation, if the former shareholder ceased to be a shareholder of the unlimited liability corporation one year or more before the commencement of liquidation; or</p> <p>(c) on or after a dissolution of the corporation effected without liquidation, if the former shareholder ceased to be a shareholder of the unlimited liability corporation one year or more before the date of dissolution.</p>
	<p>304(3) The liability under subsections (1) and (2) of a shareholder or former shareholder of an unlimited liability corporation continues even though the unlimited liability corporation transforms, and, in that event,</p> <p>(a) a reference in subsections (1) and (2) to</p> <p>(i) “shareholder” is deemed to be a reference to a person who was a shareholder of the unlimited liability corporation at the time it transformed, and</p> <p>(ii) “former shareholder” is deemed to be a reference to a person who ceased to be a shareholder of the unlimited liability corporation before it transformed; and</p> <p>(b) a reference in subsection (1) (a) or (b) or (2) (b) or (c) to “the corporation” is deemed to be a reference to the successor corporation.</p> <p>304(4) In subsection (3) and this subsection:</p> <p>“successor corporation”, in relation to an unlimited liability corporation, means any corporation that results from the corporation, or any of its successor corporations, transforming;</p> <p>“transform”, in relation to an unlimited liability corporation or any of its successor corporations, means to</p> <p>(a) alter its articles to become not an unlimited liability corporation;</p> <p>(b) continue into another jurisdiction; or</p> <p>(c) amalgamate with another corporation or body corporate.</p>
	<p>Conversion of corporation into a ULC</p>
	<p>305(1) A corporation may become an unlimited liability corporation by amending its articles to</p> <p>(a) include the statement referred to in section 301, and</p> <p>(b) change the corporation’s name to be in compliance with this Act’s provisions for unlimited liability corporations.</p> <p>305(2) A corporation may amend its articles under subsection (1) if all of the shareholders, whether or not their shares otherwise carry the right to vote, authorize the amendment by a unanimous resolution.</p> <p>305(3) If a corporation becomes an unlimited liability corporation by amending its articles, the shareholders of the unlimited liability corporation are liable, in accordance with section 304 for the liabilities of the corporation whether those liabilities arose before or arise after the amendment to its articles.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	Conversion of a ULC into a non-ULC
	<p>306(1) An unlimited liability corporation may become a corporation that is not an unlimited liability corporation by amending its articles to</p> <p>(a) remove the statement referred to in section 301; and</p> <p>(b) change the corporation's name to be in compliance with this Act's provisions for corporations.</p> <p>306(2) If an unlimited liability corporation becomes a corporation that is not an unlimited liability corporation by amending its articles, section 304 applies to the liability of the shareholders and former shareholders of the unlimited liability corporation.</p>
	Amalgamation of ULC corporation into a non-ULC amalgamated corporation
	<p>307(1) An unlimited liability corporation may amalgamate with one or more corporations to become a corporation that is not an unlimited liability corporation.</p> <p>307(2) The amalgamated corporation</p> <p>(a) articles shall not contain the statement referred in section 301; and</p> <p>(b) the amalgamated corporation name shall be in compliance with this Act's provisions for names of corporations</p> <p>307(3) Section 304 applies to the liability of the shareholders and former shareholders of the unlimited liability corporation.</p>
	Amalgamation of corporations into a ULC
	<p>308(1) If an amalgamation involving one or more corporations is proposed to result in an amalgamated unlimited liability corporation</p> <p>(a) the amalgamation may only must proceed in accordance with sections 121 and 122; and</p> <p>(b) the amalgamation agreement must be adopted by a unanimous resolution of all of the shareholders of each amalgamating corporation, whether or not their shares otherwise carry the right to vote.</p> <p>308(2) The amalgamated corporation</p> <p>(a) articles shall contain the statement referred in section 301; and</p> <p>(b) the amalgamated corporation name shall be in compliance with this Act's provisions for unlimited liability corporations.</p> <p>308(3) Section 123 of the Act does not apply.</p>
	<p>308 (4) Section 125 is amended to add the following:</p> <p>(f) where the amalgamated corporation is an unlimited liability corporation, section 304 applies to the liabilities of the shareholders of the amalgamated corporation and the liabilities of former shareholders of an amalgamating unlimited liability corporation.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	Continuance into New Brunswick jurisdiction to become a ULC
	<p>309(1) Section 126 is amended by adding the following</p> <p>126(1.1) Where a body corporate applies to the Director for a certificate of continuance to become an unlimited liability corporation under this Act, the provisions of this section apply with the following modifications:</p> <p>(a) the article of continuance shall include the statement referred to in section 301;</p> <p>(b) the corporation's name shall be in compliance with this Act's provisions for unlimited liability corporations;</p> <p>(c) all of the shareholders of the body corporate, whether or not their shares otherwise carry the right to vote, have authorized the body corporate to apply and be issued a certificate of continuance as an unlimited liability corporation under the Act; and</p> <p>(d) if requested by the Director, the application shall be accompanied by a certification satisfactory to the Director that the shareholders have all authorized the continuance.</p> <p>309(2) Section 126(7) is amended as follows by adding the following:</p> <p>127(7)(d) Where the corporation is an unlimited liability corporation, section 304 applies to the liabilities of the shareholders of corporation.</p>
	Continuance out provisions of the Act
	<p>310 Section 127 is amended by adding the following:</p> <p>127(9) Where an unlimited liability corporation has continued into another jurisdiction, the former and existing shareholders of the corporation immediately before the date shown on the certificate of discontinuance, shall, in accordance with section 304 be liable for the liabilities of the corporation that arose before the date shown on the certificate of discontinuance for a one year period.</p>
	Articles of amendment
	<p>311 Section 113(1) is amended by adding:</p> <p>113(1)(i) to add the statement referred in section 301 to its articles or to delete such a statement from its articles.</p>

Existing Provisions	Proposed Changes to Existing Provisions ¹
	Share certificates of ULCs
	<p>312(1) An unlimited liability corporation must ensure that each security certificate issued by it displays in a prominent position on the face of the certificate the following statement:</p> <p>The shareholders of this corporation are jointly and severally liable to satisfy the liabilities of this corporation to the extent provided in section 304 of the <i>Business Corporations Act</i>.</p> <p>312(2) An unlimited liability corporation shall issue shares only in the form of certificated securities.</p> <p>312(3) Where a corporation or body corporate becomes an unlimited liability corporation, the corporation shall request and the shareholder shall return to the corporation all of their share certificates, if any, representing shares in the corporation for endorsement on the certificate or the issuance of a replacement certificate with the statement referenced in subsection (1).</p> <p>312(4) The failure of an unlimited liability company to comply with subsection (1) and (2) does not affect the liability of its shareholders under section 304 or any other provision of this Act.</p>
	ULC to be a private corporation
	<p>313 An unlimited liability corporation</p> <p>(a) shall remain in compliance of being a non-reporting issuer under the <i>Securities Act</i>; and</p> <p>(b) shall not have any of its shares listed on a stock exchange.</p>
	Incorporation of a ULC
	<p>314 On an application to incorporate, the Director may request proof that the first directors of the corporation are aware that the shareholders of the corporation will be jointly and severally liable to satisfy the debts and liabilities of the corporation to the extent provided in section 304 of this Act.</p>