

NATIONAL ASSEMBLY
Thirty-fourth Legislature, first session

1991, chapter 17
**AN ACT TO AMEND THE ACT
RESPECTING QUÉBEC BUSINESS
INVESTMENT COMPANIES**

Bill 138

Introduced by Mr Gérald Tremblay, Minister of Industry, Trade and Technology

Introduced 8 May 1991

Passage in principle 15 May 1991

Passage 6 June 1991

Assented to 6 June 1991

Coming into force: 6 June 1991

Act amended:

Act respecting Québec business investment companies (R.S.Q., chapter S-29.1)





CHAPTER 17

An Act to amend the Act respecting Québec business investment companies

[Assented to 6 June 1991]

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

c. S-29.1,
s. 3.1,
added

1. The Act respecting Québec business investment companies (R.S.Q., chapter S-29.1) is amended by inserting, after section 3, the following section:

Transfer of
shares to
trustee

“3.1 Notwithstanding section 3, a common share with full voting rights of the share capital of a company may be transferred to or acquired by a trustee as part of a registered retirement savings plan or a registered retirement income fund, of a type commonly called self-directed, to the extent that the trust holds the share for the benefit of an annuitant within the meaning of paragraph *b* of section 905.1 or paragraph *d* of section 961.1.5, as the case may be, of the Taxation Act (R.S.Q., chapter I-3).

Annuitant

For the purposes of this Act and the regulations thereunder, the annuitant, under such a plan or fund, is also deemed to be the person holding the share as the actual owner.”

c. S-29.1,
s. 4, am.

2. Section 4 of the said Act is amended by replacing the first paragraph by the following paragraph:

Registration
of company

“4. The Société de développement industriel du Québec shall register a company where, in its opinion, the company fulfills the requirements prescribed by this Act and the regulations thereunder.”

c. S-29.1,
s. 8, am.

3. Section 8 of the said Act is amended by replacing the words “company’s common shares with full voting rights” in the second line of paragraph 5 by the words “common shares with full voting rights of a company having made and holding a qualified investment”.

c. S-29.1,
s. 12, am. **4.** Section 12 of the said Act is amended by adding, after the fourth paragraph, the following paragraph:

Time limit “In the case of a qualified investment referred to in subparagraphs 3 and 4 of the first paragraph, the conditions referred to in subparagraph 2 of the third paragraph must be met by a qualified corporation on the date of issue of the convertible security rather than on the date of conversion of the convertible security.”

c. S-29.1,
s. 15,
replaced **5.** Section 15 of the said Act is replaced by the following section:

Statement
to share-
holders “**15.** The Société de développement industriel du Québec shall issue a statement to each shareholder of a company, attesting to the amount of his adjusted interest in a qualified investment or to the qualified portion of his adjusted interest in a qualified investment in a corporation operating in a business in the scientific research and experimental development sector, as determined by regulation.

Adjusted
interest For the purposes of this Act, an adjusted interest in a qualified investment is the adjusted interest in a qualified investment as determined under section 965.31.1 of the Taxation Act, and the qualified portion of the adjusted interest in a qualified investment is determined under section 965.33.1 of the Taxation Act.”

Application
of regula-
tions **6.** The regulations to be made, under paragraphs 4 and 6 of section 16 of the Act respecting Québec business investment companies, between the date of coming into force of this Act and 31 December 1991 may provide that they will apply from any date not prior to 27 April 1990.

Effect **7.** Section 1 has effect from 1 January 1986 and sections 4 and 5 have effect from 17 May 1989.

Coming into
force **8.** This Act comes into force on 6 June 1991.