

NATIONAL ASSEMBLY

FIRST SESSION

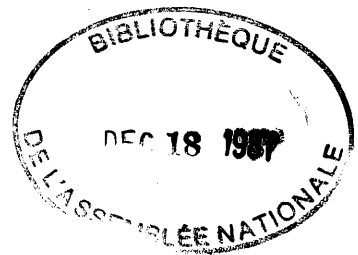
THIRTY-THIRD LEGISLATURE

Bill 112

An Act to amend the Act respecting the Caisse de dépôt et placement du Québec

Introduction

**Introduced by
Mr Gérard D. Levesque
Minister of Finance**



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EXPLANATORY NOTES

The object of this bill is to amend the Act respecting the Caisse de dépôt et placement du Québec to establish additional criteria for qualified investments which the Fund may make under specific powers.

It specifies that the Fund will be authorized to acquire and hold shares of a company that meets certain conditions as to yield on its shares during the years preceding the acquisition or whose securities are easily marketable according to the conditions defined in the by-laws.

It also specifies that the Fund will be authorized to acquire shares of companies that have been in existence for less than five years, subject to a limit on the total amount of investments of that category.

The bill also makes it possible for the Fund to acquire evidences of indebtedness issued or guaranteed by a company whose shares it may acquire.

A further object of the bill is to increase the volume of the investments which the Fund may make under its general powers of investment.

Lastly, the bill sets a term on the applicability of its provisions.

Bill 112

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THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The Act respecting the Caisse de dépôt et placement du Québec (R.S.Q., chapter C-2) is amended by adding, after section 31.1, the following sections:

“31.2 The Fund may also acquire and hold evidences of indebtedness and shares issued or guaranteed by

(a) a company which has as its sole object the acquisition, holding, leasing or management of immovables;

(b) a company constituted less than five years before the acquisition, provided the total investment of the Fund in common shares of companies of that category does not exceed 3% of its total assets;

(c) a company whose securities, listed on a stock exchange, are easily marketable according to the definition and conditions fixed by by-law of the Fund.

“31.3 Notwithstanding paragraph *c* of section 27 and sections 30 and 31, the Fund may acquire and hold evidences of indebtedness and shares issued or guaranteed by a company which, on the average during four of the five years preceding the acquisition, obtained a yield or paid a dividend on its common shares of at least 4% of their book value.”

2. The said Act is amended by inserting, after section 34, the following section:

“34.1 Notwithstanding paragraph *a* of section 34, the Fund may, until 31 December 1991, make any loans and investments contemplated in that section for a total amount which shall not exceed 10% of its total assets.”

3. This Act comes into force on (*insert here the date of assent to this Act*).

Sections 1 and 2 cease to have effect on 31 December 1991. From that date, the Fund will nevertheless be entitled to hold securities acquired under section 1 of this Act without their being considered to be investments made under section 34 of the Act respecting the Caisse de dépôt et placement du Québec.