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Bill 229

**An Act to implement Budget measures and to enact,
amend and repeal various statutes**

The Hon. R. Phillips
Minister of Finance

Government Bill

1st Reading November 5, 2020

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

SCHEDULE 1 ALCOHOL AND GAMING COMMISSION OF ONTARIO ACT, 2019

The Schedule amends the *Alcohol and Gaming Commission of Ontario Act, 2019*. These amendments are complementary to the amendments to the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996* that are made elsewhere in this Bill. The major elements of the Schedule are set out below.

The *Alcohol and Gaming Commission of Ontario Act, 2019* is amended in various ways. The amendments allow the Lieutenant Governor in Council to establish or continue a subsidiary of the Alcohol and Gaming Commission of Ontario (the “Commission”) by regulation. This lottery subsidiary has the object and duty of conducting and managing prescribed online lottery schemes in addition to any other prescribed objects or duties. The objects of the Commission are expanded to include overseeing the lottery subsidiary. The Commission and the lottery subsidiary are declared to be Crown agents. A new directives power allows the Minister to issue directives that relate to the conduct and management of prescribed online lottery schemes to the Commission or to the lottery subsidiary in respect of their operations, which must be implemented promptly and efficiently. Powers that relate to the oversight of the lottery subsidiary cannot be delegated to the Registrar or a Deputy Registrar of the Commission. The immunity provision in the Act is expanded to include the directors, officers and employees of the lottery subsidiary.

New regulation-making powers are provided to govern the Commission, the lottery subsidiary and prescribed online lottery schemes in various ways.

SCHEDULE 2 ALCOHOL, CANNABIS AND GAMING REGULATION AND PUBLIC PROTECTION ACT, 1996

The Schedule amends the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996* and makes related amendments to another Act. The major elements of the Schedule are set out below.

The *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996* is amended in various ways. The amendments allow the Lieutenant Governor in Council to establish a subsidiary of the Alcohol and Gaming Commission of Ontario (the “Commission”) by regulation. This lottery subsidiary has the object and duty of conducting and managing prescribed online lottery schemes in addition to any other prescribed objects or duties. The objects of the Commission are expanded to include overseeing the lottery subsidiary. The Commission and the lottery subsidiary are declared to be Crown agents. A new directives power allows the Minister to issue directives that relate to the conduct and management of prescribed online lottery schemes to the Commission or to the lottery subsidiary in respect of their operations, which must be implemented promptly and efficiently. Powers that relate to the oversight of the lottery subsidiary cannot be delegated to the Registrar or a Deputy Registrar of the Commission. A new immunity provision is added to the Act. Finally, new regulation-making powers are provided to govern the Commission, the lottery subsidiary and prescribed online lottery schemes in various ways.

The *Ontario Lottery and Gaming Corporation Act, 1999* is amended to provide that the Ontario Lottery and Gaming Corporation is responsible for ensuring the legal compliance of its own lottery schemes and gaming sites.

Currently, subsections 27 (1.1), (2) and (2.1) of the Act provide for an increase, effective June 1, 2020, in the basic tax payable on certain purchases of wine and wine cooler. The Act is amended to retroactively eliminate the increase effective that date. Amendments are made to the definitions of “beer”, “Ontario wine cooler”, “spirits”, “spirits cooler” and “wine cooler” in subsection 17 (1) of the Act, including amendments to allow the Lieutenant Governor in Council to, by regulation, exclude beverages from the definitions of “Ontario wine cooler”, “spirits cooler” and “wine cooler”. An amendment is made to the French version of the definition of “reserve” in subsection 17 (4) of the Act.

SCHEDULE 3 ASSESSMENT ACT

Currently, paragraph 15.1 of subsection 3 (1) of the *Assessment Act* exempts land that is used and occupied as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion from taxation. The paragraph is amended to also include land used and occupied for those purposes by an Ontario unit of the Army, Navy and Air Force Veterans in Canada for 2019 and subsequent tax years.

Currently, section 19 of the Act authorizes the Minister to make regulations respecting the determination of the current value of land for assessment purposes. The Schedule amends section 19 of the Act to allow for municipalities to opt, by by-law, to have such regulations apply. If a municipality opts to have such a regulation apply, the municipality may, by by-law, make certain rules about how the regulation applies within the municipality. An upper-tier municipality that opts to have such a regulation apply may delegate the making of those rules to its lower-tier municipalities. A related amendment is made to section 44 of the Act.

Technical amendments, including amendments to regulation making authorities, are also made.

**SCHEDULE 4
CITY OF TORONTO ACT, 2006**

Amendments are made to section 278 of the *City of Toronto Act, 2006* with respect to the tax rates for municipal purposes for the subclasses prescribed under subsection 8 (1) of the *Assessment Act*. The amendments provide that the City may, by by-law, provide for different percentages than those that are set out in the Act, to a maximum of 35 per cent.

Amendments are made to section 331 of the Act with respect to the vacant unit rebate. The amendments provide that the City may, by by-law, elect not to have a program to provide tax rebates to owners of property that has vacant portions. The City is also given several options respecting the requirements of its program.

**SCHEDULE 5
COMMERCIAL TENANCIES ACT**

Part IV of the *Commercial Tenancies Act* is re-enacted to provide temporary protections for certain commercial tenants. Here are some highlights:

1. The Schedule establishes a non-enforcement period for certain tenancies that begins on the day section 1 of Schedule 5 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force and ends on a prescribed date. If a landlord exercises a right of re-entry between October 31, 2020 and the start of the non-enforcement period, the landlord must restore possession of the premises to the tenant or, if unable to do so, must compensate the tenant for damages. Also, if a landlord seizes a tenant's goods between October 31, 2020 and the start of the non-enforcement period as a distress for arrears of rent, the landlord must return any unsold goods to the tenant.
2. Regulations may be made to provide for another non-enforcement period that applies in respect of prescribed tenancies.
3. Judges are prohibited from ordering a writ of possession that is effective during the applicable non-enforcement period if the basis for ordering the writ is an arrears of rent. As well, the amendments prohibit landlords from exercising a right of re-entry and from seizing any goods or chattels as a distress for arrears of rent during the applicable non-enforcement period.

**SCHEDULE 6
CONSERVATION AUTHORITIES ACT**

The Schedule amends the *Conservation Authorities Act*. The more significant amendments are described below.

Section 14 of the Act is amended to ensure that the members of a conservation authority that are appointed by participating municipalities are municipal councillors. The Minister is given the authority to appoint an additional member to a conservation authority to represent the agricultural sector.

The objects of a conservation authority described in section 20 of the Act are limited to the provision of programs and services required or permitted under sections 21.1, 21.1.1 and 21.1.2. Section 21.1 requires an authority to provide mandatory programs and services that are prescribed by regulation and meet the requirements set out in that section. Section 21.1.1 allows authorities to enter into agreements with participating municipalities to provide programs and services on behalf of the municipalities, subject to the regulations. Section 21.1.2 would allow authorities to provide such other programs and services as it determines are advisable to further the purposes of the Act, subject to the regulations. An authority is required to enter into agreements with the participating municipalities in its jurisdiction if any municipal funding is needed to recover costs for the programs or services provided under section 21.1.2. A transition plan shall be developed by an authority to prepare for entering into agreements relating to the recovery of costs. All programs and services must be provided in accordance with any prescribed standards and requirements.

Section 21.2 of the Act allows a person who is charged a fee for a program or services provided by an authority to apply to the authority to reconsider the fee. Section 21.2 is amended to require the authority make a decision upon reconsideration of a fee within 30 days. Further, the amendments allow a person to appeal the decision to the Local Planning Appeal Tribunal or to bring the matter directly to the Tribunal if the authority fails to render a decision within 30 days.

New sections 23.2 and 23.3 of the Act would allow the Minister to take certain actions after reviewing a report on an investigation into an authority's operations. The Minister may order the authority to do anything to prevent or remedy non-compliance with the Act. The Minister may also recommend that the Lieutenant Governor in Council appoint an administrator to take over the control and operations of the authority.

Subsection 28.1 (8) of the Act currently allows a person who applied to a conservation authority for a permit under subsection 28.1 (1) to appeal that decision to the Minister if the authority has refused the permit or issued it subject to conditions. Subsection 28.1 (8) is repealed and replaced with provisions that allow the applicant to choose to seek a review of the authority's decision by the Minister or, if the Minister does not conduct such a review, to appeal the decision to the Local Planning Appeal Tribunal within 90 days after the decision is made. Furthermore, if the authority fails to make a decision with respect to an application within 120 days after the application is submitted, the applicant may appeal the application directly to the Tribunal.

New section 28.1.1 of the Act allows the Minister to order a conservation authority not to issue a permit to engage in an activity that, without the permit, would be prohibited under section 28 of the Act. After making such an order the Minister may issue the permit instead of the conservation authority.

Section 28.3 of the Act is amended to allow a decision of a conservation authority to cancel a permit or to make another decision under subsection 28.3 (5) to be appealed by the permit holder to the Local Planning Appeal Tribunal.

Subsection 30.2 of the Act sets out circumstances in which an officer may enter land within the area of jurisdictions of an authority. Those circumstances are revised by section 19 of the Schedule.

Section 30.4 of the Act is repealed. That section, which has not yet been proclaimed and which would have given officers the power to issue stop orders to persons carrying on activities that could contravene or are contravening the Act, is repealed.

The regulation making authority in section 40 is re-enacted to reflect amendments in the Schedule.

SCHEDULE 7 CREDIT UNIONS AND CAISSES POPULAIRES ACT, 2020

The Schedule repeals the *Credit Unions and Caisses Populaires Act, 1994* and replaces it with the *Credit Unions and Caisses Populaires Act, 2020*. The new Act generally sets out the rules that govern credit unions, including in respect of the establishment of credit unions and their membership, capital structure, governance and business powers.

Changes are made to give the Financial Services Regulatory Authority of Ontario (the Authority) new rule-making powers in relation to its function as the sector regulator.

The Chief Executive Officer of the Authority is given powers to enforce compliance with the Act and may impose administrative penalties for contraventions of or failures to comply with certain requirements under the Act.

The Act provides the Authority with rule-making power over certain matters under the Act. The Lieutenant Governor in Council is given broader regulation-making power over certain matters under the Act, including all matters in respect of which the Authority may make rules.

Consequential amendments are made to update the many statutes that refer to the *Credit Unions and Caisses Populaires Act, 1994*.

SCHEDULE 8 CROWN FOREST SUSTAINABILITY ACT, 1994

The Schedule repeals provisions of the *Crown Forest Sustainability Act, 1994* that address when forest management plans are deemed to include certain parts of agreements or regulations under the *Endangered Species Act, 2007* and related matters.

A new section is added to the Act providing that a person is exempt from certain provisions of the *Endangered Species Act, 2007* while conducting forest operations in a Crown forest, in accordance with an approved forest management plan, and on behalf of the Crown or under the authority of a forest resource licence. Currently, similar provisions are included in a regulation made under the *Endangered Species Act, 2007*.

SCHEDULE 9 EARLY CHILDHOOD EDUCATORS ACT, 2007

The Schedule amends the *Early Childhood Educators Act, 2007* by amending subsection 29 (2.5) to prohibit the removal of certain information from the register.

The Schedule adds section 33.3, which retroactively revokes a member's certificate of registration if the member was previously found guilty of an act of professional misconduct relating to sexual abuse or child pornography. The Schedule also adds subsection 36 (1.1), which prohibits a person who has had a certificate revoked for certain acts of sexual abuse, child pornography or a prescribed sexual act from applying for reinstatement. Subsections 36 (4.2) and (4.3) are added to allow a person to apply for reinstatement if a conviction is overturned on appeal or a pardon has been granted.

Clauses 45 (1) (c.3) and (c.4) are added to the Act to provide regulation-making authority to require a member to report certain findings made against the member to the Registrar and to govern reporting to the Registrar.

The Schedule adds a new section 50.2 to require the implementation of a sexual abuse prevention program by the College. The new sections 57.1 and 57.2 require members to report to the Registrar regarding offences, charges and bail conditions.

Section 59.1.1 is added to deal with transitional matters that arise in relation to the amendments made to the Act by the Schedule.

The Schedule also amends section 59.2 and other related provisions to include allegations of prescribed sexual acts as a basis for providing funding for therapy and counselling.

**SCHEDULE 10
EDUCATION ACT**

Currently, subsection 257.7 (3) of the *Education Act* provides that a tax rate reduction for municipal purposes for a property subclass also applies with respect to the tax rate for school purposes unless the Minister of Finance makes a regulation providing that the reduction does not apply.

Section 257.7 of the Act is amended to provide that, with respect to certain property subclasses, the tax rate reduction for municipal purposes does not apply with respect to the tax rate for school purposes unless the Minister of Finance makes a regulation providing that it does apply.

**SCHEDULE 11
EMPLOYER HEALTH TAX ACT**

Currently, the *Employer Health Tax Act* allows for certain eligible employers to claim an exemption amount in determining their taxable total Ontario remuneration used to calculate the amount of tax payable under the Act. The Act is amended to increase the exemption amount to \$1,000,000 for the 2020 to 2028 years. Starting in 2029, the exemption amount is adjusted for inflation every five years using the formula set out in section 2.1.1.

Section 3 of the Act requires an employer to pay instalments on account of tax. Currently an employer is only required to pay instalments if their total Ontario remuneration exceeds \$600,000. This amount is increased to \$1,200,000 for tax years beginning after December 31, 2020.

Technical amendments are also made.

**SCHEDULE 12
FILM CONTENT INFORMATION ACT, 2020**

The Schedule enacts the *Film Content Information Act, 2020* and repeals the *Film Classification Act, 2005*.

The new *Film Content Information Act, 2020* regulates the exhibition of films, selling or renting physical copies of video games and selling, renting or otherwise making available physical copies of adult sex films.

Part I of the Act sets out the application and interpretation provisions.

Part II of the Act provides for the appointment of a Director and Deputy Directors for the purposes of the Act.

Part III of the Act provides that films cannot be exhibited for a person's direct gain unless information respecting the film and its contents is displayed to the public. This requirement does not apply in certain circumstances, such as exhibition of a film under the sponsorship of a public library or public art gallery.

Adult sex films cannot be exhibited, and physical copies cannot be sold, rented or otherwise made available, unless the film has been reviewed and approved by an entity that is authorized to approve adult sex films under the laws of a province of Canada. In addition, they cannot be exhibited to persons under the age of 18. Physical copies cannot be sold, rented or otherwise made available to persons under the age of 18.

The sale or rental of physical copies of video games is restricted based on the rating assigned to the video game by the Entertainment Software Rating Board. Physical copies of unrated video games may not be rented or sold to persons under the age of 18.

Part IV of the Act provides a procedure for the appointment of investigators and the investigation of offences under the Act. Things that are seized by the investigator may be forfeited to the Crown in certain circumstances. A procedure for applying to the Director for the return of the seized thing is set out.

Part V of the Act sets out offences, penalties and evidentiary provisions for proceedings under the Act.

Part VI of the Act provides regulation-making powers to the Lieutenant Governor in Council. These powers include the ability to modify the age restrictions that apply to the sale or rental of physical copies of video games.

Part VII sets out transitional provisions. The Ontario Film Review Board is dissolved. Licences that were issued under the *Film Classification Act, 2005* are no longer needed under this new Act and expire.

Part VIII provides for the repeal of the *Film Classification Act, 2005* and the revocation of the regulation made under that Act. It also makes several consequential amendments.

**SCHEDULE 13
FINANCIAL ADMINISTRATION ACT**

The Schedule amends the *Financial Administration Act* to allow the Minister of Finance to establish and maintain proxy investment funds for the purposes of determining adjustments to be applied in respect of special purpose accounts for supplemental pension funds. The amendments provide for certain rules to apply where an adjustment is made and allow for the Minister of Finance to delegate certain powers relating to the establishment and maintenance of such proxy investment funds to the Ontario Financing Authority.

The Act is also amended to include a new section 11.9. That section deals with liabilities incurred by a ministry or specified public entity before they recognize those liabilities for the first time as a result of a change in accounting standards. Subsection 11.9 (3) creates an appropriation with respect to those liabilities. Certain restrictions apply (see subsections 11.9 (2) and (4)). Certain complementary and consequential amendments are made to the Act as well.

Currently, the Act provides that the Lieutenant Governor in Council may provide for the manner of executing security certificates and coupons attached to security certificates, including the manner in which any signatures are reproduced. The Schedule amends the Act to allow for any signatures on security certificates or coupons to be electronically reproduced as well as to allow for the seal of the Minister of Finance to be reproduced electronically on security certificates.

**SCHEDULE 14
FINANCIAL SERVICES COMMISSION OF ONTARIO ACT, 1997**

The Schedule repeals the *Financial Services Commission of Ontario Act, 1997* and revokes the one existing regulation made under that Act. The Schedule also makes amendments to various other Acts related to the repeal of the *Financial Services Commission of Ontario Act, 1997*.

**SCHEDULE 15
FINANCIAL SERVICES REGULATORY AUTHORITY OF ONTARIO ACT, 2016**

The Schedule amends the *Financial Services Regulatory Authority of Ontario Act, 2016* in respect of the repeal of the *Financial Services Commission of Ontario Act, 1997*. The definition of the “FSCO” is amended to refer to the former Financial Services Commission of Ontario and the definition of “Superintendent of Financial Services” is amended to refer to the former position of Superintendent of Financial Services. As well, section 5 of the Act, which relates to the provision of information by FSCO, is repealed. Finally, the Act is amended to include a provision setting out limitations on liability for former FSCO members and employees, as well as the Superintendent of Financial Services or persons engaged by the Superintendent. The limitations are consistent with those set out in section 10 of the *Financial Services Commission of Ontario Act, 1997*.

Currently, the Act provides that the Lieutenant Governor in Council may assess the Financial Services Regulatory Authority of Ontario annually with respect to all expenses and expenditures that the Ministry has incurred and made in respect of preparing the Authority to carry out its regulatory function and in respect of the sectors regulated by the Authority. The Schedule amends the Act to provide that the Minister may do this assessment from time to time.

Technical amendments are made to the regulation-making powers under the Act.

**SCHEDULE 16
FISCAL SUSTAINABILITY, TRANSPARENCY AND ACCOUNTABILITY ACT, 2019**

The *Fiscal Sustainability, Transparency and Accountability Act, 2019* is amended to provide that the requirement for a recovery plan under section 3 of the Act does not apply for a budget in respect of the 2020-2021 fiscal year that is released on or after April 1, 2020.

**SCHEDULE 17
FUEL TAX ACT**

The Schedule amends section 18 of the *Fuel Tax Act* in the following ways:

1. The reference to “audit or examine any books or records and any documents” in clause 18 (1) (a) is amended to read “audit or examine any books, records or anything else”.
2. A new subsection 18 (1.1) clarifies that any person authorized to examine anything under subsection (1) may, in person or remotely, survey, photograph or make any kind of record of it.

**SCHEDULE 18
GAMING CONTROL ACT, 1992**

The Schedule amends the *Gaming Control Act, 1992* in relation to online lottery schemes. The Act is amended to make lottery schemes conducted and managed by the lottery subsidiary of the Alcohol and Gaming Commission of Ontario subject to many of the rules that currently only apply to lottery schemes conducted and managed by the Ontario Lottery and Gaming Corporation. Minor corrections are made to the French version of the Act.

**SCHEDULE 19
GASOLINE TAX ACT**

The Schedule amends section 16 of the *Gasoline Tax Act* in the following ways:

1. The reference to “audit or examine any books or records and any documents” in clause 16 (1) (a) is amended to read “audit or examine any books, records or anything else”.
2. A new subsection 16 (1.0.1) clarifies that any person authorized to examine anything under subsection (1) may, in person or remotely, survey, photograph or make any kind of record of it.

**SCHEDULE 20
HIGHWAY TRAFFIC ACT**

The *Highway Traffic Act* is amended to add a section regarding the disclosure of personal information. The new section provides that the disclosure of prescribed information is permitted if the disclosure is for a specified purpose, if the information is disclosed to a specified authorized requester or to a re-seller or service provider engaged by an authorized requester, and if the authorized requester has entered into an agreement with the Registrar regarding the disclosure.

Related provisions are enacted respecting matters such as the publication of information about authorized requesters and regulation-making powers.

**SCHEDULE 21
INNOVATION CENTRE GOVERNANCE ACT, 2020**

The *Innovation Centre Governance Act, 2020* is enacted. The Act limits the board of directors of Ontario Centres of Excellence Inc. to no more than 13 directors. The Minister may appoint up to six directors but shall not appoint a director if the appointment would result in the number of directors appointed by the Minister being greater than or equal to the number of other directors.

**SCHEDULE 22
INSURANCE ACT**

The Schedule amends the *Insurance Act* as follows:

1. New section 15.1 gives the Chief Executive Officer the authority to make certain exemption orders. The Lieutenant Governor in Council is given regulation-making authority with respect to those exemption orders.
2. New section 201.2 imposes certain limits on the funds that can be held in certain accounts and side accounts associated with or part of life insurance contracts.
3. New section 235 governs certain notices of termination under Part VI of the Act.
4. Section 263 is amended to provide that section 233 of the Act applies to claims made under subsection 263 (2) and to provide that insureds may elect, in accordance with the regulations, not to recover damages under subsection 263 (2). The Lieutenant Governor in Council is given regulation-making authority with respect to these elections.
5. The Schedule also includes amendments to the Statutory Conditions set out in the Act in sections 148 and 300, relating to the delivery and electronic format of certain notices.

**SCHEDULE 23
INTERIM APPROPRIATION FOR 2021-2022 ACT, 2020**

The Schedule enacts the *Interim Appropriation for 2021-2022 Act, 2020*, which authorizes expenditures pending the voting of supply for the fiscal year ending on March 31, 2022 up to specified maximum amounts. All expenditures made or recognized under the Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2022.

**SCHEDULE 24
INVESTMENT MANAGEMENT CORPORATION OF ONTARIO ACT, 2015**

Currently, the *Investment Management Corporation of Ontario Act, 2015* provides that the regulations may prescribe bodies that are eligible to be members of the Corporation. An amendment is made to instead permit the regulations to prescribe persons or entities.

**SCHEDULE 25
LIMITATIONS ACT, 2002**

The *Limitations Act, 2002* is amended to provide that the limitation periods set out in subsections 98 (3) and 187 (14) and (15) of the *Not-for-Profit Corporations Act, 2010* apply instead of the limitation periods established under the *Limitations Act, 2002*.

**SCHEDULE 26
LIQUOR LICENCE AND CONTROL ACT, 2019**

The Schedule makes various amendments to the *Liquor Licence and Control Act, 2019*, including the following:

1. The definition of “retail store” is re-enacted to make allowance for retail stores that are operable under any category of licence under the Act, if permitted under the licence, and to expressly state that online stores and other stores without fixed locations are contemplated. Consequential amendments are made to the Act as well as to several other Acts.
2. The Act is amended to permit regulations made under the Act by the Lieutenant Governor in Council to clarify the meaning of the terms “beer”, “spirits” and “wine”, as defined in the Act.

3. Section 3 of the Act is amended to provide that the Registrar may not refuse to grant prescribed classes of endorsements without issuing a proposal to refuse to grant an endorsement. Section 25 and 26 are amended to address the giving of notice of such proposals and hearings before the Licence Appeal Tribunal respecting the proposals.
4. Subsection 16 (1) of the Act is amended to provide for the issuance of permits in circumstances other than special occasions.
5. Subsection 55 (6.1) is added to the Act to authorize an inspector to direct a licensee, employee of a licensee or permit holder to request that a person on premises who appears to be under 19 years of age show evidence of the person's age.
6. Section 78 of the Act, setting out the regulation-making authority of the Lieutenant Governor in Council under the Act, is amended in various ways, including the following:
 - i. Paragraph 2 of subsection 78 (1) is re-enacted to expressly permit regulations that provide for the non-application of provisions of the Act, in addition to regulations creating exemptions from the application of provisions of the Act for specified persons, places or things.
 - ii. Paragraph 11 of subsection 78 (1) is re-enacted to expressly permit regulations that provide for the non-issuance of licences or permits.
 - iii. Paragraph 12.1 is added to subsection 78 (1) to create a distinct regulation-making authority respecting endorsements to licences under section 3.
 - iv. Subsection (4) is added to section 78 to expressly permit regulations that authorize the Registrar or the LCBO to exercise a discretion that may be exercised by the Lieutenant Governor in Council in making the regulation.

**SCHEDULE 27
MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS ACT**

The *Ministry of Agriculture, Food and Rural Affairs Act* is amended in respect of the program known as the Risk Management Program. The amendments provide that the Minister may appoint a person to manage a fund in connection with the program and that the *Insurance Act* does not apply with respect to the program.

**SCHEDULE 28
MINISTRY OF REVENUE ACT**

The Schedule amends the *Ministry of Revenue Act*. The Minister is required to provide certified copies of notices of calculation given under the *Family Law Act* on request to parents or to the designated authority. A similar amendment is made with respect to the child support recalculations.

A new section 11.4.1 of the Act sets out rules that apply to a program specified in the regulations that is established to provide financial assistance by way of grant to any businesses in connection with the outbreak of the coronavirus (COVID-19). The Minister is authorized to make regulations governing the administration of the program.

**SCHEDULE 29
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006**

The *Mortgage Brokerages, Lenders and Administrators Act, 2006* is amended to add a requirement for prescribed persons and entities to register with the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario. The requirement to register applies even if the prescribed person or entity is also a licensee. Persons and entities who are not required to register under the regulations may register voluntarily.

Currently, the Act requires the Chief Executive Officer to maintain one or more public registers of information about licensees and former licensees. The Schedule amends the Act to provide that the registers must also contain information about registered persons and entities as well as persons or entities who were formerly registered. The Chief Executive Officer may make the information in a register available for inspection and, if the information is made public, it must be made available without charge and in accordance with the prescribed requirements.

Other amendments are made to the Act to reflect the new registration requirement.

The maximum amounts for administrative penalties and offences under the Act are increased.

**SCHEDULE 30
MUNICIPAL ACT, 2001**

Amendments are made to section 313 of the *Municipal Act, 2001* with respect to the tax rates for municipal purposes for the subclasses prescribed under subsection 8 (1) of the *Assessment Act*. The amendments provide that municipalities may, by by-law, provide for different percentages than those that are set out in the Act, to a maximum of 35 per cent.

Amendments are made to section 364 of the Act with respect to the vacant unit rebate. The amendments provide that municipalities may, by by-law, elect not to have a program to provide tax rebates to owners of property that has vacant portions. Municipalities are also given several options respecting the requirements of their programs.

SCHEDULE 31
MUNICIPAL PROPERTY ASSESSMENT CORPORATION ACT, 1997

Subsection 15 (1) of the *Municipal Property Assessment Corporation Act, 1997* currently requires the Corporation to give certain employees of the Government of Ontario such information and documents as the Minister may request. The subsection is re-enacted to require the Corporation to also give information and documents to certain persons who provide a service to or for the Government of Ontario, as the Minister may request. A complementary amendment is also made to subsection 15 (2).

SCHEDULE 32
ONTARIO CANNABIS RETAIL CORPORATION ACT, 2017

The Schedule amends the *Ontario Cannabis Retail Corporation Act, 2017*. The maximum number of members of the board of directors of the Ontario Cannabis Retail Corporation is changed from seven to nine. Technical corrections are made to the French version of the Act.

SCHEDULE 33
ONTARIO COLLEGE OF TEACHERS ACT, 1996

The *Ontario College of Teachers Act, 1996* is amended to make several changes to the composition of the Council of the Ontario College of Teachers and various committees under the Act, to establish new committees and to enact a new transitional Part:

1. Currently, the Council of the Ontario College of Teachers is composed of 23 persons elected by the members of the College and 14 persons appointed by the Lieutenant Governor in Council. The Schedule provides that the Council shall be composed of nine members of the College appointed by the Council and nine non-members who are appointed by the Lieutenant Governor in Council.
2. Under the current Act, the Executive Committee exercises such powers and performs such duties of the Council as the Council delegates to it. The Schedule establishes a committee named the Adjudicative Body of Chairs to perform some functions that are currently performed by the Executive Committee. The Adjudicative Body of Chairs shall be composed of equal numbers of College members and non-members, all of whom are members of statutory committees.
3. A Selection and Nominating Subcommittee is established. The subcommittee reviews and assesses applications of all persons seeking to be on the Council, a statutory or regulatory committee or the roster of eligible panellists and prepares a list of nominees in each case. Appointments to the Council, committees and the roster, other than appointments by the Lieutenant Governor in Council, must be from among the list of nominees.
4. A new Part is added to the Act to provide for a period of transition during which the existing Council and committees are dissolved and a new Council and committees are established by the Transition Supervisory Officer. Various provisions are made relating to the composition of such bodies and the procedures of the Council and the committees during the transitional period.
5. Related and consequential amendments are made.

The Schedule also amends the Act in respect of certain acts of professional misconduct:

1. The Schedule amends the Act by amending subsection 23 (2.8) to prohibit the removal of certain information from the register.
2. The Schedule adds section 30.3, which retroactively revokes a member's certificate of qualification and registration if the member was previously found guilty of an act of professional misconduct relating to sexual abuse or child pornography. The Schedule also adds subsection 33 (1.1), which prohibits a person who has had a certificate revoked for certain acts of sexual abuse, child pornography or a prescribed sexual act from applying for reinstatement. Subsections 33 (4.2) and (4.3) are added to allow a person to apply for reinstatement if a conviction is overturned on appeal or a pardon has been granted.
3. Clauses 42 (1) (c.2) and (c.3) are added to the Act to provide regulation-making authority to require a member to report certain findings made against the member to the Registrar and to govern reporting to the Registrar.
4. The Schedule also adds a new section 47.2 to require the implementation of a sexual abuse prevention program by the College. The new sections 51.1 and 51.2 require members to report to the Registrar regarding offences, charges and bail conditions.
5. The Schedule also amends section 58.1 and other related provisions to include allegations of prescribed sexual acts as a basis for providing funding for therapy and counselling.
6. Section 63.3 is added to deal with transitional matters that arise in relation to the Schedule.

SCHEDULE 34
ONTARIO ENERGY BOARD ACT, 1998

The Schedule makes the following amendments to the *Ontario Energy Board Act, 1998*:

1. The objectives in section 1 of the Act that are to guide the Ontario Energy Board respecting electricity are amended to remove objectives relating to a smart grid and to renewable energy sources, and to add an objective relating to innovation. Subsection 28.6 (4) of the Act is consequentially repealed.
2. Subsection 4.3 (2) of the Act is re-enacted to change the list of persons who may not be appointed as a commissioner under the Act. Consequential amendments are made to sections 4.1 and 4.2 of the Act.
3. Section 98 of the Act, respecting entry onto land at the intended location of a proposed work (as defined in section 89 of the Act), is amended with respect to the powers of the Board to issue orders authorizing persons to enter onto specified land in relation to the proposed construction, expansion or reinforcement of an electricity distribution line or electricity transmission line or making of an interconnection, or for the development of any such proposed work. Further amendments to section 98 are included in order to anticipate related amendments to the *Environmental Assessment Act* that are not yet in force.

SCHEDULE 35
ONTARIO LOAN ACT, 2020 (NO. 2)

The *Ontario Loan Act, 2020 (No. 2)* is enacted. Subsection 1 (1) of the Act authorizes the Crown to borrow a maximum of \$18 billion.

SCHEDULE 36
ONTARIO NORTHLAND TRANSPORTATION COMMISSION ACT

The Schedule makes various amendments to the *Ontario Northland Transportation Commission Act*. Some of the more significant amendments are set out below.

The definition of “Minister” in the Act is changed from the Minister of Northern Development and Mines to the Minister of Transportation. The following are now subject to the approval of the Minister, rather than the Lieutenant Governor in Council: the powers of the Commission set out in subsection 7 (2) of the Act; any agreement with the Nipissing Central Railway Company under section 11 of the Act; the location of the lines of railway and other works of the Commission and of the branches, and the plans of all works proposed, and the by-laws of the Commission in accordance with section 12 of the Act; agreements with railway companies under subsection 14 (1) of the Act; agreements to lease railway lines under subsection 14 (2) of the Act; and the construction maintenance and operation of works for the production of electricity or other motive power under section 19 of the Act. Further, regulations made by the Commission under subsection 13 (1) of the Act are now subject to cancellation or amendment at the direction of the Minister, not the Lieutenant Governor in Council.

The Act is amended to add the new section 7.1, which gives the Minister the power to issue directives in writing to the Commission in respect of any matter under the Act. In addition to the Commission, the exemptions from licences set out in section 9 now also apply to any person providing passenger transportation services on behalf of the Commission.

SCHEDULE 37
PENSION BENEFITS ACT

The Schedule amends the not-yet-in-force provisions of the *Pension Benefits Act* relating to target benefits. The amendments relate to the criteria for a benefit to be a target benefit, the treatment of surplus from a pension plan providing target benefits and the requirements relating to proposals to convert certain benefits provided by a multi-employer plan to target benefits by amending the pension plan.

New section 102.4 of the Act provides special rules regarding The Pension Plan of Canadian Press Enterprises Inc. and the Canadian Press Enterprises Inc. Pension Plan for Employees Represented by the Canadian Media Guild. The rules provide that defined benefits provided under the two pension plans are deemed not to have been guaranteed by the Pension Benefits Guarantee Fund during specified periods. A technical amendment is made to section 84 of the Act for consistency.

Certain not-yet-in-force provisions of the Act are repealed and substantively re-enacted. These provisions are subject to repeal by section 10.1 of the *Legislation Act, 2006* on December 31, 2020.

SCHEDULE 38
PROTECTING A SUSTAINABLE PUBLIC SECTOR FOR FUTURE GENERATIONS ACT, 2019

The Schedule amends the *Protecting a Sustainable Public Sector for Future Generations Act, 2019*.

New sections 23.1 and 23.2 set out certain rules that apply if the representation status of a class of employees changes.

New section 25.1 sets out financial consequences for employers and employers’ organizations that do not comply with Management Board of Cabinet directives issued under the Act.

SCHEDULE 39
PROVINCIAL OFFENCES ACT

The Schedule amends the *Provincial Offences Act* to permit amendments to the Act that provide for the examination of a certificate of offence by a clerk of the court under section 9 to come into force before the coming into force of amendments to

the Act respecting early resolution meetings (sections 5.1 and 5.2 of the Act, as amended by Schedule 35 to the *Stronger, Fairer Ontario Act (Budget Measures), 2017*). As well, a transition provision is added to section 9.

**SCHEDULE 40
PROVINCIAL PARKS AND CONSERVATION RESERVES ACT, 2006**

The Schedule makes various amendments to the *Provincial Parks and Conservation Reserves Act, 2006*. Here are some of the more significant amendments.

Section 10 of the Act is amended to simplify the language describing management planning for parks and conservation reserves. Management directions and management statements will no longer be used and only management plans will continue to be used. The amendments also provide an exception to public consultation requirements for amendments to management plans where, in the Minister's opinion, the environmentally significant aspects of the amendments have already been considered in another process of public participation.

Section 14 of the Act is amended to enable the Minister to authorize the use or occupation of land in provincial parks and conservation reserves, subject to limitations respecting occupations for private, non-commercial purposes. New subsection 14 (5) will require a person authorized to use or occupy land in a provincial park or conservation reserve to comply with the terms and conditions set out in the authorization and any terms and conditions prescribed by regulation.

New sections 14.1 and 14.2 give the Minister the power to have land in provincial parks or conservation reserves surveyed and to annul all or part of a survey or subdivision of such lands.

New section 14.4 provides that unauthorized buildings, structures or things in provincial parks or conservation reserves are the property of the Crown and may be disposed of by the Minister, and authorizes the Minister to recover any expenses incurred in association with the disposition of such buildings, structures or things as a debt owing to the Crown.

Section 26 is amended to allow the Minister to establish and charge fees related to conservation reserves.

Section 27 is amended to allow for revenues generated in respect of conservation reserves to be deposited in the separate account in the Consolidated Revenue Fund and to allow for payments out of that separate account for a purpose related to conservation reserves.

New section 33.1 limits the Crown's liability in respect of negligence in the construction, maintenance or repair of a road in a provincial park or conservation reserve where a permit is not required to take a vehicle into the provincial park or conservation reserve.

**SCHEDULE 41
RESOURCE RECOVERY AND CIRCULAR ECONOMY ACT, 2016**

A number of amendments are made to the *Resource Recovery and Circular Economy Act, 2016*.

Among them:

1. The definitions of "consumer", "convenience packaging", "primary packaging", "product" and "transport packaging" are expanded, including by allowing alternative meanings to be provided by regulation.
2. Providing that a regulation may designate a class of materials that includes one or more material.
3. The persons in addition to a brand holder who may be required to carry out responsibilities is expanded.
4. The Lieutenant Governor in Council may make regulations governing the collection of blue box material, including authorizing or requiring one or more prescribed persons or entities to make rules in respect of the collection of blue box material.

**SCHEDULE 42
SUPPLEMENTARY INTERIM APPROPRIATION FOR 2020-2021 ACT, 2020**

The Schedule enacts the *Supplementary Interim Appropriation for 2020-2021 Act, 2020*, which authorizes expenditures pending the voting of supply for the fiscal year ending on March 31, 2021 up to specified maximum amounts. The expenditures authorized are in addition to those authorized under the *Interim Appropriation for 2020-2021 Act, 2019*. All expenditures made or recognized under the *Interim Appropriation for 2020-2021 Act, 2019* and this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2021.

**SCHEDULE 43
TAXATION ACT, 2007**

Transfer of tax credit from a spouse or common-law partner

Currently, subsection 9 (17) of the *Taxation Act, 2007* governs the transfer of tax credits to a taxpayer from their spouse or common-law partner. The method of calculating the amount that may be transferred to the taxpayer is amended, retroactively, to include a reference to the adoption expense tax credit.

Calculation of surtax

Currently, under section 16 of the Act, an individual's surtax for a taxation year is determined based on the gross tax amount of the individual. The gross tax amount is determined for a taxation year as the amount of tax that would be payable by the individual for the year under Division B of Part II of the Act if that amount were determined without reference to various sections of the Act. Retroactive amendments are made to section 16 to remove the reference to section 103.1.2, which provides for the community food program donation tax credit for farmers and to add a reference to section 21.1, the low-income individuals and families tax credit. Complementary amendments are made to section 103.1.2.

Technical amendments are made to subsections 38 (3) and (4).

Ontario interactive digital media tax credit

Subsection 93 (4) of the Act currently sets out how a qualifying corporation's eligible labour expenditure is determined for the Ontario interactive digital media tax credit. An amendment is made to include in a qualifying corporation's eligible labour expenditure those Ontario labour expenditures that were incurred within 61-months of the end of the month in which the development of an eligible product is completed, if the product is completed after March 14, 2020 and an Ontario labour expenditure for the product was incurred in 2020.

Ontario book publishing tax credit

Currently, clause 95 (15) (f) of the Act provides that the Ontario book publishing tax credit cannot be claimed with respect to the publishing of a literary work if the literary work is published in an edition of less than 500 copies of a bound book. The clause is amended so that it does not apply to literary works published in 2020 or 2021.

Seniors' home safety tax credit

New section 103.0.3 of the Act provides for the seniors' home safety tax credit. It is a temporary refundable tax credit available for only the 2021 taxation year. An eligible individual's tax credit for a taxation year is 25 per cent of the lesser of \$10,000 and the amount by which the individual's qualifying expenditures exceed certain government assistance.

Complementary amendments are made to section 84.

Right of appeal

Currently, subsection 125 (2) of the Act provides an Ontario taxpayer with a right to appeal assessments of their Ontario personal income tax payable under the Act as well as a right to appeal determinations about certain benefits that are authorized under the Act. A retroactive amendment is made to provide individuals with a right to appeal determinations of the benefit programs contained in the Ontario Trillium Benefit.

Appropriations

Currently, section 176 provides that the money for certain tax credits and benefits are to be paid out of money appropriated for those purposes by the Legislature. The section is amended to include a reference to the seniors' home safety tax credit and, on a retroactive basis, to the regional opportunities investment tax credit.

SCHEDULE 44 TOBACCO TAX ACT

The Schedule amends section 23 of the *Tobacco Tax Act* in the following ways:

1. Currently, subsection 23 (1) authorizes certain persons to enter certain premises or places for the purposes of conducting audits and examinations of various things. The subsection is re-enacted to provide that the examination of land on which raw leaf tobacco is produced does not require the person to enter the premises or place.
2. The reference to "audit or examine any books and records and any account, voucher, letter, telegram or other document" in clause 23 (1) (a) is re-enacted as new subclause 23 (1) (a) (i) to read "audit or examine any books, records or anything else".
3. A new subsection 23 (1.2) clarifies that any person authorized to examine anything under subsection (1) may, in person or remotely, survey, photograph or make any kind of record of it.

An Act to implement Budget measures and to enact, amend and repeal various statutes

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Schedule 44	Tobacco Tax Act

Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Contents of this Act

1 This Act consists of this section, sections 2 and 3 and the Schedules to this Act.

Commencement

2 (1) Subject to subsections (2) and (3), this Act comes into force on the day it receives Royal Assent.

(2) The Schedules to this Act come into force as provided in each Schedule.

(3) If a Schedule to this Act provides that any provisions are to come into force on a day to be named by proclamation of the Lieutenant Governor, a proclamation may apply to one or more of those provisions, and proclamations may be issued at different times with respect to any of those provisions.

Short title

3 The short title of this Act is the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020*.

SCHEDULE 1
ALCOHOL AND GAMING COMMISSION OF ONTARIO ACT, 2019

1 Subsection 1 (1) of the *Alcohol and Gaming Commission of Ontario Act, 2019* is amended by adding the following definition:

“lottery subsidiary” means the subsidiary of the Commission established or continued by regulation under section 6.1; (“filiale des loteries”)

2 The Act is amended by adding the following section:

Crown agent

1.1 (1) The Commission is an agent of the Crown in right of Ontario.

Same, subsidiary

(2) The lottery subsidiary is an agent of the Crown in right of Ontario.

3 Paragraph 3 of subsection 3 (1) of the Act is repealed and the following substituted:

3. To oversee the lottery subsidiary’s conduct and management of prescribed online lottery schemes.
4. To ensure that prescribed online lottery schemes are conducted, managed and operated by the lottery subsidiary in accordance with the *Criminal Code* (Canada), this Act and the *Gaming Control Act, 1992* and the regulations made under them.
5. If authorized by the Lieutenant Governor in Council, to enter into agreements to have the lottery subsidiary conduct and manage prescribed online lottery schemes on behalf of, or in conjunction with, the government of one or more provinces of Canada.
6. To engage in such other activities as may be prescribed.

4 The Act is amended by adding the following section:

Minister’s directives re online lottery schemes

4.1 (1) The Minister may issue directives in writing that relate to the conduct and management of prescribed online lottery schemes to the Commission or to the lottery subsidiary in respect of the Commission’s or the lottery subsidiary’s operations.

Implementation

(2) The board of directors of the Commission or of the lottery subsidiary, as applicable, shall ensure that the directives are implemented promptly and efficiently.

Directive not a regulation

(3) Part III (Regulations) of the *Legislation Act, 2006* does not apply to a directive.

5 Subsection 6 (4) of the Act is repealed and the following substituted:

Delegation of powers and duties

(4) The board of directors of the Commission may delegate, in writing, any of its powers and duties to any committee of the board or to one or more officers or employees of the Commission, other than the power to,

- (a) make, amend or repeal by-laws of the Commission;
- (b) establish fees and charges under section 13; and
- (c) establish a schedule of monetary penalties under section 14.

Exception, oversight of prescribed online lottery schemes

(4.1) Despite subsection (4), the board shall not delegate any powers and duties to the Registrar or a Deputy Registrar that relate to the oversight of the lottery subsidiary.

6 (1) The Act is amended by adding the following section:

Lottery subsidiary

6.1 (1) The Lieutenant Governor in Council may, by regulation, establish or continue a corporation without share capital that is a subsidiary of the Commission that has as its objects and duties,

- (a) conducting and managing prescribed online lottery schemes; and
- (b) any other prescribed objects or duties.

Operations, etc.

(2) The lottery subsidiary shall comply with this Act, the regulations and any Ministerial directives in conducting and managing the prescribed online lottery schemes.

Powers of a natural person subject to prescribed limitations

(3) The lottery subsidiary has the capacity, rights and powers of a natural person, subject to such limitations as may be prescribed.

Revenues and investments

(4) Despite Part I of the *Financial Administration Act*, the revenues and investments of the lottery subsidiary do not form part of the Consolidated Revenue Fund.

Application of *Business Corporations Act*

(5) The regulations may specify provisions of the *Business Corporations Act* that apply to the lottery subsidiary and its directors and officers, with or without any prescribed modifications.

Non-application of *Corporations Act*

(6) The *Corporations Act* does not apply to the lottery subsidiary, except as may be prescribed.

Non-application of *Corporations Information Act*

(7) The *Corporations Information Act* does not apply to the lottery subsidiary.

(2) Subsection 6.1 (6) of the Act, as enacted by subsection (1), is amended by striking out “*Corporations Act*” and substituting “*Not-for-Profit Corporations Act, 2010*”.

7 Section 10 of the Act is repealed and the following substituted:**Immunity of employees and others**

10 (1) No cause of action arises against,

- (a) a director, officer or employee of the Commission as a result of any act done in good faith in the performance or intended performance of their duties under this Act, any duties related to the lottery subsidiary, any of their duties under the alcohol, cannabis, gaming and horse racing statutes or any alleged neglect or default in the performance in good faith of those duties;
- (b) a director, officer or employee of the lottery subsidiary as a result of any act done in good faith in the performance or intended performance of their power to conduct and manage prescribed online lottery schemes; or
- (c) the Crown, a minister of the Crown or an employee of the Crown as a result of any act or omission of a person who is not a minister of the Crown or a Crown employee, if the act or omission is related, directly or indirectly, to the Commission’s affairs, to the lottery subsidiary’s affairs or to the administration of this Act or any of the alcohol, cannabis, gaming and horse racing statutes.

No proceeding

(2) No proceeding shall be instituted against,

- (a) a director, officer or employee of the Commission by a person who has suffered any damages, injury or other loss based on or related to any cause of action described in clause (1) (a);
- (b) a director, officer or employee of the lottery subsidiary by a person who has suffered any damages, injury or other loss based on or related to any cause of action described in clause (1) (b); or
- (c) the Crown, a minister of the Crown or an employee of the Crown by a person who has suffered any damages, injury or other loss based on or related to any cause of action described in clause (1) (c).

Same

(3) Subsections (1) and (2) do not relieve the Commission or the lottery subsidiary of any liability to which it would otherwise be subject.

8 The Act is amended by adding the following section:**Payments from lottery subsidiary**

12.1 The regulations may require the lottery subsidiary to make payments in accordance with the regulations, which may include requiring the lottery subsidiary to make payments in accordance with the Commission’s directions.

9 Section 16 of the Act is repealed and the following substituted:**Regulations**

16 The Lieutenant Governor in Council may make regulations,

- (a) respecting anything that, in this Act, may or must be prescribed, done, specified or provided for in the regulations;
- (b) establishing or continuing the lottery subsidiary, which may include continuing a lottery subsidiary that was established under the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996*;
- (c) respecting the governance and operations of the lottery subsidiary, including,
 - (i) governing the board of directors of the lottery subsidiary, including its composition, procedure and quorum, and the powers and duties of the board, including its power to make by-laws,
 - (ii) governing the mechanism of appointing directors or filling vacancies on the board of directors and the functions, powers, duties and remuneration of directors,
 - (iii) governing the ability of the board of directors to delegate its powers and duties and to designate the offices of the lottery subsidiary, appoint officers, specify their duties and delegate to them or to committees of the board the powers to manage the activities and affairs of the lottery subsidiary,
 - (iv) governing committees of the board of directors, including governing the operation and functions of the committees,
 - (v) governing the authority of the lottery subsidiary to employ, appoint or otherwise engage persons for the proper conduct of its activities,
 - (vi) governing the functions, powers, duties and remuneration of officers and employees of the lottery subsidiary,
 - (vii) governing the capacity, rights, powers and privileges of the lottery subsidiary and any restrictions on them,
 - (viii) establishing requirements respecting the accountability of the lottery subsidiary to the Crown, including requiring the lottery subsidiary to provide specified reports to the Minister,
 - (ix) establishing conflict of interest rules,
 - (x) governing audits of the lottery subsidiary and the appointment of the lottery subsidiary's auditors, which may include required audits by the Minister or the Minister's delegate,
 - (xi) governing the winding up and dissolution of the lottery subsidiary and the transfer of its assets, liabilities, rights and obligations;
- (d) prescribing online lottery schemes that the lottery subsidiary may conduct and manage, which shall not include any lottery schemes that are conducted and managed by the Ontario Lottery and Gaming Corporation;
- (e) governing the ability of officers or employees of the Commission or of the lottery subsidiary to simultaneously be appointed as, work for or provide advice to,
 - (i) the Registrar, a Deputy Registrar or any other officer or employee who works for or provides advice to the Registrar,
 - (ii) any officer or employee of the lottery subsidiary who assists in conducting and managing prescribed online lottery schemes;
- (f) governing the collection of, and payment out of, revenue that the lottery subsidiary receives, including revenue from prescribed online lottery schemes;
- (g) requiring the lottery subsidiary to make payments, including requiring the lottery subsidiary to make payments in accordance with the Commission's direction;
- (h) specifying that any provisions of this Act that relate to the Commission apply to the lottery subsidiary, subject to such modifications as may be prescribed;
- (i) governing the operations of any prescribed online lottery scheme that is conducted and managed by the lottery subsidiary, including prescribing requirements that the lottery scheme must meet or restrictions or prohibitions that apply to the lottery scheme;
- (j) governing transitional matters that may arise due to the establishment of the lottery subsidiary, any other amendments to this Act made by the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* or the repeal of any provision of the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996*;
- (k) respecting any matter necessary to facilitate the implementation of this Act.

Commencement

10 (1) Subject to subsection (2), this Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

(2) Subsection 6 (2) comes into force on the later of the day subsection 6 (1) of this Schedule comes into force and the day subsection 4 (1) of the *Not-for-Profit Corporations Act, 2010* comes into force.

SCHEDULE 2
ALCOHOL, CANNABIS AND GAMING REGULATION AND PUBLIC PROTECTION ACT, 1996

1 (1) Section 1 of the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996* is amended by adding the following definitions:

“lottery subsidiary” means the subsidiary of the Commission established by regulation under section 6.1; (“filiale des loteries”)

“prescribed” means prescribed by the regulations made under this Part; (“prescrit”)

(2) The definition of “Tribunal” in section 1 of the Act is amended by striking out “by the regulations made under this Part” at the end.

2 The Act is amended by adding the following section:

Crown agent

1.1 (1) The Commission is an agent of the Crown in right of Ontario.

Same, subsidiary

(2) The lottery subsidiary is an agent of the Crown in right of Ontario.

3 Paragraph 2 of subsection 2 (9) of the Act is amended by striking out “by regulations made under this Part” at the end.

4 Subsection 3 (2) of the Act is repealed and the following substituted:

Same

(2) In addition to its powers and duties under this Act, the Commission shall,

- (a) exercise those powers and duties under the *Liquor Control Act* and the regulations made under it that are assigned to it by the Lieutenant Governor in Council;
- (b) oversee the lottery subsidiary’s conduct and management of prescribed online lottery schemes;
- (c) ensure that prescribed online lottery schemes are conducted, managed and operated by the lottery subsidiary in accordance with the *Criminal Code (Canada)*, this Act and the *Gaming Control Act, 1992* and the regulations made under them; and
- (d) if authorized by the Lieutenant Governor in Council, enter into agreements to have the lottery subsidiary conduct and manage prescribed online lottery schemes on behalf of, or in conjunction with, the government of one or more provinces of Canada.

5 The Act is amended by adding the following sections:

General powers

4.1 (1) Except as limited by this Act, the Commission has the capacity, rights and powers of a natural person for carrying out its objects.

Cabinet approval

(2) The Commission shall not exercise the following powers without the approval of the Lieutenant Governor in Council:

1. Acquiring, disposing of, leasing, mortgaging, charging or otherwise transferring or encumbering any interest in real property, except for leasing space that is reasonably necessary for the purposes of the Commission.
2. Borrowing or lending money.
3. Pledging, charging or encumbering any of its personal property.
4. Creating a subsidiary.

Minister’s directives re online lottery schemes

4.2 (1) The Minister may issue directives in writing that relate to the conduct and management of prescribed online lottery schemes to the Commission or to the lottery subsidiary in respect of the Commission’s or the lottery subsidiary’s operations.

Implementation

(2) The board of directors of the Commission or of the lottery subsidiary, as applicable, shall ensure that the directives are implemented promptly and efficiently.

Directive not a regulation

(3) Part III (Regulations) of the *Legislation Act, 2006* does not apply to a directive.

6 Section 5 of the Act is repealed and the following substituted:

Delegation of powers and duties

5 (1) The board of the Commission may delegate, in writing, any of its powers and duties to any committee of the board or to any person or persons employed by the Commission, and any such delegation is subject to any conditions set out in the delegation.

Exceptions

(2) Despite subsection (1), the board shall not delegate any powers and duties to the Registrar or a Deputy Registrar that relate to the oversight of the lottery subsidiary.

7 (1) The Act is amended by adding the following section:

Lottery subsidiary

6.1 (1) The Lieutenant Governor in Council may, by regulation, establish a corporation without share capital that is a subsidiary of the Commission that has as its objects and duties,

- (a) conducting and managing prescribed online lottery schemes; and
- (b) any other prescribed objects or duties.

Operations, etc.

(2) The lottery subsidiary shall comply with this Act, the regulations made under this Part and any Ministerial directives in conducting and managing the prescribed online lottery schemes.

Powers of a natural person subject to prescribed limitations

(3) The lottery subsidiary has the capacity, rights and powers of a natural person, subject to such limitations as may be prescribed.

Revenues and investments

(4) Despite Part I of the *Financial Administration Act*, the revenues and investments of the lottery subsidiary do not form part of the Consolidated Revenue Fund.

Application of *Business Corporations Act*

(5) The regulations made under this Part may specify provisions of the *Business Corporations Act* that apply to the lottery subsidiary and its directors and officers, with or without any prescribed modifications.

Non-application of *Corporations Act*

(6) The *Corporations Act* does not apply to the lottery subsidiary, except as may be prescribed.

Non-application of *Corporations Information Act*

(7) The *Corporations Information Act* does not apply to the lottery subsidiary.

(2) Subsection 6.1 (6) of the Act, as enacted by subsection (1), is amended by striking out “*Corporations Act*” and substituting “*Not-for-Profit Corporations Act, 2010*”.

8 The Act is amended by adding the following section:

Immunity of employees and others

7.1 (1) No cause of action arises against,

- (a) a director, officer or employee of the Commission as a result of any act done in good faith in the performance or intended performance of their duties under this Act, any duties related to the lottery subsidiary, any of their duties under the alcohol, cannabis, gaming and horse racing statutes or any alleged neglect or default in the performance in good faith of those duties;
- (b) a director, officer or employee of the lottery subsidiary as a result of any act done in good faith in the performance or intended performance of their power to conduct and manage prescribed online lottery schemes; or
- (c) the Crown, a minister of the Crown or an employee of the Crown as a result of any act or omission of a person who is not a minister of the Crown or a Crown employee, if the act or omission is related, directly or indirectly, to the Commission’s affairs, to the lottery subsidiary’s affairs or to the administration of this Act or any of the alcohol, cannabis, gaming and horse racing statutes.

No proceeding

(2) No proceeding shall be instituted against,

- (a) a director, officer or employee of the Commission by a person who has suffered any damages, injury or other loss based on or related to any cause of action described in clause (1) (a);

- (b) a director, officer or employee of the lottery subsidiary by a person who has suffered any damages, injury or other loss based on or related to any cause of action described in clause (1) (b); or
- (c) the Crown, a minister of the Crown or an employee of the Crown by a person who has suffered any damages, injury or other loss based on or related to any cause of action described in clause (1) (c).

Same

(3) Subsections (1) and (2) do not relieve the Commission or the lottery subsidiary of any liability to which it would otherwise be subject.

9 The Act is amended by adding the following section:

Payments from lottery subsidiary

8.1 The regulations made under this Part may require the lottery subsidiary to make payments in accordance with the regulations, which may include requiring the lottery subsidiary to make payments in accordance with the Commission's directions.

10 (1) Paragraph 1 of subsection 14.1 (1) of the Act is amended by striking out "by the regulations made under this Part" at the end.

(2) Paragraph 2 of subsection 14.1 (4) of the Act is amended by striking out "by the regulations made under this Part" at the end.

11 Clause 16 (c) of the Act is repealed and the following substituted:

- (c) respecting anything that, in this Part, may or must be prescribed, done, specified or provided for in the regulations made under this Part;
- (d) establishing the lottery subsidiary;
- (e) respecting the governance and operations of the lottery subsidiary, including,
 - (i) governing the board of directors of the lottery subsidiary, including its composition, procedure and quorum, and the powers and duties of the board, including its power to make by-laws,
 - (ii) governing the mechanism of appointing directors or filling vacancies on the board of directors and the functions, powers, duties and remuneration of directors,
 - (iii) governing the ability of the board of directors to delegate its powers and duties and to designate the offices of the lottery subsidiary, appoint officers, specify their duties and delegate to them or to committees of the board the powers to manage the activities and affairs of the lottery subsidiary,
 - (iv) governing committees of the board of directors, including governing the operation and functions of the committees,
 - (v) governing the authority of the lottery subsidiary to employ, appoint or otherwise engage persons for the proper conduct of its activities,
 - (vi) governing the functions, powers, duties and remuneration of officers and employees of the lottery subsidiary,
 - (vii) governing the capacity, rights, powers and privileges of the lottery subsidiary and any restrictions on them,
 - (viii) establishing requirements respecting the accountability of the lottery subsidiary to the Crown, including requiring the lottery subsidiary to provide specified reports to the Minister,
 - (ix) establishing conflict of interest rules,
 - (x) governing audits of the lottery subsidiary and the appointment of the lottery subsidiary's auditors, which may include required audits by the Minister or the Minister's delegate,
 - (xi) governing the winding up and dissolution of the lottery subsidiary and the transfer of its assets, liabilities, rights and obligations;
- (f) prescribing online lottery schemes that the lottery subsidiary may conduct and manage, which shall not include any lottery schemes that are conducted and managed by the Ontario Lottery and Gaming Corporation;
- (g) governing the ability of officers or employees of the Commission or of the lottery subsidiary to simultaneously be appointed as, work for or provide advice to,
 - (i) the Registrar, a Deputy Registrar or any other officer or employee who works for or provides advice to the Registrar, and
 - (ii) any officer or employee of the lottery subsidiary who assists in conducting and managing prescribed online lottery schemes;

- (h) governing the collection of, and payment out of, revenue that the lottery subsidiary receives, including revenue from prescribed online lottery schemes;
- (i) requiring the lottery subsidiary to make payments, including requiring the lottery subsidiary to make payments in accordance with the Commission's direction;
- (j) specifying that any provisions of this Part that relate to the Commission apply to the lottery subsidiary, subject to such modifications as may be prescribed;
- (k) governing the operations of any prescribed online lottery scheme that is conducted and managed by the lottery subsidiary, including prescribing requirements that the lottery scheme must meet or restrictions or prohibitions that apply to the lottery scheme;
- (l) governing transitional matters that may arise due to the establishment of the lottery subsidiary or any other amendments to this Part made by the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020*;
- (m) respecting any matter necessary to facilitate the implementation of this Part.

12 (1) The definition of "beer" in subsection 17 (1) of the Act is amended by striking out "but does not include a beverage purporting to be beer that contains alcohol obtained by a means other than the fermentation of an infusion or decoction of barley, malt and hops or similar products if the alcohol so obtained increases the total alcohol content of the beverage by more than 0.5 per cent by volume" at the end.

(2) The definition of "Ontario wine cooler" in subsection 17 (1) of the Act is amended by striking out "means Ontario wine or a beverage containing Ontario wine" and substituting "means, except as prescribed by the regulations, Ontario wine or a beverage containing Ontario wine".

(3) The English version of the definition of "spirits" in subsection 17 (1) of the Act is repealed and the following substituted:

"spirits" means a beverage that is spirits for the purposes of the *Liquor Licence and Control Act, 2019*; ("spiritueux")

(4) The definition of "spirits cooler" in subsection 17 (1) of the Act is amended by striking out "means a beverage" and substituting "means, except as prescribed by the regulations, a beverage".

(5) The definition of "wine cooler" in subsection 17 (1) of the Act is amended by striking out "means wine or a beverage" and substituting "means, except as prescribed by the regulations, wine or a beverage".

(6) The French version of the definition of "reserve" in subsection 17 (4) of the Act is amended by striking out "habitants" and substituting "habitants indiens".

13 Subsections 27 (1.1) to (2.1) of the Act are repealed and the following substituted:

Same, purchases from wine boutique

(1.1) Despite subsection (1), a purchaser who purchases from an authorized grocery store wine that is Ontario wine or wine cooler that is Ontario wine cooler shall, if the wine or wine cooler is manufactured by the operator of the wine boutique located in the shopping area of the grocery store, pay a basic tax in respect of the purchase at the basic tax rate of 9.6 per cent of the retail price of the wine or wine cooler.

Other wine or wine cooler

(2) A purchaser who purchases from a winery retail store or an authorized grocery store wine that is not Ontario wine or wine cooler that is not Ontario wine cooler shall pay a basic tax in respect of the purchase at the basic tax rate of 19.1 per cent of the retail price of the wine or wine cooler.

Same, purchases from wine boutique

(2.1) Despite subsection (2), a purchaser who purchases from an authorized grocery store wine that is not Ontario wine or wine cooler that is not Ontario wine cooler shall, if the wine or wine cooler is manufactured by the operator of the wine boutique located in the shopping area of the grocery store, pay a basic tax in respect of the purchase at the basic tax rate of 22.6 per cent of the retail price of the wine or wine cooler.

14 Subsection 71 (1) of the Act is repealed and the following substituted:

Regulations

Lieutenant Governor in Council

- (1) The Lieutenant Governor in Council may make regulations,
 - (a) defining terms or expressions used in this Part that are not defined in this Part;
 - (b) excluding a beverage from the definition of "spirits cooler", an Ontario wine or a beverage containing Ontario wine from the definition of "Ontario wine cooler" or a wine or beverage from the definition of "wine cooler" for the purposes of those definitions in subsection 17 (1).

Ontario Lottery and Gaming Corporation Act, 1999

15 Paragraph 3 of section 3 of the *Ontario Lottery and Gaming Corporation Act, 1999* is amended by adding “the” after “ensure that”.

Plan to Build Ontario Together Act, 2019

16 Subsection 5 (23) and subsections 15 (2), (3) and (4) of Schedule 2 to the *Plan to Build Ontario Together Act, 2019* are repealed.

Commencement

17 (1) Subject to subsections (2) to (4), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Sections 1 to 6, subsection 7 (1), sections 8 to 11, subsections 12 (1) to (5) and section 14 come into force on a day to be named by proclamation of the Lieutenant Governor.

(3) Subsection 7 (2) comes into force on the later of the day subsection 7 (1) of this Schedule comes into force and the day subsection 4 (1) of the *Not-for-Profit Corporations Act, 2010* comes into force.

(4) Section 13 is deemed to have come into force on June 1, 2020.

**SCHEDULE 3
ASSESSMENT ACT**

1 (1) The definition of “Assessment Review Board” in subsection 1 (1) of the *Assessment Act* is amended by adding “and “the Board” has a corresponding meaning” at the end.

(2) The definitions of “Minister” and “Ministry” in subsection 1 (1) of the Act are repealed and the following substituted:

“Minister” means the Minister of Finance or such other member of the Executive Council to whom responsibility for the administration of this Act may be assigned or transferred under the *Executive Council Act*; (“ministre”)

“Ministry” means the ministry of the Minister; (“ministère”)

2 (1) Clause 2 (2) (d.6) of the Act is repealed.

(2) Subsection 2 (2.0.1) of the Act is repealed.

(3) Clause 2 (3.1) (d) of the Act is repealed and the following substituted:

(d) allow for a municipality, other than a lower-tier municipality, to, by by-law,

- (i) establish all of the requirements for land to be included in a class or subclass in the municipality or some portion of it,
- (ii) establish requirements, in addition to those set out in the regulation, for land to be included in a class or subclass in the municipality or some portion of it, or
- (iii) provide that any requirement set out in the regulation does not apply for land to be included in a class or subclass in the municipality or some portion of it.

(4) Section 2 of the Act is amended by adding the following subsection:

Same

(3.2) A by-law under clause (3.1) (d) may specify that individual properties, or portions thereof, are eligible or ineligible to be included in the class or subclass.

3 Paragraph 15.1 of subsection 3 (1) of the Act is amended by adding “or by an Ontario unit of the Army, Navy and Air Force Veterans in Canada” at the end.

4 Section 19 of the Act is amended by adding the following subsections:

Same

(4) A regulation under subsection (2.1) may provide that the regulation does not apply to land within a municipality unless the municipality has, in the prescribed manner, opted to have the regulation apply. In this subsection, “municipality” means an upper-tier municipality and a single-tier municipality.

Same

(4.1) If a municipality opts to have a regulation under subsection (2.1) apply,

- (a) the regulation may require or permit the municipality to establish criteria, parameters or comparators which must be used, or must not be used, in determining the current value of land under the regulation; and
- (b) the municipality may specify, by by-law, that the regulation applies only to,
 - (i) properties that meet the requirements set out in the by-law,
 - (ii) properties in a portion of the municipality,
 - (iii) specified properties or types of properties in the municipality, or
 - (iv) specified properties or types of properties in a portion of the municipality.

Delegation by upper-tier municipality

(4.2) An upper-tier municipality that opts to have a regulation under subsection (2.1) apply may, by by-law, permit its lower-tier municipalities to establish anything the upper-tier municipality is required or permitted to establish under clause (4.1) (a) or to specify anything that the upper-tier municipality is permitted to specify under clause (4.1) (b).

5 (1) Subsection 19.1 (3) of the Act is amended by striking out “For 2009 and subsequent taxation years” at the beginning.

(2) Section 19.1 of the Act is amended by adding the following subsection:

Regulations

(3.1) The Minister may, by regulation, provide for rules or percentages other than those set out in subsection (3) that shall apply if the current value of land increases because of a general reassessment.

(3) Subsection 19.1 (4) of the Act is amended by striking out “for the 2009 and subsequent taxation years” in the portion before clause (a).

6 (1) Subsection 33 (1.1) of the Act is repealed.

(2) Section 33 of the Act is amended by adding the following subsection:

Prescribed exceptions

(3.1) The Minister may make regulations providing that subsection (1) or (3) does not apply with respect to specified land during the period and in the circumstances set out in the regulations.

7 Section 44 of the Act is amended by adding the following subsections:

Reference to similar lands

(4) If a municipality has passed a by-law in which it opts to have a regulation under subsection 19 (2) or (2.1) apply to the determination of the current value of land, the Board shall not have reference, for the purpose of clause (3) (b), to the value of land that has been determined in the manner specified in a regulation under subsection 19 (2) or (2.1), as the case may be, and shall not consider those lands to be similar lands in the vicinity.

Exception

(5) Subsection (4) does not apply if the current value of the land that is the subject of the appeal has also been determined in the manner specified under the regulation under subsection 19 (2) or (2.1), as the case may be.

Commencement

8 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Section 3 is deemed to have come into force on January 1, 2019.

**SCHEDULE 4
CITY OF TORONTO ACT, 2006**

1 (1) Subsection 278 (1.1) of the *City of Toronto Act, 2006* is repealed and the following substituted:

City option

(1.1) Despite subsection (1), the City may pass a by-law providing that instead of the percentages described in paragraph 2, 3, 4 or 5 of subsection (1), the tax rates shall be reduced by the percentages set out in the by-law.

Same, maximum percentage

(1.1.1) A by-law described in subsection (1.1) shall not provide for a percentage greater than 35 per cent for any subclass.

(2) Subsection 278 (1.2) of the Act is amended by striking out “paragraph 1, 2, 3 4 or 5 of subsection (1), as the case may be” at the end and substituting “paragraph 1 of subsection (1)”.

(3) Subsection 278 (1.3) of the Act is repealed and the following substituted:

Same

(1.3) Despite subsection (1), the City,

- (a) may pass a by-law providing that a tax rate reduction in paragraph 2, 3, 4 or 5 of subsection (1) does not apply; and
- (b) may, if authorized by the regulations, pass a by-law providing that a tax rate reduction in paragraph 1 of subsection (1) does not apply.

2 (1) Section 331 of the Act is amended by adding the following subsection:

City option

(1.1) Despite subsection (1), the City is not required to have a program to provide tax rebates to owners of property that has vacant portions if the City passes a by-law providing that subsection (1) does not apply in the City.

(2) Paragraph 1 of subsection 331 (2) of the Act is amended by adding “and as set out in a by-law passed under subsection (2.1)” at the end.

(3) Paragraph 2 of subsection 331 (2) of the Act is amended by adding “or a by-law passed under subsection (2.1)” after “in accordance with, the regulations”.

(4) Paragraph 3 of subsection 331 (2) of the Act is amended by adding “or a by-law passed under subsection (2.1)” after “in accordance with, the regulations”.

(5) Paragraph 3.1 of subsection 331 (2) of the Act is amended by adding “or a by-law passed under subsection (2.1)” after “in accordance with, the regulations”.

(6) Subsection 331 (2.1) of the Act is repealed and the following substituted:

Options for by-law

(2.1) The City may, by by-law,

- (a) provide for requirements for the program in addition to the requirements under this section, including additional requirements or criteria for a property or portion of a property to be eligible property;
- (b) specify circumstances under which no rebate is payable in respect of a property that would otherwise be eligible property; and
- (c) specify, for each class in respect of which the rebate applies, a percentage for the rebate for eligible property of up to 35 per cent.

(7) Subsection 331 (4) of the Act is repealed.

(8) Clause 331 (12) (d.2) of the Act is amended by striking out “subsections (2.1) and (2.2)” at the end and substituting “subsection (2.1)”.

(9) Section 331 of the Act is amended by adding the following subsection:

Conflict

(12.1) In the event of a conflict between a by-law described in subsection (1.1) or (2.1) and any provision of a regulation made under this section, the by-law prevails.

Commencement

3 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 5
COMMERCIAL TENANCIES ACT**

1 (1) Part IV of the *Commercial Tenancies Act* is repealed and the following substituted:

PART IV

Non-enforcement period

79 In this Part,

“non-enforcement period” means,

- (a) in respect of a tenancy referred to in subsection 80 (1), the period that begins on the day subsection 1 (1) of Schedule 5 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force and ends on the prescribed date, and
- (b) in respect of a tenancy referred to in subsection 80 (2), the period prescribed for the purposes of this clause.

Application

80 (1) This Part applies to a tenancy in respect of which the landlord satisfies any of the following criteria:

1. The landlord is or was eligible to receive assistance under the Canada Emergency Commercial Rent Assistance for small businesses program.
2. The landlord is receiving or has received assistance under the Canada Emergency Commercial Rent Assistance for small businesses program.
3. The landlord would be eligible to receive assistance under the Canada Emergency Commercial Rent Assistance for small businesses program if the landlord entered into a rent reduction agreement with the tenant containing a moratorium on eviction.
4. The landlord would have been eligible to receive assistance under the Canada Emergency Commercial Rent Assistance for small businesses program as described in paragraph 1 or 3 if applications under that program were being accepted. This paragraph applies only if applications to the Canada Emergency Commercial Rent Assistance for small businesses program are no longer being accepted or if assistance is no longer available under the program.

Application, prescribed tenancies

(2) This Part applies to a tenancy that satisfies the prescribed criteria. However, sections 83 and 85 apply, with prescribed modifications, in respect of those tenancies only if so provided by the regulations.

Conflict

(3) This Part applies despite any other Part of this Act or any provision in an agreement or any common law rule.

Eviction orders for rent arrears not effective during the non-enforcement period

81 (1) Despite anything in this or any other Act, a judge shall not order a writ of possession that is effective during the non-enforcement period that applies in respect of a tenancy referred to in subsection 80 (1) or (2) if the basis for ordering the writ is an arrears of rent.

Same

(2) Subsection (1) applies in respect of an action or application that was commenced before, on or after the day the applicable non-enforcement period begins.

No re-entry during the non-enforcement period

82 No landlord shall exercise a right of re-entry in respect of a tenancy referred to in subsection 80 (1) or (2) during the applicable non-enforcement period.

Restore possession and compensate for re-entry

83 (1) If a landlord exercised a right of re-entry during the period that begins on October 31, 2020 and ends immediately before the day subsection 1 (1) of Schedule 5 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force, the landlord shall, as soon as reasonably possible,

- (a) restore possession of the premises to the tenant unless the tenant declines to accept possession; or
- (b) if the landlord is unable to restore possession of the premises to the tenant for any reason other than the tenant declining to accept possession, compensate the tenant for all damages sustained by the tenant by reason of the inability to restore possession.

Tenancy deemed reinstated

(2) If a landlord restores possession of a premises to a tenant under subsection (1), the tenancy is deemed to be reinstated on the same terms and conditions unless the landlord and the tenant agree otherwise.

No distress during the non-enforcement period

84 No landlord shall, during the applicable non-enforcement period, seize any goods or chattels as a distress for arrears of rent in respect of a tenancy referred to in subsection 80 (1) or (2).

Return goods seized before the non-enforcement period

85 If, during the period that begins on October 31, 2020 and ends immediately before the day subsection 1 (1) of Schedule 5 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force, a landlord seized any goods or chattels as a distress for arrears of rent, the landlord shall, as soon as reasonably possible, return to the tenant all of the seized goods and chattels that are unsold as of the day subsection 1 (1) of Schedule 5 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force.

Liability for re-entry and seizure of goods

86 (1) A landlord who contravenes section 82 or 84 or who fails to comply with clause 83 (1) (a) or section 85 is liable to the person aggrieved for any damages sustained by the person aggrieved as a result of the contravention or non-compliance.

Same

(2) For greater certainty, subsection (1) applies in addition to any other remedy available by law to the person aggrieved.

Regulations

87 The Lieutenant Governor in Council may make regulations,

- (a) prescribing any matter referred to in this Part as prescribed;
- (b) prescribing transitional rules that apply in respect of the non-enforcement period that is applicable in respect of a tenancy referred to in subsection 80 (2), including providing that sections 83 and 85 apply in respect of those tenancies and prescribing modifications to those sections and section 86.

(2) Part IV of the Act, as re-enacted by subsection (1), is repealed.

Commencement

2 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Subsection 1 (2) comes into force on the second anniversary of the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 6
CONSERVATION AUTHORITIES ACT**

1 The *Conservation Authorities Act* is amended by adding the following section:

Existing aboriginal or treaty rights

1.1 For greater certainty, nothing in this Act shall be construed so as to abrogate or derogate from the protection provided for the existing aboriginal and treaty rights of the aboriginal peoples of Canada as recognized and affirmed in section 35 of the *Constitution Act, 1982*.

2 (1) Subsection 14 (1) of the Act is amended by adding “Subject to subsection (3)” at the beginning.

(2) Section 14 of the Act is amended by adding the following subsection:

Municipal councillors appointed

(1.1) The members of the authority shall be municipal councillors chosen by each municipal council from among its own councillors.

(3) Subsection 14 (2) of the Act is amended by striking out “The total number of members of the authority and the number of members that each participating municipality may appoint” at the beginning and substituting “The total number of municipally appointed members of the authority and the number of municipal councillors that each participating municipality may appoint”.

(4) Section 14 of the Act is amended by adding the following subsections:

Municipal agreement

(2.2) If the participating municipalities of an authority enter into an agreement with respect to the total number of municipally appointed members of the authority and the total number of members each municipality may appoint, the authority shall, within 60 days after the agreement is executed,

- (a) provide a copy of the agreement to the Minister; and
- (b) make the agreement available to the public by posting it on the authority’s website and by any other means the authority considers appropriate.

Same, transition

(2.3) If an agreement referred to in subsection (2.2) is in force on the day subsection 2 (4) of Schedule 6 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force, the relevant authority shall provide a copy of the agreement to the Minister within 60 days after that day.

(5) Subsection 14 (4) of the Act is repealed and the following substituted:

Member from agricultural sector appointed

(4) In addition to the members of an authority appointed in accordance with subsections (1) to (2.1), an additional member may be appointed to the authority by the Minister as a representative of the agricultural sector.

(6) Subsection 14 (4.1) of the Act is amended by adding “or, in the case of a member appointed under subsection (4), by the Minister” at the end.

(7) Subsection 14 (4.3) of the Act is amended by adding “or, in the case of a member appointed under subsection (4), by the Minister” at the end.

3 The Act is amended by adding the following section:

Duties of members

14.1 Every member of an authority shall act honestly and in good faith and, in the case of the members appointed by participating municipalities, shall generally act on behalf of their respective municipalities.

4 Section 15 of the Act is amended by adding the following subsections:

Agenda, minutes to be made public

(2.1) Subject to the *Municipal Freedom of Information and Protection of Privacy Act*, the authority shall,

- (a) make the agenda for a meeting of the authority or of its executive committee available to the public before the meeting takes place; and
- (b) make the minutes of a meeting of the authority or of its executive committee available to the public within 30 days after the meeting.

Same

(2.2) An agenda for a meeting or its minutes that are to be made available to the public under subsection (2.1) shall be made available by posting them on the authority's website and by any other means the authority considers appropriate.

5 Section 17 of the Act is amended by adding the following subsection:**Term of chair, vice-chair**

(1.1) A chair or vice-chair appointed under subsection (1) shall hold office for a term of one year and shall serve for no more than two consecutive terms.

6 Subsection 19.1 (6) of the Act is repealed.**7 (1) Subsection 20 (1) of the Act is repealed and the following substituted:****Objects**

(1) The objects of an authority are to provide, in the area over which it has jurisdiction,

- (a) the mandatory programs and services required under section 21.1;
- (b) any municipal programs and services that may be provided under section 21.1.1; and
- (c) any other programs or services that may be provided under section 21.1.2.

(2) **Subsection 20 (2) of the Act is amended by striking out “Despite subsection (1) and subject to any other legislation pertaining to these resources” at the beginning and substituting “Subject to any other Act relating to gas or oil resources”.**

8 (1) Clause 21 (1) (a) of the Act is repealed and the following substituted:

- (a) to research, study and investigate the watershed and to support the development and implementation of programs and services intended to further the purposes of this Act;

(2) **Clause 21 (1) (b) of the Act is amended by striking out “to enter into and upon any land” and substituting “to enter into and upon any land, with consent of the occupant or owner”.**

(3) **Clause 21 (1) (c) of the Act is amended by striking out “and to expropriate”.**

(4) **Clause 21 (1) (p) of the Act is repealed.**

9 (1) Section 21.1 of the Act is repealed and the following substituted:**Mandatory programs and services**

21.1 (1) An authority shall provide the following programs or services within its area of jurisdiction:

1. Programs or services that meet any of the following descriptions and that have been prescribed by the regulations:
 - i. Programs and services related to the risk of natural hazards.
 - ii. Programs and services related to the conservation and management of lands owned or controlled by the authority, including any interests in land registered on title.
 - iii. Programs and services related to the authority's duties, functions and responsibilities as a source protection authority under the *Clean Water Act, 2006*.
 - iv. Programs and services related to the authority's duties, functions and responsibilities under an Act prescribed by the regulations.
2. Programs or services, other than programs or services described in paragraph 1, that have been prescribed by the regulations on or before the first anniversary of the day prescribed under clause 40 (3) (i).

Same, Lake Simcoe Region Conservation Authority

(2) In addition to the programs and services required to be provided under subsection (1), the Lake Simcoe Region Conservation Authority shall provide, within its area of jurisdiction, such programs and services as are prescribed by the regulations and are related to its duties, functions and responsibilities under the *Lake Simcoe Protection Act, 2008*.

Standards and requirements

(3) Programs and services required to be provided under subsections (1) and (2) shall be provided in accordance with such standards and requirements as may be set out in the regulations.

Municipal programs and services

21.1.1 (1) Subject to the regulations, an authority may provide, within its area of jurisdiction, municipal programs and services that it agrees to provide on behalf of a municipality situated in whole or in part within its area of jurisdiction under a

memorandum of understanding, or such other agreement as may be entered into with the municipality, in respect of the programs and services.

Memorandum, agreement available to public

(2) An authority shall make a memorandum of understanding or other agreement available to the public in such manner as may be determined in the memorandum or agreement.

Periodic review of memorandum, agreement

(3) An authority and a municipality who have entered into a memorandum of understanding or other agreement shall review the memorandum or agreement at such regular intervals as may be determined in the memorandum or agreement.

Terms and conditions

(4) Programs and services that an authority agrees to provide on behalf of a municipality shall be provided in accordance with,

(a) the terms and conditions set out in the memorandum of understanding or agreement; and

(b) such standards and requirements as may be prescribed.

Conflict

(5) If there is a conflict between the terms and conditions set out in the memorandum of understanding or agreement and the prescribed standard and requirements, the prescribed standards and requirements prevail.

Other programs and services

21.1.2 (1) Subject to the regulations, in addition to programs and services described in sections 21.1 and 21.1.1, an authority may provide, within its area of jurisdiction, any other programs and services that it determines are advisable to further the purposes of this Act.

Prescribed standards

(2) Programs and services provided under subsection (1) shall be provided in accordance with such standards and requirements as may be prescribed.

Consultation

21.1.3 An authority shall carry out such consultations with respect to the programs and services it provides as may be required by regulation and shall do so in the manner specified by regulation.

(2) Subsection 21.1.2 (2) of the Act, as enacted by subsection (1), is repealed and the following substituted:

Agreement

(2) On and after the day prescribed by the regulations, if financing under section 25 or 27 by a participating municipality is necessary in order for an authority to provide a program or service authorized to be provided under subsection (1), the program or service shall not be provided by the authority unless an agreement that meets the following criteria has been entered into between the authority and the participating municipality in respect of the program or service:

1. The agreement must provide for the participating municipality to pay to the authority,
 - i. an apportioned amount under section 25 in connection with a project related to the program or service, or
 - ii. an apportioned amount under section 27 in respect of the program or service.
2. The agreement must include provisions setting out the day on which the agreement terminates and a requirement that it be reviewed by the parties within the period specified in the regulations for the purpose of determining whether or not the agreement is to be renewed by the parties.
3. The agreement must meet such other requirements as may be prescribed by the regulations.

Terms and conditions

(3) Programs and services that an authority agrees to provide under an agreement described in subsection (2) shall be provided in accordance with,

(a) such terms and conditions as may be set out in the agreement; and

(b) such standards and requirements as may be prescribed.

Conflict

(4) If there is a conflict between the terms and conditions set out in an agreement described in subsection (2) and the prescribed standards and requirements, the prescribed standards and requirements prevail.

10 The Act is amended by adding the following section:

Transition plan re s. 21.1.2 (2)

21.1.4 (1) Every authority shall develop and implement a transition plan for the purpose of ensuring that it will be in compliance with subsection 21.1.2 (2) by the day prescribed by the regulations for the purpose of that subsection.

Contents

(2) The transition plan shall address the following matters in accordance with the regulations:

1. Preparation by the authority of an inventory of the authority's programs and services.
2. Consultation by the authority with participating municipalities on the inventory of programs and services mentioned in paragraph 1.
3. If financing under section 25 or 27 by a participating municipality is necessary in order for the authority to provide a program or service authorized to be provided under subsection 21.1.2 (1), steps to be taken by the authority for the purposes of seeking to enter into an agreement with the participating municipality in respect of that program or service.
4. Such other matters as may be prescribed by the regulations.

11 Section 21.2 of the Act is amended by adding the following subsections:

Reconsideration of fees for permit applications

(13) If an authority receives a request for reconsideration of a fee charged for an application for a permit made under subsection 28.1 (2), the authority shall make its decision within 30 days after receiving the request.

Appeal if no decision

(14) If an authority fails to reconsider a fee described in subsection (13) within 30 days of receiving the request for reconsideration, the person who made the request may appeal the amount of the fee directly to the Local Planning Appeal Tribunal.

Payment of fee

(15) If, after reconsideration of a fee charged for an application for a permit made under subsection 28.1 (2), an authority orders a person to pay the fee under clause (12) (a) or (b), the person shall pay the fee in accordance with the order.

Payment of fee under protest and appeal

(16) A person who pays a fee under subsection (15) may,

- (a) when paying the fee, indicate to the authority in writing that the fee is being paid under protest; and
- (b) within 30 days after payment of the fee, appeal the amount charged by the authority upon reconsideration to the Local Planning Appeal Tribunal.

Appeal of fee in fee schedule

(17) For greater certainty, an appeal of the amount of a fee under subsection (14) or clause (16) (b) applies even if the amount charged was set out in the fee schedule prepared by the authority under subsection (6).

Hearing

(18) The Local Planning Appeal Tribunal shall hear an appeal made under subsection (14) or clause (16) (b).

Powers on appeal

(19) After hearing the appeal, the Local Planning Appeal Tribunal may,

- (a) dismiss the appeal;
- (b) vary the amount of the fee charged by the authority; or
- (c) order that no fee be charged.

Refund

(20) If the Local Planning Appeal Tribunal makes an order under clause (19) (b) or (c), it may order that the authority provide a refund to the appellant in such amount as the Tribunal determines.

Where dismissal required

(21) Despite subsection (19), the Local Planning Appeal Tribunal shall dismiss the appeal if it determines that the fee complies with a regulation made under clause 40 (3) (b).

12 Section 23.1 of the Act is amended by adding the following subsections:

Immunity for investigators

(9) No action or other proceeding shall be instituted against an investigator appointed under subsection (4) for any act done in good faith in the performance or intended performance of their duties under this Act or for any alleged neglect or default in the performance in good faith of their duties.

Same

(10) Despite subsection 8 (3) of the *Crown Liability and Proceedings Act, 2019*, subsection (9) does not relieve the Crown of any liability to which it would otherwise be subject as a result of the actions of an investigator appointed under subsection (4).

13 The Act is amended by adding the following sections:

Minister's order, etc.

23.2 (1) If, after reviewing the report of an investigator made under subsection 23.1 (7), the Minister believes that an authority has failed, or is likely to fail, to comply with a provision of this Act or the regulations or of any other Act or regulation that applies to the authority, the Minister may,

- (a) order the authority to do or refrain from doing anything to avoid, prevent or remedy the non-compliance; or
- (b) if the Minister believes it is advisable to do so, recommend to the Lieutenant Governor in Council that an administrator be appointed to take over the control and operation of the authority under section 23.3.

Compliance with order

(2) An authority shall comply with an order made under clause (1) (a) within the time specified in the order.

Public availability

(3) The Minister shall make every order made under clause (1) (a) available to the public in the manner the Minister considers appropriate.

Appointment of administrator

23.3 (1) If the Minister makes a recommendation under clause 23.2 (1) (b), the Lieutenant Governor in Council may make an order appointing an administrator to take over the control and operations of the authority, including the provision of programs and services that the authority provides.

Powers of administrator

(2) The administrator may exercise all the powers and shall perform all the duties of the authority and of its members subject to such terms and conditions as may be specified in the appointment or by the Minister.

Notice to authority

(3) The Minister shall ensure that a copy of an order under subsection (1) is delivered to the authority and to the participating municipalities as soon as is practical after it is made.

Powers of Minister

(4) The Minister may issue directions to the administrator with regard to any matter within the jurisdiction of the administrator and the administrator shall carry out the directions.

Immunity for administrator

(5) No action or other proceeding shall be instituted against an administrator appointed under subsection (1) for any act done in good faith in the performance or intended performance of their duties under this Act or for any alleged neglect or default in the performance in good faith of their duties.

Same

(6) Despite subsection 8 (3) of the *Crown Liability and Proceedings Act, 2019*, subsection (5) does not relieve the Crown of any liability to which it would otherwise be subject as a result of the actions of an administrator appointed under subsection (1).

14 Section 27.1 of the Act is amended by striking out "Mining and Lands Commissioner" wherever it appears and substituting in each case "Local Planning Appeal Tribunal".

15 Section 27.2 of the Act is amended by striking out "Mining and Lands Commissioner" wherever it appears and substituting in each case "Local Planning Appeal Tribunal".

16 (1) Section 28.1 of the Act is amended by adding the following subsection:

Definition, pollution

(6.1) In subsection (1) and (6),

"pollution" means pollution as defined by regulation.

(2) Subsections 28.1 (8) and (9) of the Act are repealed and the following substituted:

Request for Minister's review

(8) Subject to the regulations, where the authority refuses a permit or imposes any conditions on a permit to which the applicant objects, the applicant may, within 15 days of receiving reasons for the authority's decision, submit a request to the Minister for the Minister to review the authority's decision.

Reply by Minister

(9) Within 30 days after receiving a request under subsection (8), the Minister shall reply to the request and indicate in writing to the applicant and the authority whether or not the Minister intends to conduct a review of the authority's decision. Failure on the part of the Minister to reply to a request within the 30 day period is deemed to be an indication that the Minister does not intend to review the authority's decision.

Same

(10) If a reply given under subsection (9) indicates that the Minister intends to conduct a review, the Minister may in the reply require the applicant and the authority to provide the Minister with such information as the Minister considers necessary to conduct the review.

Information

(11) The applicant and the authority shall submit to the Minister such information as was specified in the reply given under subsection (9) within the time period specified in the reply.

Publication of notice of review

(12) The Minister shall publish on the Environmental Registry notice of the Minister's intention to review a decision made by an authority and shall do so within 30 days of giving a reply to that effect under subsection (9).

No hearing required

(13) The Minister is not required to hold a hearing while conducting a review of an authority's decision.

Conferring with persons, etc.

(14) Before making a decision with respect to a review, the Minister may confer with any person or body that the Minister considers may have an interest in the review.

Minister's decision

(15) After conducting a review of an authority's decision, the Minister may confirm or vary the authority's decision or make any decision that the Minister considers appropriate, including issuing the permit subject to conditions.

Same

(16) The Minister shall base any decision under subsection (15) on the criteria set out in clauses (1) (a), (b) and (c).

Reasons

(17) If, upon conducting a review of an authority's decision, the Minister decides to refuse to issue a permit or to issue a permit subject to conditions, the Minister shall give the applicant and the authority written reasons for the decision.

Copy to authority

(18) If the Minister issues a permit under subsection (15), the Minister shall give a copy of the permit to the authority within five days after the permit is issued.

Decision final

(19) A decision made by the Minister under subsection (15) is final.

Appeal to Tribunal

(20) Within 90 days after receiving the reasons for the authority's decision under subsection (7), the applicant may appeal the authority's decision to the Local Planning Appeal Tribunal, subject to subsection (21).

Exception

(21) An applicant who submitted a request under subsection (8) for the Minister to conduct a review of an authority's decision shall not appeal the decision to the Local Planning Appeal Tribunal under subsection (20) unless,

- (a) the Minister's reply under subsection (9) indicated that the Minister refused to conduct the review; or
- (b) 30 days have elapsed following the day the applicant submitted the request for a Minister's review and the Minister has not made a reply under subsection (9).

Appeal, no decision by authority

(22) If an application for a permit is made to the authority and the application complies with subsection (3), and if the authority fails to give the applicant notice of a decision with respect to the application within 120 days after the application is made, the applicant may appeal the application directly to the Local Planning Appeal Tribunal.

Appeal, no decision by Minister

(23) If the Minister indicates in a reply given under subsection (9) that the Minister intends to review an authority's decision and the Minister fails to make a decision within 90 days of giving the reply, the applicant may, within the next 30 days, appeal the authority's decision directly to the Local Planning Appeal Tribunal.

Notice of Appeal

(24) A notice of an appeal under subsection (20), (22) or (23) shall be sent to the Local Planning Appeal Tribunal and to the authority by registered mail.

Hearing by Tribunal

(25) The Local Planning Appeal Tribunal shall fix a date for a hearing of an appeal under subsection (20), (22) or (23), give notice to all interested parties and give all necessary direction for the hearing.

Powers of the Tribunal

(26) The Local Planning Appeal Tribunal has authority to take evidence, to refuse the permit or to order the authority to issue the permit, with or without conditions.

17 The Act is amended by adding the following section:**Permits issued by Minister****Minister's order**

28.1.1 (1) Despite subsection 28.1 (1) and subject to the regulations, the Minister may, by order,

- (a) direct an authority not to issue a permit to a person who wishes to engage in a specified activity that, without the permit, would be prohibited under section 28 in the area of jurisdiction of the authority; or
- (b) direct the authorities that are specified in the order not to issue permits to persons who may wish to engage in a type or class of activity described in the order that, without the permit, would be prohibited under section 28 and to continue to refrain from doing so for such period as may be specified in the order.

Minister's power

(2) If an order is made under subsection (1), the Minister has the power to issue a permit to engage in any activity described in the order that would otherwise be prohibited under section 28 if, in the Minister's opinion, the criteria described in clauses 28.1 (1) (a), (b) and (c) are satisfied.

Same

(3) An order made under clause (1) (a) may be made either before or after an application for a permit has been submitted to the relevant authority.

Same

(4) An order made under clause (1) (b) may provide that it applies to activities even if applications for permits have been submitted to the relevant authorities and decisions with respect to the applications are currently pending.

Notice of order

(5) Notice of an order made under subsection (1) shall be,

- (a) given to every authority that is directed by the order not to issue one or more permits;
- (b) given to any person who submitted an application for the permits in question before the order was made where the application is still pending; and
- (c) posted on the Environmental Registry within 30 days of being made.

Information forwarded to Minister

(6) If an application for a permit to engage in an activity is submitted to an authority under section 28.1 before the day an order is made under this section directing the authority to not issue such a permit,

- (a) the authority shall forward to the Minister all documents and information relating to the application that were submitted by the applicant and shall do so within the time period set out in the order, if any; and
- (b) the applicant shall forward to the Minister such further information as the Minister may specify in the order and shall do so within the time period set out in the order, if any.

Application to Minister

(7) If an order is made under this section that prevents an authority from issuing a permit to engage in an activity in circumstances where an application for such a permit has not yet been submitted to the authority but may be submitted in the future,

- (a) any person who wishes to engage in the activity shall submit to the Minister,
 - (i) an application for a permit to do so that includes such information as may be specified in the regulation,
 - (ii) a fee in the same amount as the fee that the person would have paid to the authority had the application been submitted to the authority, and
 - (iii) any information that the Minister believes is necessary to make a determination with respect to the issuance of the permit and that may be specified in the order; and
- (b) if the authority receives an application for such a permit after the day the order is made, the authority shall direct the applicant to submit the application in accordance with clause (a).

Conferring with persons, etc.

(8) Before making a decision with respect to an application for a permit, the Minister may confer with any person or body that the Minister considers may have an interest in the application.

Conditions

(9) The Minister may issue a permit subject to such conditions as the Minister determines are appropriate.

Reasons

(10) If the Minister refuses a permit or issues a permit subject to conditions, the Minister shall give the applicant written reasons for the decision and shall provide a copy of the reasons to the relevant authority.

Copy to authority

(11) If the Minister issues a permit under this section, the Minister shall give a copy of the permit to the authority that has jurisdiction over the watershed for which the permit is valid within five days after the permit is issued.

Decision final

(12) A decision made by the Minister with respect to an application for a permit is final.

Appeal

(13) If an application for a permit is made or forwarded to the Minister under this section and the application complies with the requirements of subsection 28.1 (3) or clause (7) (a) of this section, as the case may be, and if the Minister fails to give the applicant notice of a decision with respect to the application within 90 days after the application is made, the applicant may appeal the application directly to the Local Planning Appeal Tribunal.

Same

(14) Subsections 28.1 (24), (25) and (26) apply with necessary modifications to an appeal to the Local Planning Appeal Tribunal made under subsection (13).

18 (1) Subsection 28.3 (1) of the Act is amended by striking out “section 28.1” and substituting “section 28.1 or 28.1.1”.

(2) Section 28.3 of the Act is amended by adding the following subsections:

Appeal

(6) If the authority confirms the cancellation of a permit or makes another order under subsection (5) to which the permit holder objects, the permit holder may, within 90 days of receiving notice of the authority’s decision, appeal the decision to the Local Planning Appeal Tribunal.

Same

(7) A notice of an appeal under subsection (6) shall be sent to the Local Planning Appeal Tribunal and to the authority by registered mail.

Hearing

(8) The Local Planning Appeal Tribunal shall fix a date for a hearing of an appeal under subsection (6), give notice to all interested parties and give all necessary direction for the hearing.

Powers of the Tribunal

(9) The Local Planning Appeal Tribunal has authority to take evidence, to confirm, rescind or vary the decision to cancel the permit, with or without conditions.

19 (1) Subsection 30.2 (1) of the Act is repealed and the following substituted:

Entry without warrant, permit application

(1) An officer appointed by an authority under section 30.1 may enter any land situated in the authority's area of jurisdiction, without a warrant and without the consent of the owner or occupier, if,

- (a) an application has been submitted under section 28.1 or 28.1.1 for a permit to engage in an activity with respect to the land;
- (b) the entry is for the purpose of determining whether to issue a permit; and
- (c) the officer has given reasonable notice of the entry to the owner and to the occupier of the property.

Entry without warrant, compliance

(1.1) An officer appointed by an authority under section 30.1 may enter any land situated in the authority's area of jurisdiction, without a warrant and without the consent of the owner or occupier, if,

- (a) the entry is for the purpose of ensuring compliance with subsection 28 (1) or a regulation made under section 28.5 or with the conditions of a permit issued under section 28.1 or 28.1.1 or of a permit issued under a regulation made under clause 28.5 (1) (c);
- (b) the officer has reasonable grounds to believe that a contravention of a provision of the Act or a regulation referred to in clause (a) or of a condition of a permit referred to in clause (a),
 - (i) is causing or likely to have a significant effect on the control of flooding, erosion, dynamic beaches or the pollution or conservation of land, or
 - (ii) is likely to create conditions or circumstances in the event of a natural hazard that might jeopardize the health and safety of persons or result in significant damage or destruction of property; and
- (c) the officer has reasonable grounds to believe that the entry is required to prevent or reduce the effects or risks described in clause (b).

(2) Subsections 30.2 (2) to (5) of the Act are amended by striking out “subsection (1)” wherever it occurs and substituting in each case “subsection (1) or (1.1)”.

20 Section 30.4 of the Act is repealed.

21 Subsection 30.5 (1) of the Act is amended by,

- (a) adding “or” at the end of clause (a);
- (b) striking out “section 28.1” in clause (b) and adding “section 28.1 or 28.1.1”;
- (c) striking out “or” at the end of clause (b); and
- (d) revoking clause (c).

22 Section 31 of the Act is repealed.

23 The Act is amended by adding the following section:

Delegation

36.1 (1) The Minister may in writing delegate any of his or her powers or duties under this Act to an employee in the Ministry specified in the delegation, other than the power to make a regulation under this Act.

Same

(2) A reference in this Act or the regulations to the Minister shall, for the purpose of a delegation under subsection (1), be deemed to be a reference to the delegate.

24 (1) Subsection 38 (1) of the Act is repealed and the following substituted:

Annual audit

(1) Every authority shall cause its accounts and transactions to be audited annually by a person licensed under the *Public Accounting Act, 2004* and shall ensure that the annual audit is prepared in accordance with generally accepted accounting principles for local governments recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as they exist from time to time.

(2) Section 38 of the Act is amended by adding the following subsection:

Report made publicly available

(4) Within 60 days of receiving the auditor's report, an authority shall make the report available to the public on its website and by any other means that the authority considers appropriate.

25 (1) Section 40 of the Act is repealed and the following substituted:

Regulations, Lieutenant Governor in Council

40 (1) The Lieutenant Governor in Council may make regulations,

- (a) governing advisory boards established under subsection 18 (2), including requiring authorities to establish one or more advisory boards and prescribing requirements with respect to the composition, functions, powers, duties, activities and procedures of any advisory board that is established;
- (b) governing programs and services that authorities may provide including,
 - (i) prescribing mandatory programs and services for the purposes of subsections 21.1 (1) and (2),
 - (ii) prescribing Acts for the purposes of subparagraph 1 iv of subsections 21.1 (1),
 - (iii) respecting standards and requirements applicable to programs and services for the purposes of subsection 21.1 (3), and
 - (iv) prescribing or limiting the types of municipal programs and services that an authority may agree to provide under section 21.1.1 or other programs and services that an authority may provide under section 21.1.2 and respecting any conditions or circumstances that are required to exist before such programs and services may be provided;
- (c) governing the apportionment of an authority's capital costs in connection with a project for the purposes of section 25;
- (d) governing reviews under sections 26 and 27.1, including prescribing a body that may conduct such reviews instead of the Local Planning Appeal Tribunal;
- (e) governing the apportionment of an authority's operating expenses for the purposes of section 27, prescribing expenses as operating expenses for the purposes of section 27, governing the amount that participating municipalities are required to pay under section 27, including the fixed amount that a participating municipality may be required to pay under subsection 27 (2), and restricting and prohibiting the apportionment of certain types of operating expenses;
- (f) providing for transitional rules respecting appeals to the Local Planning Appeals Tribunal under subsection 28.1 (20) and respecting any appeals on decisions of an authority with respect to the issuance of a permit under subsection 28.1 (1) that were made to the Minister before the day subsection 28.1 (20) came into force;
- (g) governing Minister's reviews of decisions made by an authority to refuse to issue a permit or to issue permits subject to conditions that may be requested under subsection 28.1 (8), including prescribing circumstances under which reviews may or may not be requested or conducted;
- (h) governing transitional matters resulting from the implementation of Minister reviews requested under subsection 28.1 (8) and from the coming into force of section 28.1.1;
- (i) governing the issuance of permits by the Minister under section 28.1.1 including prescribing circumstances in which the Minister may or may not make an order under subsection 28.1.1 (1);
- (j) defining any term that is used in this Act and that is not defined in this Act;
- (k) respecting anything that is necessary or advisable for the proper administration of this Act.

Same

(2) The standards and requirements established for programs and services in a regulation made under clause (1) (b) may include standards and requirements to mitigate the impacts of climate change and provide for adaptation to a changing climate, including through increasing resiliency.

Regulations, Minister

(3) The Minister may make regulations,

- (a) prescribing matters that may be the subject of by-laws made under clause 19.1 (1) (j);
- (b) respecting the amount of any fee that may be charged by an authority in relation to a program or service, including determining the manner in which the fee is calculated;
- (c) respecting standards and requirements applicable to programs and services for the purposes of clause 21.1.1 (4) (b) and subsection 21.1.2 (2);
- (d) prescribing the period for the purposes of paragraph 2 of subsection 21.1.2 (2);
- (e) prescribing requirements for the purposes of paragraph 3 of subsection 21.1.2 (2);
- (f) governing consultations that an authority must carry out for the purposes of section 21.1.3;
- (g) governing the matters to be addressed in a transition plan under section 21.1.4 and prescribing additional matters to be addressed, including requiring the submission to the Ministry of the inventory mentioned in paragraph 1 of subsection 21.1.4 (2);

- (h) governing the information that authorities must provide to the Minister under section 23.1, including the publication of that information;
- (i) prescribing a day for the purposes of subsections 25 (1.1) and 27 (1.1);
- (j) prescribing circumstances for the purposes of subsections 25 (1.3) and 27 (1.3);
- (k) governing the determination of amounts owed under subsection 27.2 (2).

(2) Section 40 of the Act, as re-enacted by subsection (1), is amended by adding the following subsection:

Minister’s regulations, ss. 28 to 28.4

- (4) The Minister may make regulations,
 - (a) governing the prohibitions set out in section 28, including,
 - (i) prescribing the limits on river and stream valleys for the purposes of subparagraph 2 iii of subsection 28 (1),
 - (ii) determining or specifying areas for the purposes of subparagraph 2 iv of subsection 28 (1),
 - (iii) determining or specifying areas in which development should be prohibited or regulated for the purposes of subparagraph 2 v of subsection 28 (1),
 - (iv) prescribing activities or types of activities to which the prohibitions set out in subsection 28 (1) do not apply and respecting the manner or circumstances in which the activities or types of activities may be carried out and any conditions or restrictions that apply to the activity or type of activity,
 - (v) prescribing areas in which the prohibitions set out in subsection 28 (1) do not apply and respecting the manner or circumstances in which the activities may be carried out in such areas, and any conditions or restrictions that apply to carrying out activities in such areas,
 - (vi) defining “development activity”, “hazardous land”, “watercourse” and “wetland” for the purposes of section 28;
 - (b) governing applications for permits under section 28.1, the issuance of the permits and the power of authorities to refuse permits, including prescribing requirements that must be met for the issuance of permits under clause 28.1 (1) (c), conditions that may be attached to a permit or circumstances in which a permit may be cancelled under section 28.3 and respecting the period for which a permit is valid under section 28.2;
 - (c) defining “pollution” for the purposes of section 28.1;
 - (d) governing the delegation of powers by an authority under section 28.4 and prescribing any limitations or requirements related to the delegation.

CONSEQUENTIAL AMENDMENTS

Planning Act

26 Subsection 1 (2) of the *Planning Act* is amended by striking out “all ministries” and substituting “all conservation authorities under the *Conservation Authorities Act* and all ministries”.

Building Better Communities and Conserving Watersheds Act, 2017

27 Subsection 24 (2) of Schedule 4 to the *Building Better Communities and Conserving Watersheds Act, 2017* is repealed.

More Homes, More Choice Act, 2019

28 Sections 3 and 4, subsection 8 (2) and section 9 of Schedule 2 to the *More Homes, More Choice Act, 2019* are repealed.

COMMENCEMENT

Commencement

29 (1) Subject to subsection (2), this Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

(2) Sections 20, 27 and 28 come into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 7
CREDIT UNIONS AND CAISSES POPULAIRES ACT, 2020**

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PART I INTERPRETATION

Definitions

1 In this Act,

“affiliate” means an affiliated body corporate within the meaning of section 5; (“membre du même groupe”)

“articles of incorporation” or “articles” means the original or restated articles of incorporation, articles of amalgamation, articles of amendment, memorandum of association, a special Act or other instrument by which a credit union is incorporated and includes any amendment thereto; (“statuts constitutifs” ou “statuts”)

“Authority” means the Financial Services Regulatory Authority of Ontario continued under subsection 2 (1) of the *Financial Services Regulatory Authority of Ontario Act, 2016*; (“Autorité”)

“Authority rule” means a rule made under subsection 285 (1) of this Act or under subsection 21 (2) of the *Financial Services Regulatory Authority of Ontario Act, 2016*; (“règle de l’Autorité”)

“board” means, with respect to a credit union, its board of directors; (“conseil”)

- “body corporate” means any body corporate with or without share capital and whether or not it is a corporation to which this Act applies; (“personne morale”)
- “borrow” does not include the taking of deposits; (“emprunter”)
- “central” means a corporation incorporated as a credit union central or federation under this Act; (“fédération”)
- “Chief Executive Officer” means the Chief Executive Officer appointed under subsection 10 (2) of the *Financial Services Regulatory Authority of Ontario Act, 2016*; (“directeur général”)
- “court”, except where the context indicates otherwise, means the Superior Court of Justice; (“tribunal”)
- “credit union” means a corporation incorporated or continued as a credit union or caisse populaire under this Act or a predecessor of this Act; (“caisse”, “caisse populaire”)
- “debt obligation” means a bond, debenture, note or other evidence of indebtedness of an entity, whether secured or unsecured; (“titre de créance”)
- “deposit” includes money deposited with a credit union under a federal or provincial registered savings plan or fund; (“dépôt”)
- “depositor” means a person with funds on deposit with a credit union; (“déposant”)
- “entity” means a body corporate, trust, partnership, fund, an unincorporated organization, Her Majesty in right of Canada or of a province, an agency of Her Majesty in either of such rights and the government of a foreign country or any political subdivision thereof and any agency thereof; (“entité”)
- “financial institution” means,
- (a) a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada),
 - (b) an insurer licensed under the *Insurance Act*,
 - (c) a corporation registered under the *Loan and Trust Corporations Act*,
 - (d) an entity that is,
 - (i) incorporated or formed by or under an Act of the Parliament of Canada or of the legislature of a province, and
 - (ii) primarily engaged in dealing in securities, including portfolio management and investment counselling,
 - (e) a credit union,
 - (f) a central,
 - (g) a retail association as defined under the *Cooperative Credit Associations Act* (Canada), and
 - (h) such other entities or classes of entities as may be prescribed by regulation; (“institution financière”)
- “financial statement” means a financial statement referred to in section 177; (“état financier”)
- “incorporator” means an individual who signs articles of incorporation; (“fondateur”)
- “member” means a person who is a member of a credit union under this Act, the articles and the by-laws of the credit union governing membership; (“sociétaire”)
- “membership share” means an interest in the equity of a credit union that confers the rights referred to in subsection 44 (1); (“part sociale”)
- “Minister” means the Minister of Finance or any other member of the Executive Council to whom responsibility for the administration of this Act is assigned or transferred under the *Executive Council Act*; (“ministre”)
- “patronage share” means a share of a class provided for by the articles of a credit union in accordance with section 45; (“part de ristourne”)
- “personal representative” means a person who stands in place of and represents another person and includes, as the circumstances require, a trustee, an executor, an administrator, a committee, a guardian, a curator, an assignee, a receiver, an agent or an attorney of any person, but does not include a delegate; (“représentant personnel”)
- “regulations” means the regulations made under this Act; (“règlement”)
- “regulatory capital” in respect of a credit union, has the meaning given to that expression by the regulations; (“capital réglementaire”)
- “related person”, when used to indicate a relationship with any natural person, means,
- (a) a spouse of the person,
 - (b) any son or daughter of the person, or

(c) any relative by blood, marriage or adoption, of the person or of any person mentioned in clause (a) or (b); (“personne liée”)

“security” means a security as defined under the *Securities Act* but does not include a deposit with a financial institution or any instrument evidencing the deposit; (“valeur mobilière”)

“share” includes a membership share unless specifically excluded by this Act; (“action”)

“shareholder” means a shareholder as defined in subsection 8 (1); (“actionnaire”)

“special resolution” means a resolution passed by two-thirds or more of the votes cast by or on behalf of the persons who voted in respect of that resolution; (“résolution extraordinaire”)

“spouse” means a spouse as defined under Part III of the *Family Law Act*; (“conjoint”)

“subordinated indebtedness” means an instrument evidencing an indebtedness of a credit union that, by its terms, provides that the indebtedness will, in the event of the insolvency or winding up of the credit union, be subordinate in right of payment to all deposit liabilities of the credit union and all other liabilities of the credit union except those that, by their terms, rank equally with or are subordinate to the indebtedness; (“titre secondaire”)

“Tribunal” means the Financial Services Tribunal continued under the *Financial Services Tribunal Act, 2017*. (“Tribunal”)

Joint shareholders

2 (1) For the purposes of this Act, two or more persons holding the same share or shares jointly are considered as one member or shareholder.

Exception

(2) Despite subsection (1), two or more persons jointly holding enough membership shares to entitle each of them to be a member in their own right are all considered as separate members.

Subsidiary

3 For the purposes of this Act, a body corporate is a subsidiary of another body corporate if,

- (a) it is controlled by,
 - (i) that other,
 - (ii) that other and one or more bodies corporate each of which is controlled by that other, or
 - (iii) two or more bodies corporate that are that other’s subsidiary; or
- (b) it is a subsidiary of a body corporate that is that other’s subsidiary.

Holding body corporate

4 For the purposes of this Act, a body corporate is another’s holding body corporate if that other is its subsidiary.

Affiliation

5 (1) For the purposes of this Act, 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.

Affiliate by order

(2) On application in writing by a credit union, the Chief Executive Officer may, by order and on the terms specified in the order, deem a corporate body named in the order to be an affiliate for the purposes of this Act or for the purpose of specific provisions of this Act.

Revocation of order

(3) The Chief Executive Officer may, by order, revoke an order under subsection (2) if the Chief Executive Officer believes that the credit union has failed to comply with a term set out in the order under subsection (2) or that it is no longer appropriate to deem the corporate body in respect of which the order under subsection (2) was made to be an affiliate.

Procedural rules

(4) Section 209 applies with respect to an order under this section.

Controlling body corporate

6 For the purposes of this Act, a body corporate is controlled by another person or by two or more bodies corporate if,

- (a) voting securities of the first mentioned body corporate carrying more than 50 per cent of the votes for the election of directors are held, other than by way of security only, by or for the benefit of the other person or by or for the benefit of the other bodies corporate; and

- (b) the votes carried by the securities are sufficient, if exercised, to elect a majority of the board of directors of the first-mentioned body corporate.

Member

7 (1) For the purposes of this Act, a person is a holder of a membership share of a credit union when, according to the register under section 202, the person is the owner of the membership share or is entitled to be entered in the register as the owner of the share.

Holder of membership share

(2) A reference in this Act to the holding of a membership share by or in the name of a person is a reference to the fact that the person is registered or is entitled to be registered in the register under section 202 as the holder of the share.

Shareholder

8 (1) For the purposes of this Act, a person is a shareholder of a body corporate when, according to the securities register of the body corporate, the person is the owner of a share of the body corporate or is entitled to be entered in the securities register or like record of the body corporate as the owner of a share.

Holder of a share

(2) A reference in this Act to the holding of a share by or in the name of any person is a reference to the fact that the person is registered or is entitled to be registered in the securities register or a similar register of the body corporate as the holder of that share.

PART II
ESTABLISHING A CREDIT UNION
INCORPORATION

Corporate charter

9 (1) The certificate of incorporation, articles of incorporation and the by-laws of a credit union, together with this Act, constitute the charter of the credit union.

Date of incorporation

(2) A credit union comes into existence on the date set out in the certificate of incorporation.

Articles of incorporation

10 (1) The required number of individuals, as determined by Authority rule, may incorporate a credit union by signing articles of incorporation and complying with section 12.

Restriction

- (2) An individual is disqualified from being an incorporator if the individual,
- (a) is less than 18 years of age;
 - (b) has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property or has been found to be incapable by a court in Canada or elsewhere; or
 - (c) is an undischarged bankrupt or has been discharged as a bankrupt in the five years preceding the date the application to incorporate the credit union is made under subsection 12 (1).

Contents of articles

11 (1) The articles of incorporation must set out the information prescribed by the regulations.

Same

(2) The articles may include any provision that is permitted under this Act to be set out in the articles or that could be the subject of a by-law of the credit union.

Same

(3) The articles must set out any restrictions on the business that the credit union may carry on or on the powers that the credit union may exercise.

First directors

(4) The articles must name at least five individuals who hold office as the first directors of the credit union.

Affidavit

(5) An affidavit verifying the following matters must accompany the articles:

1. The signature of each incorporator and each first director.

2. The fact that each first director meets the criteria for eligibility under section 83, and that each incorporator and first director is not disqualified under subsection 10 (2) or section 84, as applicable.

Where consent required

(6) If a person who is not an incorporator is named in the articles as a first director, the person's consent to act as a first director must accompany the articles.

Form of consent

(7) The consent must be in a form approved by the Chief Executive Officer.

Application for incorporation

12 (1) An application to incorporate a credit union may be made by sending to the Chief Executive Officer a copy of the proposed articles of incorporation, the proposed by-laws of the credit union and such other information as may be prescribed by Authority rule and paying the application fee established by Authority rule.

Inquiry before incorporation

(2) The Chief Executive Officer shall inquire into the circumstances, sufficiency and regularity of the articles and by-laws and may do any of the following before issuing a certificate of incorporation:

1. Require the incorporators to provide such additional information as the Chief Executive Officer considers relevant to the application.
2. Require any matter set out in the articles or by-laws or in the additional information provided to the Chief Executive Officer to be verified under oath.
3. Require the articles or by-laws to be amended if the Chief Executive Officer considers that they are inconsistent with this Act, the regulations or the Authority rules.

Certificate of incorporation

13 (1) Subject to subsection (2), the Chief Executive Officer shall issue a certificate of incorporation to the incorporators.

Grounds for refusing certificate

(2) The Chief Executive Officer shall not issue a certificate of incorporation if the articles do not meet the requirements of section 11 or 12 or if the incorporators do not satisfy the Chief Executive Officer of the following matters:

1. The plans for the conduct and development of the business of the credit union are feasible and sound.
2. The credit union will be operated on a co-operative basis in accordance subsection 23 (2).
3. The credit union will be operated in such a way that deposits will be safeguarded without the likelihood of a claim against the Authority.
4. The credit union will be operated responsibly by individuals who, by virtue of their character, competence and experience, are suited to operating a financial institution.
5. The incorporation of the credit union will serve the best interests of the co-operative financial system in Ontario.

Effect of certificate

14 (1) A certificate of incorporation is conclusive proof that the incorporators have complied with all conditions precedent to incorporating a credit union and that the credit union was incorporated under this Act on the date set out in the certificate.

Exception

(2) Subsection (1) does not apply in a proceeding under section 241.

Refusal of certificate

15 If the Chief Executive Officer decides, after giving the applicants for incorporation an opportunity to make written submissions, not to issue a certificate of incorporation, the Chief Executive Officer shall notify the incorporators, in writing, and set out the reasons for the decision.

Language and form of corporate name

16 (1) The corporate name of a credit union must be in the language and form authorized in the articles and approved by the Chief Executive Officer.

Use of "credit union"

(2) Subject to subsections (3) and (4), the corporate name of a credit union must include the words "credit union", "caisse populaire" or "caisse".

Use of “caisse populaire”

(3) Only a corporation incorporated under this Act or a predecessor of this Act that provides financial services to its members and promotes the interests of the French-speaking community in Ontario by providing management and democratic control in French may include “caisse populaire” or “caisse” in its corporate name, and all other corporations incorporated under this Act or a predecessor of this Act shall include “credit union” in their corporate names.

Use of “Limited”, etc.

(4) The corporate name of a credit union must have at the end of it one of the following: “Limited”, “Ltd”, “Limitée”, “Ltée”, “incorporated”, “incorporée” or “Inc”.

Use of other name

17 (1) A credit union shall not carry on business under or identify itself by a name other than its corporate name unless the Chief Executive Officer has approved that name.

Restriction on approval

(2) The Chief Executive Officer shall not approve a name under subsection (1),

- (a) if the name includes “credit union”, “caisse populaire” or “caisse”, unless the name is derived from the credit union’s corporate name; or
- (b) if the name would be precluded as a corporate name under section 19.

Corporate name to be used in all documents

(3) A credit union shall set out its corporate name in legible characters in all documents that evidence rights or obligations with respect to other parties (including contracts, invoices and negotiable instruments) and that are issued or made by or on behalf of the credit union.

Prohibition, use of “credit union”, “caisse populaire”

18 No person, other than a credit union or person or entity prescribed by regulation, shall carry on business using a name in which “credit union” or “caisse populaire” is used.

Restrictions re corporate names

19 (1) A credit union may not be incorporated under this Act with a corporate name that,

- (a) is prohibited under an Act of the Parliament of Canada or a province or territory of Canada;
- (b) does not meet the requirements prescribed by regulation;
- (c) is reserved under section 20 for another credit union;
- (d) is the same as or confusingly similar to any existing trade-mark or trade name or corporate name of a body corporate;
- (e) is the same as or confusingly similar to the known name under or by which another entity carries on business or is identified;
- (f) contains a word or phrase that indicates or suggests that it is incorporated for any object other than one set out in its articles; or
- (g) is deceptively misdescriptive.

Exception re trade-marks, etc.

(2) Clause (1) (d) does not apply if the Chief Executive Officer is satisfied that,

- (a) the trade-mark or trade name is being changed or the body corporate is being dissolved or is changing its corporate name; and
- (b) in the case of a corporate name, there is consent to the use of the corporate name.

Exception for affiliate

(3) Clauses (1) (d) and (e) do not apply with respect to a credit union that is affiliated with another entity if the Chief Executive Officer is satisfied that the entity consents to it having a corporate name substantially similar to the entity’s name.

Change of corporate name

(4) If a credit union has acquired a corporate name contrary to subsection (1), the Chief Executive Officer may, by order, issue a certificate of amendment to the articles changing the name of the credit union.

Procedural rules

(5) Section 209 applies with respect to an order under subsection (4).

Reserving a corporate name

20 (1) A person may reserve a corporate name for a period of up to 90 days by making an application to the Chief Executive Officer and paying the fee established by Authority rule.

Effect of reservation

(2) During the period that the corporate name is reserved, a body corporate is not entitled to acquire the name or a similar name without the written consent of the person for whose use and benefit the name is reserved.

Renewal of reservation of corporate name

(3) Within 30 days before the expiry of the reservation of a corporate name under subsection (1), the person who reserved the name may apply for a renewal of the reservation for a further period of not more than 90 days by submitting an application for the renewal to the Chief Executive Officer and paying the fee established by Authority rule.

Corporate seal

21 A credit union may, but is not required to, have a corporate seal.

Location of head office

22 (1) A credit union shall have its head office in Ontario at the place indicated in its articles.

Change

(2) A credit union may by articles of amendment change the location of its head office to another place in Ontario.

OBJECTS AND POWERS**Objects**

23 (1) The object of a credit union is to provide on a co-operative basis financial services primarily for its members.

Co-operative basis

(2) A credit union shall operate on a co-operative basis such that,

- (a) membership is voluntary and is open to those that fall within its bond of association, if the credit union's by-laws so provide;
- (b) its business is carried on primarily for the benefit of its members;
- (c) the net income that accrues from its business is,
 - (i) used to provide services for its members,
 - (ii) used to develop its business,
 - (iii) used to increase its reserves or retained earnings,
 - (iv) distributed to its members and shareholders, or
 - (v) used for another purpose approved by the members; and
- (d) each member has only one vote at its general meetings or in respect of elections of its directors.

Exception

(3) Clause (2) (d) does not prevent a member from voting as a proxy holder as allowed under section 183.

Powers

24 (1) A credit union has the capacity of a natural person and, subject to this Act, the rights, powers and privileges of a natural person.

Powers outside Ontario

(2) A credit union may exercise its powers outside of Ontario to the extent permitted under the laws of the applicable jurisdiction.

Extra-provincial powers

(3) A credit union may accept extra-provincial powers and rights.

Acting outside powers

25 (1) No act of a credit union and no transfer of real or personal property to or by a credit union before or after this section comes into force, that is otherwise lawful, is invalid because the credit union was without capacity or power to do the act or make or receive the transfer, but a lack of capacity or power may be asserted,

- (a) in a proceeding against the credit union by a member under subsection (2);

- (b) in a proceeding by the credit union, whether acting directly or through a receiver, liquidator, trustee or their legal representative or through members in a representative capacity, against a director or officer or former director or officer of the credit union; or
- (c) as a cause for the cancellation of the certificate of incorporation of the credit union.

Restraining order

(2) A member of a credit union may apply to court for an order restraining the credit union from doing any act on the ground that the credit union lacks capacity to do so.

Granting order

(3) Subject to subsection (4), the court may, if it considers it to be just and equitable, grant the order.

Where contract

- (4) If the act or transfer that the member seeks to restrain is to be done under a contract to which the credit union is a party,
- (a) all the parties to the contract are parties to the proceedings;
 - (b) the court may,
 - (i) grant the order and set aside the contract, and
 - (ii) award compensation to the credit union or other parties to the contract for any damages or loss, other than anticipated profits from the contract, sustained by them because the order is granted and the contract is set aside.

MISCELLANEOUS

Indoor management rule

26 (1) A credit union or a guarantor of an obligation of one shall not assert against a person dealing with the credit union or with a person who has acquired rights from the credit union any of the following matters:

1. The articles or by-laws have not been complied with.
2. The individuals named in the most recent notice filed under the *Corporations Information Act* or named in the articles, whichever is more current, are not the directors of the credit union.
3. The location of its head office indicated in a notice filed under the *Corporations Information Act*, as named in the by-laws, or named in the articles, whichever is more current, is not the head office of the credit union.
4. A person held out by the credit union as a director, officer or agent has not been duly appointed or does not have authority to exercise the powers and perform the duties that are customary in the business of the credit union or usual for the director, officer or agent.
5. A document issued by a director, officer or agent of the credit union with actual or usual authority to issue the document is not valid or not genuine.
6. Financial assistance was not authorized.
7. The sale, lease, exchange or disposition of property of the credit union was not authorized under section 174.

Exception

(2) Subsection (1) does not apply if the person has or ought to have knowledge of the matter by virtue of the person's position with or relationship to the credit union.

No deemed notice

(3) No person is affected by or is deemed to have knowledge of the contents of a document concerning a credit union by reason only that the document has been filed with the Chief Executive Officer or is available for inspection at an office of the credit union.

Financial years

27 The financial year of a credit union must end on the date specified by Authority rule.

***Corporations Act* not to apply**

28 The *Corporations Act* does not apply to credit unions.

**PART III
MEMBERSHIP**

WHO MAY BE MEMBER

Membership

29 Membership in a credit union is governed by the credit union's by-laws, subject to the provisions of this Act, the Authority rules and the credit union's articles.

Membership of incorporators

30 Each incorporator who has subscribed for the minimum number of membership shares in a credit union required by the by-laws of the credit union and who is issued those membership shares becomes a member upon the effective date of incorporation.

Applicants for membership

31 Subject to section 30, no person shall become a member of a credit union until the person's application for membership has been approved by the board or an employee authorized by the board and the applicant has complied fully with the by-laws governing admission of members.

Limitation on membership

32 (1) The by-laws of a credit union may provide that the membership of the credit union is limited to persons, related persons and entities who come within a bond of association and shall specify the nature of the bond of association.

Exception

(2) Despite subsection (1), the by-laws may provide that an employee of a credit union may become a member.

Same

(3) Despite subsection (1), the by-laws may provide that certain persons, related persons and entities who do not come within the bond of association may become members.

Same

(4) A person or entity admitted as a member who does not come within the bond of association has all the rights and obligations of membership.

Retaining membership

(5) If authorized by the by-laws, a member who no longer falls within the bond of association may retain membership in the credit union.

Record, information relating to membership

33 (1) Every person or entity whose name is registered in the register under section 202 is entitled to,

- (a) a record specifying the amount paid upon membership shares, deposits and loans by the person or entity; and
- (b) such other information as may be specified by the by-laws of the credit union.

Same

(2) The record referred to in clause (1) (a) is admissible in evidence as proof, in the absence of evidence to the contrary, of membership and of the information entered therein.

RIGHTS AND LIABILITIES

Liability of members

34 The members of a credit union are not, by reason only of holding membership shares of a credit union, liable for any liability, act or default of the credit union except as otherwise provided by this Act.

Not bound by trust

35 (1) A credit union is not bound to see to the execution of any trust to which any membership share is subject.

Application

(2) Subsection (1) applies whether the trust is express, implied or constructive.

Joint accounts

36 Two or more members may hold their membership shares and deposits in a joint account and, in the absence of written notice to the contrary, payment by the credit union to any of the members or to the survivor or any of the survivors of the members of any money standing to the credit of the joint share or deposit account discharges the credit union from any further liability for such payment.

Members under the age of 18 years

37 If permitted by the by-laws of a credit union, a person under the age of 18 years may be a member of the credit union, subject to such conditions and restrictions as may be set out in the by-laws.

DEATH, ETC.

Limited payment re deceased member

38 (1) If a member of a credit union dies and the credit union makes a payment of an amount described in subsection (2) to such person as the credit union is satisfied is entitled to receive the amount, the payment discharges any obligation of the credit union and its board in respect of and to the extent of the amount paid even if the payment is made without letters probate or letters of administration being taken out.

Type of payments

(2) The payment referred to in subsection (1) is a payment of the following:

1. An amount not exceeding the amount prescribed by regulation payable from the amount on deposit in the name of the deceased or in consideration for the membership shares of the deceased.
2. An amount not exceeding the amount prescribed by regulation payable from any money that is received by the credit union under any policy of insurance on the life of the deceased.

Restrictions

(3) Subsection (1) applies only if the credit union pays the amount in good faith and the credit union receives, before the payment,

- (a) a statutory declaration attesting to the person's entitlement to receive the amount; or
- (b) such other evidence of the person's entitlement to the amount as the credit union considers to be appropriate in the circumstances.

Credit union can require more

(4) Nothing in this section prevents the credit union from requiring additional documentation or evidence as the credit union considers appropriate.

Recovery from recipient

(5) Subsection (1) does not affect any right of a person claiming to be entitled to recover the amount from the person to whom it was paid.

No limit on other powers, requirements

(6) For greater certainty, this section does not prevent a credit union from making a payment or transfer as otherwise allowed or required by law.

If deceased member was trustee

(7) If a member of a credit union dies holding membership shares or money on deposit in trust for a named beneficiary, the credit union may pay the amount of, or transfer, the membership shares or deposit and any interest or dividends on them,

- (a) to the executor or administrator of the estate of the deceased member; or
- (b) to the beneficiary if there is no executor or administrator of the estate of the deceased member or, if the beneficiary is a minor, to the beneficiary's parent or guardian.

LIENS

Lien for liability

39 (1) A credit union has a lien on the deposits and membership shares of a member for any liability to it by the member, and may set off any sum standing to the credit of the member on the books of the credit union towards the payment of the liability.

Limitation, member's share account

(2) Despite subsection (1), a credit union shall not apply any service charges or other deductions against a member's share account except upon the termination of the membership.

WITHDRAWALS AND EXPULSIONS

Withdrawal of members

40 (1) A member of a credit union may withdraw from the credit union at any time by giving notice in accordance with the by-laws.

Same, member's death

(2) A deceased member shall be deemed to have given notice to the credit union of intention to withdraw on the day of the member's death.

Same, Authority rules

(3) The withdrawal of a member is subject to such conditions and requirements as may be prescribed by Authority rule.

Expulsion of members

41 (1) A member of a credit union may be expelled from membership, in accordance with the by-laws, by a resolution of the board on the grounds set out in the by-laws.

Same, Authority rules

(2) The expulsion of a member is subject to such conditions and requirements as may be prescribed by Authority rule.

REPRESENTATIVE ACTIONS BY MEMBERS**Members may maintain representative actions**

42 (1) Subject to subsection (2), a member of a credit union may maintain an action in a court of competent jurisdiction in a representative capacity for the member and all other members of the credit union suing for and on behalf of the credit union to enforce any right, duty or obligation owed to the credit union under this Act or under any other statute or rule of law or equity that could be enforced by the credit union itself, or to obtain damages for any breach of any such right, duty or obligation.

Court order required

(2) An action under subsection (1) shall not be commenced until the member has obtained an order of the court permitting the commencement of the action.

Application to court

(3) A member may, upon at least seven days notice to the credit union, apply to the court for an order referred to in subsection (2).

Court order

- (4) The court may make the order upon such conditions as the court thinks fit if the court is satisfied that,
- (a) the member was a member of the credit union at the time of the transaction or other event giving rise to the cause of action;
 - (b) the member has made reasonable efforts to cause the credit union to commence or prosecute diligently the action on its own behalf; and
 - (c) the member is acting in good faith and it is apparently in the interests of the credit union or its members that the action be commenced.

Costs

(5) At any time while an action commenced under this section is pending, the plaintiff may apply to the court for an order for the payment to the plaintiff by the credit union of reasonable interim costs, including legal fees and disbursements.

Accountability for costs

(6) The plaintiff is accountable to the credit union for the interim costs if the action is dismissed on final disposition at the trial or on appeal.

Action, court approval

(7) An action commenced under this section shall not be discontinued, settled or dismissed for want of prosecution without the approval of the court.

Same

(8) If the court determines that the interests of the members or any class of members may be substantially affected by a discontinuance, settlement or dismissal, the court may direct that notice in manner, form and content satisfactory to the court shall be given, at the expense of the credit union or any other party to the action as the court directs, to the members or class of members whose interests the court determines may be affected.

**PART IV
CAPITAL STRUCTURE**

SHARES

Classes of shares

43 (1) The articles of a credit union must provide for a class of shares known as membership shares and may provide for additional classes of shares, including patronage shares referred to in section 45.

Nature of shares

(2) The shares of a credit union are personal property.

Form

(3) The shares of a credit union are without nominal or par value and, if they are not membership shares or patronage shares, must be in registered form.

Membership shares

44 (1) Membership shares confer on the holder the right to receive dividends declared on the shares and to receive the remaining property of the credit union on dissolution.

Transfer prohibited

(2) The holder of a membership share may not transfer an interest in the share to a person other than the credit union or another credit union and any transaction that purports to make such a transfer is void.

Certificates not mandatory

(3) The by-laws of a credit union may provide that membership share certificates need not be issued but, if this is the case, the credit union shall give each member who requests one a statement of the number of membership shares held by the member.

Certificates

(4) Membership share certificates issued after this subsection comes into force must include such information as may be prescribed by regulation.

Patronage shares

45 (1) The articles of a credit union may provide for a class of shares known as patronage shares to be payable to members as a dividend under section 57 or as a patronage return under section 58.

Nature of share

(2) A patronage share does not confer on the holder the right to vote at meetings of the members of the credit union, the right to notice of any meeting of members of the credit union, the right to receive dividends or the right to receive the remaining property of the credit union on dissolution.

Transfer prohibited

(3) The holder of a patronage share may not transfer an interest in the share to a person other than the credit union or another credit union and any transaction that purports to make such a transfer is void.

Rights of classes

46 (1) For each class of shares, the articles must set out,

- (a) the rights, privileges, restrictions and conditions attaching to the shares of the class; and
- (b) the maximum number, if any, of shares of the class that the credit union is authorized to issue.

Restrictions

(2) Shares, other than membership shares, do not confer on their holder the right to vote at meetings of the members of the credit union except as permitted under this Act or the right to receive any of the remaining property of the credit union on dissolution.

Shares in series

47 (1) The articles of a credit union may authorize the issue of any class of shares, other than membership shares, in one or more series and may fix the number of shares in, and set out the designation, rights, privileges, restrictions and conditions attaching to the shares of each series.

Same

(2) The articles may authorize the board to fix the maximum number, if any, of shares in each series 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 and the limitations under this Act.

Series participation

(3) If any cumulative dividend 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.

Voting rights

(4) If voting rights are attached to any series of a class of shares, the shares of every other series of that class have the same voting rights.

Restriction on series

(5) No rights, privileges, restrictions or conditions attached to a series of shares confer on the 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.

Information to Chief Executive Officer

(6) Before issuing shares in series, the credit union must file with the Chief Executive Officer articles of amendment designating the series and setting out the rights, privileges, restrictions and conditions attaching to the shares.

Pre-emptive rights

48 (1) If the articles so provide, a credit union shall not issue shares of a class, other than membership shares or patronage shares, unless the shares have first been offered to shareholders holding shares of that class.

Same

(2) Those shareholders have a pre-emptive right to acquire the offered shares in proportion to their holdings of the shares of that class, at the same price and on the same conditions as the shares are to be offered to others.

Exception

(3) A shareholder has no pre-emptive right in respect of shares that are to be issued,

- (a) as a share dividend;
- (b) pursuant to the exercise of conversion privileges, options or rights previously granted by the credit union;
- (c) if the issuance of shares to the shareholder is prohibited under this Act; or
- (d) if, to the knowledge of the board, the offer of shares to a shareholder whose recorded address is outside Ontario ought not to be made unless the appropriate authority in that jurisdiction is provided with information in addition to that submitted to the shareholders at the most recent annual meeting.

Conversion privileges

49 (1) A credit union may issue conversion privileges, options or rights to acquire its securities, other than membership shares or patronage shares, and shall set out the applicable conditions,

- (a) in the documents that evidence the conversion privileges, options or rights; or
- (b) in the securities to which the conversion privileges, options or rights are attached.

Transferable rights

(2) Conversion privileges, options and rights to acquire securities of a credit union may be made transferable or non-transferable, and options and rights to acquire such securities may be made separable or inseparable from the securities to which they are attached.

Reserved shares

(3) If a credit union has granted privileges to convert its securities into shares or into shares of another class or series, or has issued or granted options or rights to acquire shares, and if the articles limit the number of authorized shares, the credit union shall reserve and continue to reserve sufficient authorized shares to meet the exercise of the conversion privileges, options and rights.

ISSUING SHARES**Power to issue shares**

50 (1) A credit union may issue shares at such times, to such persons and for such consideration as the board may determine.

Restrictions re shares

(2) A credit union may issue shares only in accordance with this Act and the articles and by-laws of the credit union.

Consideration

51 (1) A credit union shall not issue any share, other than a patronage share, until the credit union has received full payment for it in cash or, with the approval of the Chief Executive Officer, in property.

Exception for certain asset purchases

(2) Subsection (1) does not apply to the issue of shares by a credit union if the issue is part of a transaction in which the credit union acquires the assets of another credit union and, as part of that transaction, shareholders of the vendor credit union are to be issued with shares of the purchaser credit union.

Prohibition re commission

(3) No person shall charge or accept payment of a commission on the purchase or sale of a membership share of a credit union.

Shares non-assessable

52 Shares issued by a credit union are non-assessable and no person is liable to the credit union or to its creditors in respect of the person's shares.

REDEMPTION AND CANCELLATION OF SHARES

Holding own shares

53 (1) Except as permitted under this Act or prescribed by regulation, a credit union shall not,

- (a) hold shares of the credit union;
- (b) permit a subsidiary to hold a greater number of membership shares than the minimum number required for membership in the credit union; or
- (c) permit a subsidiary to hold any other shares of the credit union.

Holding as personal representative

(2) A credit union may hold its shares in the capacity of a personal representative and may permit a subsidiary to do so, but only if neither the credit union nor any subsidiary has a beneficial interest in the shares.

Security interest

(3) A credit union may hold its shares by way of a security interest and may permit a subsidiary to do so if the security interest is nominal or immaterial when measured by criteria established by the credit union that have been approved in writing by the Chief Executive Officer.

Transition

(4) Nothing in this section precludes a credit union or any of its subsidiaries from holding a security interest held immediately before this Part comes into force.

Exception

(5) Section 28 of the *Business Corporations Act* does not apply to prevent a subsidiary of a credit union from holding membership shares in a credit union that is its holding body corporate.

Purchase and redemption of shares

54 (1) A credit union may purchase or redeem its shares only in accordance with this section and the articles and by-laws of the credit union.

Same

(2) A credit union may purchase, for the purpose of cancellation, any of its shares or redeem any of its redeemable shares at a price not exceeding the redemption price of the share calculated according to a formula stated in its articles or, in the case of shares other than membership shares, according to the conditions attaching to the shares.

Restrictions

(3) A credit union shall not make any payment to purchase or redeem its shares if there are reasonable grounds for believing that the credit union is, or the payment would cause it to be, in contravention of section 77.

Donations

(4) A credit union may accept a share surrendered to it as a gift but may not extinguish or reduce a liability in respect of an amount unpaid on the share except in accordance with section 64.

Cancellation of shares

55 A credit union shall cancel its shares or fractions of its shares that it has purchased, redeemed or otherwise acquired, other than through the realization of security.

Shares acquired through realization of security

56 (1) If a credit union acquires shares of the credit union through the realization of security, the credit union shall sell, cancel or otherwise dispose of them within six months after the day of the realization.

Same

(2) If a subsidiary of a credit union acquires shares of the credit union through the realization of security, the credit union shall cause the subsidiary to sell or otherwise dispose of them within six months after the day of the realization.

DIVIDENDS AND PATRONAGE RETURNS

Declaration of dividend

57 (1) The board may declare, subject to the by-laws, and the credit union may pay a dividend.

Form of dividend

- (2) A dividend may be paid,
- (a) in cash;
 - (b) by issuing patronage shares;
 - (c) by issuing fully paid shares, other than membership shares, or options or rights to acquire fully paid shares, other than membership shares, in any class or series of shares;
 - (d) in a combination of two or more forms of dividends described in clauses (a), (b) and (c); or
 - (e) in property, with the approval of the Chief Executive Officer.

Declaration of patronage return

58 (1) The board may declare, subject to the by-laws, and the credit union may pay, a patronage return to its members.

Form of patronage return

- (2) A patronage return may be paid,
- (a) in cash;
 - (b) by issuing patronage shares;
 - (c) by issuing fully paid shares, other than membership shares, or options or rights to acquire fully paid shares, other than membership shares, in any class or series of shares; or
 - (d) in a combination of two or more forms of patronage returns described in clauses (a), (b) and (c).

Rebate of interest

(3) A patronage return may include a rebate of interest paid by members during a financial year in respect of loans from the credit union.

Restriction on dividends, etc.

59 The board shall not declare, and the credit union shall not pay, a dividend or patronage return if there are reasonable grounds for believing that the credit union is, or the payment would cause it to be, in contravention of section 77.

STATED CAPITAL

Stated capital account

60 (1) A credit union shall maintain a separate stated capital account for each class and series of shares it issues.

Addition to account

(2) A credit union shall record in the appropriate stated capital account the full amount of any consideration it receives for any shares it issues.

Adjustment due to conversion

61 (1) On a conversion of outstanding shares, other than membership shares or patronage shares, of a credit union into shares of another class or series, the credit union shall,

- (a) deduct from the stated capital account maintained for the class or series of shares converted 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 converted, and dividing by the number of outstanding shares of that class or series immediately before the conversion; and
- (b) record the result obtained under clause (a) and any additional consideration received on the conversion in the stated capital account maintained for the class or series of shares into which the shares have been converted.

Stated capital of convertible shares

(2) For the purposes of subsection (1) and subject to the articles, if a credit union issues two classes of shares and there is attached to each class a right to convert a share of one class into a share of the other class and a share is so converted, the amount of stated capital attributable to a share in either class is the aggregate of the stated capital of both classes divided by the number of outstanding shares of both classes immediately before the conversion.

Conversion or change of shares

(3) Shares issued by a credit union and converted into shares of another class or series become issued shares of the class or series into which the shares have been converted.

Definition

(4) In this section,

“conversion” of a share includes a change made under subsection 253 (1) into another class or series.

Addition due to debt conversion

62 On conversion of a debt obligation of a credit union into shares, the credit union shall,

- (a) deduct from the liabilities of the credit union the nominal value of the debt obligation; and
- (b) record the result obtained under clause (a) and any additional consideration received for the conversion in the stated capital account maintained for the class or series of shares into which the debt obligation has been converted.

Reduction due to purchase, etc.

63 (1) On a purchase, redemption or other acquisition of shares or fractions of shares by a credit union, the credit union shall deduct from the stated capital account maintained for the applicable class or series of shares an amount equal to the result obtained by multiplying the stated capital in respect of the shares of that class or series by the number of shares purchased, redeemed or acquired and dividing by the number of shares of that class or series outstanding immediately before the purchase, redemption or acquisition.

Exception

(2) This section does not apply with respect to shares acquired as described in subsection 53 (2) or acquired through the realization of security and sold in accordance with subsection 56 (1).

Reduction by special resolution

64 (1) The stated capital of a credit union may be reduced by special resolution of the members of the credit union.

Contents of special resolution

(2) The special resolution must specify each stated capital account to be affected by the reduction.

Approval

(3) The special resolution has no effect until it is approved in writing by the Chief Executive Officer.

Conditions for approval

(4) The Chief Executive Officer may not approve the special resolution unless an application for the Chief Executive Officer’s approval is made within three months after the resolution is passed and a copy of the resolution, together with a notice of intention to apply for approval, has been published on the website of the Authority.

Information

(5) An application for approval must include such information and documents as the Chief Executive Officer may require.

Restriction

(6) A credit union shall not reduce its stated capital by special resolution if there are reasonable grounds for believing that the credit union is, or the reduction would cause it to be, in contravention of section 77.

Reducing capital account

(7) A credit union shall adjust its stated capital account or accounts in accordance with any special resolution referred to in subsection (1).

Recovery by action

65 (1) If money has been paid or property distributed as a consequence of a reduction of capital made contrary to section 64, a creditor of the credit union may apply to a court for an order compelling the member, shareholder or other person to pay the money or deliver the property to the credit union.

Shares held by personal representative

(2) A person holding shares as a personal representative who is registered in the register under section 202 as a member or shareholder and described as the personal representative for a named person is not personally liable under subsection (1) of this section, but the named person is liable.

Remedy preserved

(3) This section does not affect any liability that arises under section 119.

TRANSFER OF SECURITIES

Application of *Securities Transfer Act, 2006*

66 The *Securities Transfer Act, 2006* applies, with necessary modifications, with respect to the transfer of securities, other than membership shares or patronage shares.

Restriction on transfer of securities

67 (1) A security issued under circumstances described in clause 68 (1) (a) shall not be transferred except to another member of the credit union or to a person prescribed by regulation.

Same

(2) The transfer of a security that is permitted under subsection (1) shall be made in the manner prescribed by regulation and subject to the conditions prescribed by regulation.

Same

(3) The transfer of a security that is permitted under subsection (1) is effective when the transfer is recorded in the register under section 202.

OFFERING STATEMENTS

Selling securities

68 (1) A credit union may sell its securities to a member or accept from a member, directly or indirectly, consideration for its securities if,

- (a) the credit union has obtained a receipt under section 71 for an offering statement respecting the securities and the receipt has not been revoked or expired;
- (b) the credit union has provided the Chief Executive Officer with a copy of receipts from the Ontario Securities Commission under the *Securities Act* for a preliminary prospectus and a prospectus respecting the offering of the securities; or
- (c) the sale is exempt from the prospectus requirements of the *Securities Act* under one of the following exemptions:
 - i. Section 2.3 of National Instrument 45-106 *Prospectus Exemptions*.
 - ii. Section 2.5 of National Instrument 45-106 *Prospectus Exemptions*.
 - iii. Section 2.9 of National Instrument 45-106 *Prospectus Exemptions*.
 - iv. Section 2.10 of National Instrument 45-106 *Prospectus Exemptions*.
 - v. Section 5 of Multilateral Instrument 45-108 *Crowdfunding*.

When *Securities Act* does not apply

(2) The *Securities Act* does not apply to securities sold or disposed of by a credit union pursuant to a receipt, under section 71, for an offering statement.

Exception

(3) Subsection (1) and the *Securities Act* do not apply with respect to the issuance of,

- (a) membership shares;
- (b) patronage shares; or
- (c) shares under section 57 or 58.

Interpretation

(4) When, in subsection (1), credit union is read to mean central, a member of a central includes a member of a credit union that is a member of the central.

Permitted sellers

69 Securities sold under the circumstances described in clause 68 (1) (a) may be sold by,

- (a) the directors, officers and employees of the issuing credit union;
- (b) in the case of an issuing central, the directors, officers and employees of the central or of a credit union that is a member of the central; or
- (c) a person registered under the *Securities Act* as a securities dealer, investment dealer or broker.

Offering statement

70 (1) Application for a receipt for an offering statement is made by filing with the Chief Executive Officer a copy of the offering statement and paying the fee established by Authority rule.

Contents

(2) The offering statement must contain such information as may be prescribed by regulation.

Standard of disclosure

(3) The offering statement must provide full, true and plain disclosure of all material facts relating to the securities that the credit union proposes to issue.

Certificate

(4) The offering statement must be accompanied by a disclosure certificate signed by the chair of the board and the chief executive officer of the credit union, certifying that the offering statement satisfies the requirements of subsections (2) and (3).

Additional material

(5) The Chief Executive Officer may require,

- (a) the credit union to provide additional documents, reports and other material; and
- (b) that the information contained in the material referred to in clause (a) form part of the offering statement.

Examination

(6) Before issuing a receipt, the Chief Executive Officer may require the credit union to permit an examination of its affairs, at its own expense, by a person authorized in writing by the Chief Executive Officer.

Receipt for offering statement

71 (1) The Chief Executive Officer shall issue a receipt for an offering statement unless it appears to the Chief Executive Officer that,

- (a) the statement or any document accompanying it,
 - (i) fails to comply in any substantial respect with this Act or the regulations,
 - (ii) contains any statement, promise, estimate or forecast that is misleading, false or deceptive,
 - (iii) contains an extract from an opinion or statement of an expert that does not fairly represent the opinion or statement, or
 - (iv) conceals or omits to state any material facts necessary in order to make any statement contained in the offering statement not misleading in light of the circumstances in which it was made;
- (b) the proceeds from the sale of the securities are insufficient, together with the other resources of the credit union, to accomplish the purpose of the issue that is stated in the offering statement; or
- (c) it would not be in the public interest to issue a receipt for the offering statement.

Refusal to issue, revocation

(2) The Chief Executive Officer may refuse to issue or may revoke a receipt for an offering statement in any of the following circumstances:

1. The credit union is in contravention of section 77.
2. The credit union is subject to the supervision of the Chief Executive Officer or under the administration of the Chief Executive Officer.

Same

(3) Before refusing to issue a receipt or revoking a receipt, the Chief Executive Officer shall give the applicant an opportunity to make written submissions.

Same

(4) A decision to refuse to issue a receipt or a decision to revoke a receipt must be given in writing and must include the reasons for the refusal or revocation.

Expiry of receipt

- (5) A receipt for an offering statement expires on the earlier of,
- (a) the date that is six months after the day it is issued; and
 - (b) the date on which the offering of securities contemplated by the offering statement for which the receipt is granted is closed in accordance with the offering statement.

Renewal of receipt

72 (1) Application for renewal of the receipt for an offering statement may be made by filing an application with the Chief Executive Officer with a copy of the statement and paying the fee established by Authority rule.

Time for application

- (2) Application for renewal must be made before the receipt for the offering statement expires.

Receipt

- (3) Section 71 applies, with necessary modifications, with respect to the renewal of a receipt.

Material change

73 (1) If there is a material change in the facts set out in an offering statement, the credit union shall file with the Chief Executive Officer,

- (a) an amendment to the offering statement, if no receipt has been issued for the statement; or
- (b) a statement of material change, if a receipt has been issued for the offering statement and the receipt has not been revoked or expired.

Time

- (2) The credit union shall give the Chief Executive Officer the amendment or statement of material change promptly and, in any event, within ten days after the date on which the material change occurred.

Notice to persons

- (3) The credit union shall give a copy of the amendment or statement of material change to every person to whom it gave a copy of the offering statement.

Replacement statement

- (4) A credit union may, and if requested to do so by the Chief Executive Officer, shall file with the Chief Executive Officer a new offering statement instead of one or more statements of material change.

Contents

- (5) Sections 70 and 71 apply with respect to a statement of material change as if it were an offering statement.

Exclusion

- (6) In this section,

“material change” does not include such types of change as may be prescribed by regulation.

Distribution of statements

74 (1) A credit union shall give a copy of an offering statement or statement of material change to each member that requests a copy of one.

Same

- (2) A person who offers a security in a credit union for sale shall give a copy of the offering statement and statement of material change, if any, to a prospective purchaser upon request and to a purchaser.

Withdrawal from purchase

- (3) An agreement of purchase and sale in respect of securities is not binding on the purchaser if the person from whom the purchaser has agreed to purchase the security receives written notice of the purchaser’s intention not to be bound by the agreement not later than midnight on the second business day after receipt by the purchaser of the latest offering statement and any statement of material change.

Same

- (4) Subsection (3) applies with necessary modifications in respect of a person who is subscribing for securities to be issued by a credit union.

Business day

(5) In subsection (3),

“business day” means a day that is not,

- (a) Saturday, or
- (b) Sunday or any other holiday, other than Easter Monday and Remembrance Day.

Effect of misrepresentation

75 (1) If an offering statement or a statement of material change contains a misrepresentation, a purchaser of a security shall be deemed to have relied upon the misrepresentation if it was a misrepresentation when the purchase was made.

Exception

(2) Subsection (1) does not apply if the purchaser knew about the misrepresentation when purchasing the security.

Right of action

(3) The purchaser has a right of action for damages against,

- (a) the credit union;
- (b) every person, other than an employee of a credit union, who sells the security on behalf of the credit union;
- (c) every director of the credit union at the time the offering statement or statement of material change was filed with the Chief Executive Officer;
- (d) every person whose consent has been filed pursuant to a requirement of the regulations but only with respect to reports, opinions or statements that have been made by them; and
- (e) every person who signed the offering statement or statement of material change other than the persons included in clauses (a) to (d).

Same

(4) If the purchaser purchased the security from a credit union, the purchaser may elect to exercise a right of rescission against the credit union, in which case the purchaser has no right of action for damages against the credit union.

Defence

(5) A person who signed the disclosure certificate required under subsection 70 (4) or a director is not liable under this section if the person proves one of the following:

1. The offering statement or statement of material change was filed with the Chief Executive Officer without the person’s knowledge or consent. As soon as the person became aware that it had been filed with the Chief Executive Officer, the person advised the Chief Executive Officer that it was filed with the Chief Executive Officer without the person’s knowledge or consent.
2. The person was not aware of the misrepresentation when the offering statement or material change statement was filed with the Chief Executive Officer. After the receipt for the statement was issued but before the purchaser bought the security, the person immediately after the person became aware of the misrepresentation advised the Chief Executive Officer that the person withdrew consent to the filing of the statement with the Chief Executive Officer.
3. The person had no reasonable grounds to believe, and did not believe, that there had been a misrepresentation.

Interpretation

(6) In this section,

“misrepresentation” means,

- (a) an untrue statement of material fact, or
- (b) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

RESTRICTION ON COMMISSION FOR PURCHASE OR SALE**No commission by directors, officers, employees**

76 None of the following persons shall charge or accept payment of a commission on the purchase or sale of a security of a credit union:

1. The directors, officers and employees of the credit union.
2. The related persons of a director, officer or employee of the credit union.

3. If the credit union is a member of a central, the directors, officers and employees of the central.

**PART V
CAPITAL AND LIQUIDITY**

Adequacy of capital and liquidity

77 (1) A credit union shall maintain, in relation to its operations, adequate and appropriate forms of capital and liquidity.

Same

(2) A credit union shall comply with the Authority rules governing adequate capital and liquidity.

Capital and liquidity policies

78 (1) A credit union shall establish capital and liquidity policies for the credit union consistent with the Authority rules governing adequate capital and liquidity and the credit union shall adhere to those policies.

Policies to be prudent

(2) The capital and liquidity policies of a credit union shall consist of policies, standards and procedures that a reasonable and prudent person would apply in order to ensure the financial soundness of the credit union, avoid undue risk of loss and obtain a reasonable return.

Approval and review by board

(3) The capital and liquidity policies of a credit union are subject to the approval of the board and the board shall review the policies at least once each year.

Order if policies inadequate, etc.

(4) If the Chief Executive Officer considers the capital and liquidity policies of a credit union to be inadequate or imprudent, the Chief Executive Officer may order the credit union to amend them in accordance with the order.

Procedural rules

(5) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(6) A credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Additional requirements

79 (1) The Chief Executive Officer may order a credit union,

- (a) to increase its capital; or
- (b) to provide additional liquidity in such forms and amounts as the Chief Executive Officer may require.

Circumstances

(2) Despite a credit union's compliance with the Authority rules governing adequate capital and liquidity, the Chief Executive Officer may impose the requirements set out in subsection (1),

- (a) if there are reasonable grounds to believe that the credit union is not complying with the requirements of this Act, the regulations and the Authority rules concerning the management of risk in making loans and investments and in the general management of credit union business;
- (b) if the Chief Executive Officer considers that imposing the requirement is necessary to protect the interests of members, shareholders or depositors; or
- (c) if the Chief Executive Officer considers that imposing the requirement is necessary to ensure the financial security and integrity of the credit union.

Compliance

(3) The credit union shall comply with the order within such time as the Chief Executive Officer specifies in the order.

Procedural rules

(4) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(5) A credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Variation of requirements

80 (1) A credit union may apply to the Chief Executive Officer for a variation of the requirements under section 77.

Application

(2) An application must be in a form approved by the Chief Executive Officer and must describe how and when the credit union will meet the requirements under section 77.

Variation

(3) The Chief Executive Officer may grant the variation subject to any terms the Chief Executive Officer considers appropriate if the Chief Executive Officer considers that granting the variation is in the interest of the members of the credit union and that the credit union will meet the requirements under section 77 within a reasonable time.

Valuation of asset

81 If the Chief Executive Officer has appraised the value of an asset held by a credit union or a subsidiary and the value determined by the Chief Executive Officer varies materially from the value placed by the credit union or the subsidiary on the asset, the Chief Executive Officer shall send to the credit union, its auditor and its audit committee a written notice of the value of the asset as determined by the Chief Executive Officer.

Report re adequacy

82 A credit union shall provide a report in a form approved by the Chief Executive Officer concerning its compliance with section 77 to such persons and at such times as required by the Chief Executive Officer.

**PART VI
GOVERNING THE CREDIT UNION**

DIRECTORS

Qualifications of directors

83 Only an individual who meets the following criteria is eligible to be a director of a credit union:

1. The person is a member of the credit union.
2. The person is at least 18 years of age.
3. The person is a Canadian citizen or a person lawfully admitted to Canada for permanent residency who is ordinarily resident in Canada.

Disqualified individuals

84 Such individuals as may be prescribed by Authority rule are disqualified from being directors of a credit union.

Credit union CEO director

85 If the by-laws of a credit union permit it, the chief executive officer of the credit union may be a director of the credit union, subject to any limits or restrictions set out in the regulations.

Number of directors

86 A credit union must have the minimum number of directors prescribed by Authority rule.

Election of board

87 Directors must be elected in the manner provided in the Authority rules.

Composition of board

88 The board shall be composed in the manner provided in the Authority rules.

Term of office, directors

89 Directors hold office for such term as the Authority rules provide.

Quorum

90 A majority of the board constitutes a quorum, unless the Authority rules provide otherwise.

Vacancies

91 If a vacancy occurs in the board, the vacancy shall be filled in accordance with the Authority rules.

Ceasing to hold office

92 A director ceases to hold office in the circumstances prescribed by Authority rule.

Removal by board

93 (1) The board may remove a director in accordance with the Authority rules.

Same

(2) The removal of a director is subject to such conditions and requirements as may be prescribed by Authority rule.

Removal by Chief Executive Officer

94 (1) The Chief Executive Officer may, by order, remove a director of a credit union if the Chief Executive Officer is of the opinion,

- (a) that the director is not suitable to hold office as a director on the basis of the character or competence of the director; or
- (b) that it is in the best interests of the credit union's members that the director be removed.

Risk of prejudice

(2) In forming an opinion under subsection (1), the Chief Executive Officer must consider whether the interests of the members, depositors and creditors of the credit union have been or are likely to be prejudiced by the director's holding office.

Order re more than one director

(3) An order made under this section may remove more than one director of a credit union.

Same

(4) If there is not a quorum of directors in office because of an order made under this section to remove directors, the Chief Executive Officer shall appoint the necessary number of directors so there is a quorum of directors in office.

Procedural rules

(5) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(6) A director who is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Resignation of director

95 (1) A director may resign from the board in accordance with the Authority rules.

Same

(2) The resignation of a director is subject to such conditions and requirements as may be prescribed by Authority rule.

Statement re opposition

96 (1) A director who opposes any proposed action or resolution by the directors or members is entitled to give the credit union a written statement setting out why the director opposes the proposed action or resolution.

Circulation of statement

(2) The credit union shall, within 30 days after receipt of the statement, send a copy of the statement to the Chief Executive Officer.

Immunity

(3) A credit union and a person acting on its behalf do not incur any liability by reason only of sending the statement as required by subsection (2).

POWERS AND DUTIES OF BOARD

Duties of the board

97 (1) The board shall manage or supervise the management of the business and affairs of the credit union and shall perform such additional duties as may be imposed under this Act, the regulations or the Authority rules respecting credit unions, or the by-laws of the credit union.

Board, etc., not to manage day to day activities

(2) The board, a committee of the board or a director shall not directly manage, or be involved in, the day to day activities of the credit union.

First directors

(3) The first directors of a credit union named in the articles have all the powers and duties and are subject to all the liabilities of directors.

By-law powers

98 (1) The board may pass by-laws governing the conduct of the affairs of the credit union.

Required matters

(2) The by-laws of a credit union shall provide for the following matters:

1. The appointment of officers of the credit union and the establishment of their duties.
2. The calling of meetings of the board, including the minimum number of times the board must meet each financial year if the minimum number of times exceeds the minimum number of times prescribed by regulation, the place or places where meetings of the board may be held and the manner in which notice of the meetings must be given.

Same

(3) The board shall pass by-laws, subject to this Act and the regulations, governing prescribed matters if they are not provided for by this Act or the regulations or set out in the articles.

Limitation

(4) By-laws that are contrary to this Act, the regulations or the articles of the credit union are void.

Same

(5) By-laws that relieve a person of obligations or requirements under this Act or the regulations are void.

Restrictive by-laws

(6) A by-law may impose greater restrictions in respect of a matter than are imposed under this Act or the regulations.

Remuneration of directors

99 The procedures for setting, paying and disclosing the remuneration and expenses of directors and members of committees shall be established by Authority rule.

When by-law effective

100 (1) A by-law is not effective until it is passed by the board and confirmed, with or without variation, by a special resolution passed at a general meeting of the members duly called for that purpose or by such greater proportion of the votes cast as the articles may provide.

Filing

(2) Within 30 days after a by-law is confirmed, the credit union shall file a copy of it with the Chief Executive Officer.

Establishment of and delegation to committees

101 The board may establish committees in accordance with the Authority rules and may delegate powers and assign duties to those committees in accordance with the Authority rules.

Code of market conduct

102 (1) The board of every credit union shall adopt a code of market conduct.

Same, filing requirement

(2) The board of a credit union shall file a copy of the credit union's code of market conduct, and any amendments to the code, with the Chief Executive Officer.

Chief Executive Officer may require amendment of code

(3) The Chief Executive Officer may direct the board of a credit union to amend the credit union's code of market conduct at any time.

Chief Executive Officer may require adoption of code

(4) If the board of a credit union does not adopt a code of market conduct under subsection (1), the Chief Executive Officer may require that the board adopt a code of market conduct selected by the Chief Executive Officer.

Compliance

(5) A credit union shall comply with its code of market conduct.

Gender diversity report

103 (1) The board of every credit union shall report annually on the gender diversity of the board.

Same

(2) A gender diversity report must comply with such requirements as may be prescribed by regulation.

AUDIT COMMITTEE

Audit committee

104 (1) The board of every credit union shall establish an audit committee composed of members appointed by the board from among the directors.

Powers and duties of audit committee

(2) The audit committee has such powers and duties as are set out in this Act, prescribed by the Authority rules or set out in the by-laws of the credit union.

OFFICERS

Officers

105 (1) A credit union must have such officers as are provided for in the Authority rules and may have such additional officers as are provided for in the credit union's by-laws.

Powers and duties of officers

(2) Subject to this Act, the regulations, the Authority rules and the by-laws of the credit union, the board may establish the duties of the credit union's officers.

Remuneration of officers

106 The procedures for setting, paying and disclosing the remuneration and expenses of officers shall be established by Authority rule.

DUTIES OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS

Duty of confidentiality

107 (1) Every director, officer, member of a committee or employee of a credit union shall keep confidential all information received by the credit union or by a subsidiary or other affiliate of the credit union that the director, officer, committee member or employee knows or should know is confidential to the credit union or subsidiary or other affiliate.

Use of information

(2) No director, officer, member of a committee or employee of a credit union shall make use of information referred to in subsection (1) in any transaction in order to obtain, directly or indirectly, a benefit or advantage for any person other than the credit union or a subsidiary or other affiliate of the credit union.

Confidentiality re members

108 (1) Every director, officer, member of a committee or employee of a credit union shall keep confidential all information respecting members of the credit union.

Exception — consent

(2) Despite subsection (1), information respecting a member may be disclosed with the consent of the member.

Exceptions

(3) Despite subsection (1), a director, officer or member of a committee or an employee authorized by the board may disclose information,

- (a) to a person acting in a confidential or professional relationship to the credit union, including an employee of a central in which the credit union is a member;
- (b) to a financial institution with which the credit union has transactions that may involve confidential matters;
- (c) to another credit union with which the credit union of the director, officer, committee member or employee proposes to amalgamate, for the purposes of the amalgamation, if the credit unions have signed letters of intent to enter into an agreement for the amalgamation;
- (d) to a person to whom the credit union proposes to sell assets, for the purposes of the sale, if the credit union and the person have signed letters of intent to enter into an agreement of purchase and sale for the sale;
- (e) to a credit grantor or to a reporting agency, if the disclosure is for the purpose of determining the creditworthiness of the member;
- (f) to the Chief Executive Officer and the Authority; and
- (g) to any other person entitled to the information by law.

Duty of care

109 (1) Every director, officer and member of a committee shall exercise their powers and discharge their duties honestly, in good faith and in the best interests of the credit union.

Standard of care

(2) The director, officer or committee member shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Duty to comply

110 Every director, officer, member of a committee and employee of a credit union shall comply with this Act, the regulations, the Authority rules, the by-laws of the credit union and any requirements imposed by the Chief Executive Officer under this Act.

CONFLICTS OF INTEREST

Disclosure of interest

111 (1) This section applies to every director, officer, member of a committee or employee of a credit union who,

- (a) is a party to a material contract or proposed material contract with the credit union;
- (b) is a director or an officer of an entity that is a party to a material contract or proposed material contract with the credit union;
- (c) has a material interest in a person who is a party to a material contract or proposed material contract with the credit union; or
- (d) is a spouse, parent or child of an individual who is a party to a material contract or proposed material contract with the credit union.

Same

(2) The director, officer, committee member or employee shall disclose, in writing, to the credit union or ask to have the nature and extent of that person's interest entered in the minutes of board meetings.

Time of disclosure, director

(3) A director shall make the disclosure,

- (a) at the board meeting at which a proposed contract is first considered;
- (b) if the director was not then interested in a proposed contract, at the first meeting after the director becomes so interested;
- (c) if the director becomes interested after a contract is made, at the first meeting after the director becomes so interested; or
- (d) if a person who is interested in a contract later becomes a director, at the first meeting after that person becomes a director.

Same, officer or committee member

(4) An officer, committee member or employee shall make the disclosure,

- (a) promptly after the officer, committee member or employee becomes aware that a proposed contract is to be considered or a contract has been considered at a board meeting;
- (b) if the officer, committee member or employee becomes interested after a contract is made, promptly after becoming so interested; or
- (c) if a person who is interested in a contract later becomes an officer, committee member or employee, promptly after becoming an officer, committee member or employee.

Same, no board approval

(5) If a material contract or proposed material contract is one that, in the ordinary course of business of the credit union, would not require approval by the board or the members, the director, officer, committee member or employee shall make the disclosure promptly after becoming aware of the contract or proposed contract.

Continuing disclosure

(6) A general notice to the board by a director, officer, committee member or employee declaring that the director, officer, committee member or employee is a director or officer of an entity, or has a material interest in a person, and is to be regarded as interested in any contract made with that entity or person, is sufficient disclosure of an interest in relation to any contract so made.

Voting

112 (1) A director to whom section 111 applies shall not be present at any meeting while the contract is being discussed or vote on, or attempt to influence the voting on, any resolution to approve the contract.

Exception

(2) Subsection (1) does not apply if the contract is,

- (a) an arrangement by way of security for money lent to or obligations undertaken by the director for the benefit of the credit union or a subsidiary of it;
- (b) a contract relating primarily to the director's remuneration as a director or as a member of a committee or an officer, employee or agent of the credit union or a subsidiary of it or an entity controlled by it;
- (c) a contract for indemnity under section 123 or for insurance under section 122; or
- (d) a contract with a subsidiary of the credit union.

Ineligibility

(3) A director who knowingly contravenes subsection (1) ceases to hold office as a director and is not eligible, for a period of five years after the date on which the contravention occurred, for election or appointment as a director of any financial institution that is incorporated or formed by or under an Act of the Province of Ontario.

Avoidance standards

113 (1) If a director, officer, committee member or employee made a required disclosure in respect of a contract referred to in subsection 111 (1), the contract was approved by the board or by the members of the credit union and the contract was reasonable and fair to the credit union at the time it was approved, the contract is neither void nor voidable by reason only,

- (a) of the relationship between the person or entity and the director, officer, committee member or employee; or
- (b) that an interested director is present at or is counted to determine the presence of a quorum at the board meeting that authorized the contract.

Application to court

(2) If a director, officer, committee member or employee of a credit union fails to disclose an interest in a material contract in accordance with section 111, a court may, on the application of the credit union or a member of the credit union, set aside the contract on such conditions as the court thinks fit.

Prohibition re acting for credit union

114 (1) This section applies with respect to a person who is a director of a credit union or a member of a committee.

Same

(2) The person or a partnership or corporation from which the person receives compensation shall not act, for compensation, in a professional capacity in respect of business matters related to the credit union.

Prohibition re acting as trustee

115 An officer or employee of a credit union shall not act as a trustee with respect to a deposit with the credit union or any other business or transaction with the credit union unless the beneficiary is a related person of the officer or employee.

MISCELLANEOUS

Validity of actions

116 An act by a director, officer or member of a committee is not invalid by reason only of a defect discovered afterward in the appointment, election or qualification of the director, officer or member.

Requirement for bond

117 (1) Every director, officer or employee of a credit union who receives or has charge of money shall, on assuming the director, officer or employee's duties, furnish to the credit union proof of bonding insurance that is satisfactory to the Chief Executive Officer.

Bond

(2) The bond must be for an amount equal to or greater than the amount that is prescribed by Authority rule or determined in the manner prescribed by Authority rule and must satisfy such conditions as may be prescribed by Authority rule.

Liability of directors, etc.

118 A liability imposed under this Act upon a director, officer or member of a committee is in addition to any other liability that is imposed upon that person by law.

Specific liability of directors

119 (1) The directors of a credit union who vote for or consent to a resolution of the directors authorizing the issue of shares contrary to subsection 51 (1), or the issue of subordinated indebtedness contrary to section 151 for a consideration other than money are jointly and severally liable to the credit union to make good any amount by which the consideration is less than the fair market value that the credit union would have received if the share or subordinated indebtedness had been issued for money on the date of the resolution.

Further liabilities

(2) The directors of a credit union who vote for or consent to a resolution of the directors authorizing any of the distributions or payments listed in subsection (3) are jointly and severally liable to restore to the credit union any amounts so distributed or paid and not otherwise recovered by the credit union and any amounts in relation to any loss suffered by the credit union.

Same

(3) The following are the distributions and payments referred to in subsection (2):

1. A redemption or purchase of shares contrary to this Act.
2. A reduction of capital contrary to this Act.
3. A payment of a dividend contrary to this Act.
4. The payment of an indemnity contrary to this Act.
5. Any transaction with a restricted party contrary to this Act.

Contribution

120 (1) A director who has satisfied a judgment in relation to the director's liability under section 119 is entitled to contribution from the other directors who voted for or consented to the unlawful act on which the judgment was founded.

Recovery

(2) A director who is liable under section 119 is entitled to apply to a court for an order compelling a member, shareholder or other person to pay or deliver to the director,

- (a) any money or property that was paid or distributed to the member, shareholder or other person contrary to this Act; or
- (b) an amount equal to the value of the loss suffered by the credit union as a result of any transaction contrary to Part IX or the regulations made for the purposes of that Part.

Court order

(3) Where an application is made to a court under subsection (2), the court may, where it is satisfied that it is equitable to do so,

- (a) order a member, shareholder, or other person to pay or deliver to a director any money or property that was paid or distributed to the member, shareholder or other person contrary to this Act or any amount referred to in clause (2) (b);
- (b) order a credit union to return or issue membership shares or shares to a member or shareholder from whom the credit union has purchased, redeemed or otherwise acquired membership shares or shares; or
- (c) make any further order it thinks fit.

Due diligence, reliance on statement, etc.

121 (1) A director, officer, member of a committee or an employee of a credit union is not liable under section 119 or 196 and has fulfilled their duty under section 110 if they exercised the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, including reliance in good faith on,

- (a) financial statements of the credit union represented to them by an officer of the credit union or in a written report of the auditor of the credit union fairly to reflect the financial condition of the credit union; or
- (b) a report of an accountant, lawyer or other professional person whose profession lends credibility to a statement made by the person.

Same

(2) A director, officer or member of a committee of a credit union has fulfilled their duty under section 109 if they relied in good faith on,

- (a) financial statements of the credit union represented to them by an officer of the credit union or in a written report of the auditor of the credit union fairly to reflect the financial condition of the credit union; or
- (b) a report of an accountant, lawyer or other professional person whose profession lends credibility to a statement made by the person.

Insurance for directors and officers

122 (1) A credit union may purchase and maintain insurance for the benefit of an eligible person as defined in section 123 against any liability incurred by the person in the person's capacity as,

- (a) a director, officer or member of a committee; or
- (b) a director or officer of another entity if the person acts or acted in that capacity at the credit union's request.

Exception

(2) Subsection (1) does not apply if the liability relates to the person's failure to act honestly, in good faith and in the best interests of the credit union.

Indemnity for directors, etc.

123 (1) In this section,

"eligible person" means, with respect to a credit union,

- (a) a director, officer or member of a committee,
- (b) a former director, officer or member of such a committee, or
- (c) a person who acts or acted at the request of the credit union as a director or an officer of an entity of which the credit union is or was a member, shareholder or creditor.

Indemnification

(2) A credit union may indemnify an eligible person in respect of any proceeding to which the person is made a party by reason of serving or having served in a qualifying capacity.

Exception

(3) Despite subsection (2), the credit union may not indemnify the person in respect of a proceeding by or on behalf of the credit union to procure a judgment in its favour.

Advance to pay for costs, etc.

(4) A credit union may advance money to an eligible person to pay for the costs, charges and expenses of any proceeding to which the person is made a party by reason of serving or having served in a qualifying capacity, but the person is required to repay the money if either of the conditions described in subsection (7) is not satisfied.

Same, derivative action

(5) With the approval of a court, a credit union may indemnify an eligible person in respect of a proceeding by or on behalf of the credit union or entity to procure a judgment in its favour to which the person is made a party by reason of serving or having served in a qualifying capacity.

Advance to pay for costs, etc., derivative action

(6) With the approval of a court, a credit union may advance money to an eligible person to pay for the costs, charges and expenses of a proceeding described in subsection (5) to which the person is made a party by reason of serving or having served in a qualifying capacity, but the person is required to repay the money if either of the conditions described in subsection (7) is not satisfied.

Restriction

(7) The credit union may indemnify an eligible person under this section only if,

- (a) the person acted honestly and in good faith with a view to the best interests of the credit union; and
- (b) in the case of a proceeding enforced by a monetary penalty, the person had reasonable grounds for believing that the impugned conduct was lawful.

Right to indemnity

(8) An eligible person is entitled to indemnity from the credit union in connection with the defence of a proceeding to which the person is made a party by reason of serving or having served in a qualifying capacity if the eligible person,

- (a) was substantially successful on the merits in the defence of the proceeding; and
- (b) fulfils the conditions set out in clauses (7) (a) and (b).

Extent of indemnity

(9) An indemnity under this section is against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment reasonably incurred by the person in connection with the specified proceeding.

Heirs

(10) A credit union may indemnify the heirs or personal representatives of any eligible person that the credit union is authorized to indemnify under this section.

Interpretation

(11) In this section, to serve in a qualifying capacity means,

- (a) acting or having acted as a director, officer or member of a committee; or
- (b) acting or having acted at the request of the credit union as a director or an officer of an entity of which the credit union is or was a member, shareholder or creditor.

Application for indemnification

124 (1) A credit union or an eligible person under section 123 may apply to a court for an order approving an indemnity under that section and the court may so order and make any further order it thinks fit.

Notice

(2) The applicant shall give the Chief Executive Officer written notice of the application.

Other notice

(3) The court may order notice to be given to any interested person.

Right to participate

(4) The Chief Executive Officer and each interested person is entitled to appear and to be heard at the hearing of the application in person or by counsel.

AUDITOR

Auditor

125 (1) A credit union shall appoint an auditor in accordance with the Authority rules.

Qualifications of auditor

(2) The auditor must have the qualifications prescribed by Authority rule.

Removal by credit union

126 (1) The credit union may remove an auditor in accordance with the Authority rules.

Same

(2) The removal of an auditor is subject to such conditions and requirements as may be prescribed by Authority rule.

Removal by Chief Executive Officer

127 The Chief Executive Officer may, by order, remove an auditor of a credit union if the Chief Executive Officer is of the opinion that it is in the best interests of the credit union that the auditor be removed.

Resignation of auditor

128 (1) An auditor may resign from the credit union in accordance with the Authority rules.

Same

(2) The resignation of an auditor is subject to such conditions and requirements as may be prescribed by Authority rule.

Replacement of auditor

129 If an auditor is removed or resigns, the credit union must appoint a replacement auditor in accordance with the Authority rules.

Remuneration of auditor

130 The procedures for setting, paying and disclosing the remuneration of auditors shall be established by Authority rule.

Auditor for subsidiaries

131 (1) A credit union shall take all necessary steps to ensure that its auditor is duly appointed as the auditor of each of its subsidiaries unless the Chief Executive Officer authorizes another person to act as auditor of a subsidiary.

Exception

(2) If a person is appointed as auditor by a body corporate before it becomes a subsidiary of a credit union, the person may complete the term of the appointment.

RIGHTS AND DUTIES OF AUDITORS

Right of access

132 (1) The auditor of a credit union has a right of access at all times to all records and documents of the credit union.

Same

(2) The auditor is entitled to require from the board, directors, officers, employees and agents of the credit union such information and explanations as the auditor considers necessary to enable the auditor to make such reports as are required under this Act.

Same

(3) On the request of the auditor, the former directors, officers, employees or agents of the credit union shall, to the extent that they are reasonably able to do so, provide such information and explanations as are, in the opinion of the auditor, necessary to enable the auditor to perform the auditor's duties.

Right to attend meetings

133 (1) The auditor is entitled,

- (a) to attend any meeting of members or shareholders of the credit union;
- (b) to receive all notices and other communications relating to a meeting that a member or shareholder is entitled to receive; and
- (c) to be heard at a meeting on any part of the business of the meeting that concerns the auditor.

Required attendance

(2) A member of a credit union who is entitled to vote at a meeting of members may require the auditor to attend such a meeting and the auditor shall do so at the credit union's expense.

Notice

(3) The member must give written notice to the credit union at least five days before the meeting that the member wishes the auditor to attend.

Power to call meetings

134 (1) The auditor is entitled to call a meeting with the board, the audit committee or the internal auditor of the credit union.

Required attendance

(2) If the auditor calls a meeting under subsection (1), the board, the audit committee or the internal auditor of the credit union, as the case may be, shall attend the meeting.

Auditor's report

135 (1) The auditor shall make such examinations as will enable the auditor to report to the members of the credit union in accordance with this section.

Same

(2) The auditor shall report to the members on the financial statements to be placed before them at the annual meeting.

Qualified report

(3) If the auditor's report is not an unqualified report, the auditor shall state in the report the reason for the qualified report.

Facts discovered subsequently

(4) If facts come to the attention of an officer, the board or the audit committee which, if they had been known before the most recent annual meeting, would have required a material adjustment to the financial statement presented at the meeting, the officer, board or audit committee shall notify the auditor who reported to the members at the meeting and the board shall promptly amend the financial statement and send it to the auditor.

Amendment of report

(5) Upon receipt of the facts furnished under subsection (4) or from any other source, the auditor shall amend the report in respect of the financial statement furnished under that subsection if the auditor considers the amendment necessary.

Notice of amendment

(6) The board shall deliver the amended report to the members but, if the board does not do so within a reasonable time, the auditor shall deliver it to them.

Amended report to Chief Executive Officer

(7) Within 10 days after providing the amended report to the credit union, the auditor shall provide a copy of the amended report to the Chief Executive Officer.

Auditing standards

(8) The auditor's examination referred to in subsection (1) shall, except as otherwise specified by the Chief Executive Officer, be conducted in accordance with generally accepted auditing standards, the primary source of which is the Handbook of the Chartered Professional Accountants of Canada.

Report to address adequacy of capital

(9) The auditor's report shall address the credit union's compliance with section 77.

Extended examination required by Chief Executive Officer

136 (1) The Chief Executive Officer may, in writing, require that the auditor of a credit union,

- (a) report to the Chief Executive Officer on the extent of the auditor's procedures in the examination of the credit union's financial statements;
- (b) enlarge or extend the scope of that examination; or
- (c) perform any other specific procedure.

Same

(2) The auditor shall comply with any direction by the Chief Executive Officer under subsection (1) and report to the Chief Executive Officer the results of the extended examination of specified procedure.

Special examination

(3) The Chief Executive Officer may, in writing, require that the auditor make an examination relating to the adequacy of the procedures adopted by the credit union for the safety of its creditors, members and shareholders, or any other examination that the public interest may require.

Same

(4) The auditor shall report the results of an examination to the Chief Executive Officer or to such persons as the Chief Executive Officer may direct.

Special examination by auditor appointed by Chief Executive Officer

(5) The Chief Executive Officer may direct that a special audit of a credit union be made if, in the opinion of the Chief Executive Officer, it is necessary and may appoint, for that purpose, an auditor qualified pursuant to subsection 125 (2).

Expenses payable by credit union

(6) The credit union shall pay the expenses of an examination or audit referred to in this section after the expenses have been approved, in writing, by the Chief Executive Officer.

Duty to report contravention

137 (1) The auditor of a credit union shall report in writing to the chair of the board and to the audit committee of the credit union any transaction or conditions that have come to the auditor's attention adversely affecting the credit union that, in the auditor's opinion, are not satisfactory and require rectification.

Same

(2) A report under subsection (1) shall include such information as may be prescribed by Authority rule and shall be transmitted by the auditor to the persons prescribed by Authority rule.

**PART VII
BUSINESS POWERS**

PERMITTED BUSINESS ACTIVITIES

Permitted activities

138 Subject to this Act, a credit union shall not engage in or carry on a business or business activity other than the following businesses and business activities:

1. Provide financial services primarily to its members, depositors, subsidiaries and affiliates.
2. Hold and deal with real property.
3. Act as a custodian of property on behalf of its members, depositors, subsidiaries and affiliates.

4. Provide administrative, educational, promotional, technical, research and consultative services to its members, depositors, subsidiaries and affiliates.
5. Make loans to officers and employees of the credit union.
6. Such other businesses and business activities as may be authorized by this Act or prescribed by the Authority rules.

RESTRICTIONS ON POWERS

Ancillary businesses

139 (1) A credit union shall not deal in goods or engage in any trade or business except as authorized by this Act or the Authority rules.

Same

(2) Despite subsection (1), a credit union may, with the Chief Executive Officer's written approval, deal in goods or engage in a trade or business that is not otherwise authorized by this Act, the regulations or the Authority rules.

Same

(3) A credit union may request a written approval under subsection (2) in accordance with the Authority rules and the approval is subject to such conditions or limitations as may be prescribed by the Authority rules.

Prohibition

(4) A credit union shall not provide services that are prescribed by Authority rule as prohibited.

Networking

(5) Subject to this Act, a credit union may act as an agent for a subsidiary or other persons or entities prescribed by Authority rule in respect of the provision of services to the credit union's members, depositors, affiliates and other subsidiaries and refer members, depositors, affiliates or subsidiaries to one of its subsidiaries or other persons or entities prescribed by Authority rule.

Restriction re partnerships

140 (1) A credit union shall not be a general partner in a limited partnership or a partner in any other partnership.

Exception

(2) Despite subsection (1), the Chief Executive Officer may authorize a credit union to become a general partner in a limited partnership or a partner in another partnership.

Restriction on insurance

141 (1) A credit union may undertake the business of insurance or act as an agent for any person in placing insurance only to the extent permitted by the Authority rules.

Savings

(2) Nothing in this section precludes a credit union from,

- (a) requiring insurance to be placed by a member for the security of the credit union; or
- (b) obtaining group insurance for its employees, its members or the employees of a subsidiary.

Same

(3) Nothing in this section precludes a central from obtaining group insurance for its employees, its members or the employees of its members or of a subsidiary.

No pressure

(4) A credit union shall not exercise pressure on a member to place insurance for the security of the credit union with any particular insurance company.

Insurance requirement

(5) A credit union may require that any insurance chosen by a member meet with its approval.

Same

(6) The approval required under subsection (5) shall not be unreasonably withheld.

Interpretation

(7) For the purpose of this section, the business of insurance includes the issuing of an annuity where the liability thereon is contingent on the death of a person.

Restrictions on fiduciary activities

142 A credit union may undertake fiduciary activities only to the extent permitted by the Authority rules.

Guarantees

143 (1) A credit union may not guarantee the payment of money on behalf of another person unless,

- (a) it is a fixed sum of money, with or without interest thereon; and
- (b) the person has an unqualified obligation to reimburse the credit union for the full amount being guaranteed.

Authorization by the Chief Executive Officer

(2) Despite subsection (1), the Chief Executive Officer may authorize a credit union to guarantee a payment in circumstances other than those described in that subsection.

Conditions

(3) A guarantee is subject to such conditions and restrictions as may be prescribed by regulation.

Limit on amount

(4) The aggregate value of a credit union's guarantees together with those of its subsidiaries must not exceed a prescribed per cent of the regulatory capital and deposits of the credit union.

Exemption

(5) The Chief Executive Officer may exempt a credit union from the limit under subsection (4) on the aggregate value of guarantees.

Non-application

(6) Subsection (1) does not apply in the case of an indemnity under section 123.

Non-application of subs. (1) (a)

(7) Clause (1) (a) does not apply with respect to a guarantee given by a credit union on behalf of a central or a financial institution that is a member of Payments Canada if the payment guaranteed represents the obligation of the central or financial institution to settle for payment items in accordance with the by-laws and rules of Payments Canada or such other guarantees as may be prescribed by regulation.

Appointment of receiver, etc.

144 A credit union shall not give a person the right to appoint a receiver or a receiver and manager of the property or business of the credit union.

DEPOSITS

Deposits accepted from members, etc.

145 (1) A credit union may accept deposits only from,

- (a) its members;
- (b) the Authority;
- (c) Her Majesty in right of Canada or of a province;
- (d) an agency of Her Majesty in right of either Canada or of a province;
- (e) the government of a foreign country;
- (f) a political subdivision or an agency of a government of a foreign country;
- (g) municipalities;
- (h) crown agencies;
- (i) entities directly funded by the federal government, a provincial government or a municipality;
- (j) centrals;
- (k) subject to any restrictions in the by-laws of the credit union, persons who have not become members of the credit union but whose deposit accounts were acquired by the credit union as a result of the purchase of all or part of the business of another financial institution that is not a credit union; and
- (l) other persons or entities approved by the Chief Executive Officer.

Authority to accept deposits

(2) A credit union may, without the intervention of another person,

- (a) accept a deposit from a person referred to in subsection (1) whether or not the person is qualified by law to enter into contracts; and

- (b) pay all or part of the principal of the deposit and all or part of the interest earned on the deposit to or to the order of that person.

Exception

- (3) Clause (2) (b) does not apply if, before the payment is made, the money deposited with the credit union is claimed by another person,
- (a) in an action or proceeding to which the credit union is a party and in respect of which service of a claim or other process originating that action or proceeding has been made on the credit union; or
 - (b) in an action or proceeding pursuant to which an injunction or order made by the court requiring the credit union not to make payment of that money or to make payment of it to some person other than the depositor has been served on the credit union.

Same

- (4) In the case of a claim referred to in subsection (3), the money may be paid to the depositor only with the consent of the claimant or to the claimant only with the consent of the depositor.

RRSPs for employees of a member

- (5) Despite subsection (1), a credit union may accept deposits for RRSPs for employees of a member if the member was involved in the establishment of the RRSPs at the credit union and the member makes payments into the RRSPs on behalf of the employees.

Application of other provisions

- (6) Subsections (2), (3) and (4) apply, with necessary modifications, with respect to employees referred to in subsection (5).

Definition

- (7) In subsection (5),

“RRSPs” means registered retirement savings plans within the meaning of subsection 146 (1) of the *Income Tax Act* (Canada).

Not bound by trust

- 146** (1) A credit union is not bound to see to the execution of any trust to which any deposit is subject.

Application, payment when credit union has notice of trust

- (2) Subsection (1) applies whether the trust is express, implied or constructive and applies even when the credit union has notice of the trust if the credit union acts on the order of or under the authority of the holder or holders of the account into which the deposit is made.

Unclaimed deposits

- 147** (1) In this section,

“transferred unclaimed amount” means an unclaimed deposit that has been paid by a credit union to the Authority, and includes interest, if any accrues; (“somme non réclamée transférée”)

“unclaimed deposit” means a deposit that has been made to a credit union and in respect of which no transaction has taken place and no statement of account has been requested or acknowledged by the depositor during a period of 10 years from the day on which the last transaction took place or a statement of account was last requested or acknowledged by the depositor, whichever is later. (“dépôt non réclamé”)

Same

- (2) A credit union shall pay an amount equal to the unclaimed deposits made to it to the Authority in accordance with the Authority rules.

Limitation on credit union liability

- (3) Once a payment has been made under subsection (2), the credit union is discharged from all liability in respect of the amounts paid.

Payment by Authority

- (4) The Authority shall pay transferred unclaimed amounts to a person claiming to be entitled to them upon being furnished with satisfactory evidence of the person’s entitlement to the transferred unclaimed amounts in accordance with the Authority rules.

Interest on transferred unclaimed amounts

- (5) Interest payable on transferred unclaimed amounts shall be determined in accordance with the Authority rules and is payable for the period specified in the Authority rules.

Same

(6) No interest is payable on transferred unclaimed amounts if the Authority rules so specify.

Limitation on Authority liability

(7) The Authority is not liable to pay a claim for transferred unclaimed amounts if,

- (a) the transferred unclaimed amount is less than \$1,000 and at least 40 years have elapsed since the transfer from the credit union to the Authority under subsection (2); or
- (b) the transferred unclaimed amount is \$1,000 or more and at least 100 years have elapsed since the transfer from the credit union to the Authority under subsection (2).

Same, application

(8) For greater certainty, subsection (7) applies in respect of transferred unclaimed amounts paid to the Authority before that subsection comes into force.

Amounts to be paid to Minister

(9) The Authority shall pay into the Consolidated Revenue Fund an amount equal to any transferred unclaimed amounts that the Authority is not liable to pay a claim for under subsection (7) within two months from the end of the applicable time limit set out in that subsection and no claim may be made in respect of those amounts paid into the Consolidated Revenue Fund.

Unclaimed amounts database

(10) The Authority shall, for the purpose of allowing the public to search for transferred unclaimed amounts,

- (a) maintain a searchable database of transferred unclaimed amounts;
- (b) include in the database such information as the Authority considers appropriate in respect of each transferred unclaimed amount; and
- (c) publish and maintain an up-to-date version of the database on the website of the Authority.

Same, no liability

(11) The Authority is not liable for any loss, cost or damage suffered by any person as a result of any information included in or omitted from the database unless the inclusion or omission was in bad faith.

Application despite other Act

(12) This section applies despite the provisions of any other Act that would apply with respect to the disposition of an unclaimed and unpaid amount on deposit and the provisions of any such other Act shall not apply with respect to such an amount.

DEBT OBLIGATIONS

Limit on borrowing

148 (1) A credit union shall not borrow an aggregate amount exceeding 50 per cent of its regulatory capital and deposits or such lesser amount as may be established by its by-laws.

Restriction on borrowing from another credit union

(2) No credit union shall borrow money from another credit union except as authorized by the Authority rules.

Definition, “borrow”

(3) For the purposes of subsection (1), “borrow” has the meaning set out in section 1 unless a different meaning is prescribed by the Authority rules.

Security interests in credit union property

149 A credit union may create a security interest in property of the credit union only as authorized by the Authority rules.

Notice re acquisitions subject to security interests

150 A credit union shall notify the Chief Executive Officer in writing if it acquires, other than by way of realization on the security for a loan, a beneficial interest in property that is subject to a security interest.

Restrictions on subordinated indebtedness

151 (1) A credit union shall not issue subordinated indebtedness unless it is fully paid for in money or, with the approval of the Chief Executive Officer, in property.

References to subordinated indebtedness

(2) No person shall, in any prospectus, offering statement, advertisement, correspondence or literature relating to any subordinated indebtedness issued or to be issued by a credit union, refer to the subordinated indebtedness other than as subordinated indebtedness.

Not a deposit

(3) Subordinated indebtedness issued by a credit union is not considered to be a deposit.

Other currencies

(4) When issuing subordinated indebtedness, a credit union shall provide that any aspect of the subordinated indebtedness relating to money or involving the payment of or the liability to pay money in relation to the subordinated indebtedness be in Canadian currency.

Limit on borrowing

152 (1) The Chief Executive Officer may inquire into the borrowing by a credit union and may, by order, limit the credit union's authority to borrow money.

Effect

(2) The credit union shall not exercise its borrowing power in excess of any limit set out in the order of the Chief Executive Officer.

Procedural rules

(3) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(4) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Investment and lending policies

153 (1) A credit union shall establish investment and lending policies for the credit union and the credit union shall adhere to those policies.

Policies to be prudent

(2) The investment and lending policies of a credit union shall consist of policies, standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments and loans in order to avoid undue risk of loss and obtain a reasonable return.

Approval and review by board

(3) The investment and lending policies of a credit union are subject to the approval of the board and the board shall review the policies at least once each year.

Order if policies inadequate, etc.

(4) If the Chief Executive Officer considers the investment and lending policies of the credit union to be inadequate or imprudent, the Chief Executive Officer may order the credit union to cease investing or lending as specified in the order until the policies are amended in accordance with the order.

Procedural rules

(5) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(6) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

LOANS**Lending**

154 (1) A credit union may loan money,

- (a) to its members;
- (b) to non-members; and
- (c) subject to the requirements prescribed by regulation, by participating in a syndicated loan.

Exception — loans acquired by purchase

(2) If a credit union acquires a loan as a result of a purchase of all or part of the business of another financial institution, the credit union may continue that loan, despite subsection (1), for one year after the loan is acquired or, if the loan is for a specified term, until the end of that term.

Prescribed lending limits

155 (1) A credit union shall not make loans in excess of such lending limits as may be prescribed by regulation, or as may be ordered under subsection (2) or (5).

Lowering lending limits

(2) The Chief Executive Officer may, by order, lower a credit union's lending limits if the Chief Executive Officer believes on reasonable grounds that the credit union's current lending limits may adversely affect the interests of the credit union's members, depositors or shareholders.

Procedural rules

(3) Section 209 applies with respect to an order under subsection (2).

Appeal to Tribunal

(4) The credit union that is subject to an order under subsection (2) may appeal the order to the Tribunal in accordance with section 212.

Raising lending limits

(5) On application by a credit union, the Chief Executive Officer may, by order on terms specified in the order, raise the credit union's lending limits if the Chief Executive Officer is satisfied there are reasonable grounds for doing so.

Loan workouts

156 (1) Despite anything in this Part, if a credit union has made a loan and a default has occurred, the credit union may, subject to the agreement between the credit union and entity governing the loan, acquire,

- (a) if the entity is a body corporate, all or any of the shares of the body corporate;
- (b) if the entity is an unincorporated entity, all or any of the ownership interests in the entity;
- (c) all or any of the shares or all or any of the ownership interests in any entity that is an affiliate of the entity; or
- (d) all or any of the shares of a body corporate that is primarily engaged in holding shares of, ownership interests in, or assets acquired from, the entity or any of its affiliates.

Divestment if not in compliance with investment and lending policies

(2) If the securities acquired by a credit union because of a default on a loan are not an investment permitted by the credit union's investment and lending policies, the credit union shall divest itself of the securities within two years after their acquisition or within such further time as the Chief Executive Officer may authorize.

Order for call of unauthorized loans

157 (1) The Chief Executive Officer may order a credit union to call any loan it has made that is not authorized by this Act, the regulations or the by-laws of the credit union.

Time to comply

(2) Despite section 211, an order under this section shall allow the credit union at least 60 days to comply with the order.

Procedural rules

(3) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(4) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

COST OF BORROWING**Definition of "cost of borrowing"**

158 (1) Subject to subsection (2), in sections 159 to 166,

"cost of borrowing", for a loan made by a credit union, means,

- (a) the interest or discount applicable to the loan,
- (b) any amount charged in connection with the loan that is payable by the borrower to the credit union,

- (c) any amount charged in connection with the loan that is payable by the borrower to a person other than the credit union, where the amount is chargeable, directly or indirectly, by the person to the credit union, and
- (d) any charge prescribed by regulation as included in the cost of borrowing.

Same

(2) Cost of borrowing does not include any charge prescribed by regulation as excluded from the cost of borrowing.

Rebate of borrowing costs

159 (1) This section applies where,

- (a) a credit union makes a loan to a natural person;
- (b) the loan is not secured by a mortgage on real property;
- (c) the loan is required to be repaid either on a fixed future date or by instalments; and
- (d) the loan is prepaid in full.

Same

(2) In the circumstances described in subsection (1), the credit union shall, in accordance with the regulations, rebate to the borrower a portion of the cost of borrowing for the loan.

Limitation

(3) For the purposes of subsection (2) and the regulations made under clause 280 (1) (b), the cost of borrowing for a loan does not include the interest or discount applicable to the loan.

Disclosure of cost of borrowing

160 (1) A credit union shall not make a loan to a natural person unless the cost of borrowing and any other information prescribed for the purposes of this section by the regulations have been disclosed by the credit union to the person.

Same

(2) For the purposes of disclosure required by subsection (1), the cost of borrowing,

- (a) shall be calculated on the basis that all obligations of the borrower are duly fulfilled;
- (b) shall be calculated in accordance with the regulations;
- (c) shall be expressed as a rate per annum; and
- (d) where required by the regulations, shall be expressed as an amount in dollars and cents.

Additional disclosure — term loans

161 Where a credit union makes a loan to a natural person and the loan is required to be repaid either on a fixed future date or by instalments, the credit union shall disclose the following to the borrower:

1. Whether the borrower has the right to repay the amount borrowed before the maturity of the loan.
2. Any terms and conditions relating to a right described in paragraph 1, including particulars of the circumstances in which the borrower may exercise the right.
3. Whether any portion of the cost of borrowing for the loan is to be rebated to the borrower or any charge or penalty is to be imposed on the borrower, if the borrower exercises a right described in paragraph 1.
4. The manner in which any rebate, charge or penalty referred to in paragraph 3 is to be calculated.
5. Particulars of any charges or penalties to be imposed on the borrower if the borrower fails to repay the amount of the loan at maturity or fails to pay an instalment on the day the instalment is due to be paid.
6. Particulars of any change prescribed by the regulations relating to the loan agreement or the cost of borrowing for the loan.
7. Particulars of any rights or obligations of the borrower prescribed by the regulations for the purposes of this section.
8. Any other information prescribed by the regulations for the purposes of this section.

Disclosure in applications for credit cards, etc.

162 A form or other document used by a credit union for the purposes of an application for a credit card, payment card or charge card shall contain the information prescribed by the regulations for the purposes of this section or be accompanied by a document that contains that information.

Disclosure where credit cards, etc., issued

163 Where a credit union issues a credit card, payment card or charge card to a natural person, the credit union shall disclose the following to the person:

1. Particulars of any charges or penalties to be imposed on the person if the person fails to pay an amount in accordance with the agreement governing the card.
2. Particulars of any charges for which the person becomes responsible by accepting or using the card.
3. Particulars of any change prescribed by the regulations relating to the loan agreement or the cost of borrowing for any loan obtained through the use of the card.
4. Particulars of any rights or obligations of the person prescribed by the regulations for the purposes of this section.
5. Any other information prescribed by the regulations for the purposes of this section.

Additional disclosure: loans to which ss. 161 and 163 do not apply

164 (1) Where a credit union enters into an arrangement for the making of a loan to a natural person and neither section 161 nor section 163 apply in respect of the arrangement, the credit union shall disclose the following to the person:

1. Particulars of any charges or penalties to be imposed on the person if the person fails to pay an amount in accordance with the arrangement.
2. Particulars of any charges for which the person becomes responsible by entering the arrangement.
3. Particulars of any change prescribed by the regulations relating to the arrangement or the cost of borrowing under the arrangement.
4. Particulars of any rights or obligations of the person prescribed by the regulations for the purposes of this section.
5. Any other information prescribed by the regulations for the purposes of this section.

Interpretation

(2) For the purposes of subsection (1), an arrangement for the making of a loan includes an arrangement for a line of credit.

Statement re mortgage renewal

165 Where a credit union makes a loan to a natural person and the loan is secured by a mortgage on real property, the credit union shall disclose to the person such information respecting renewal of the loan as is prescribed by the regulations.

Disclosure in advertising

166 (1) This section applies to an advertisement that,

- (a) relates to loans, credit cards, payment cards or charge cards that are offered by a credit union to a natural person or to arrangements to which section 164 applies that are offered by a credit union to a natural person; and
- (b) purports to contain information relating to the cost of borrowing or any other matter prescribed by regulation.

Same

(2) No person shall authorize any advertisement described in subsection (1) unless the advertisement contains the information that may be required by the regulations and is in the form and manner that may be prescribed by the regulations.

INVESTMENTS

Eligible investments

167 A credit union shall invest only in such types of securities or property as are prescribed by Authority rule and on such conditions as are prescribed by Authority rule.

Establishing or acquiring subsidiary

168 (1) A credit union may establish or acquire a subsidiary only with the approval of the Chief Executive Officer and the establishment or acquisition of a subsidiary is subject to such restrictions as may be prescribed by regulation and to such additional conditions as the Chief Executive Officer may, by order, impose.

Refusal of approval to be by order

(2) If the Chief Executive Officer refuses to approve the establishment or acquisition of a subsidiary, the Chief Executive Officer shall do so by order.

Anti-avoidance

(3) The Chief Executive Officer shall issue an order refusing to approve the establishment or acquisition of a subsidiary if it considers that the establishment or acquisition is primarily for the purpose of allowing the credit union to avoid the limits under this Act, the regulations or the Authority rules on its investments.

Revocation of approval

(4) The Chief Executive Officer may, by order, revoke its approval if,

- (a) the credit union has failed to comply with the conditions and restrictions applicable to the investment; or
- (b) the body corporate is no longer a prescribed subsidiary.

Effect of revocation

(5) Upon a revocation of an approval, the credit union shall divest itself of the investment in accordance with the order effecting the revocation.

Restriction on investments in subsidiaries

(6) A credit union shall ensure that the total book value of investments held by the credit union in subsidiaries of the credit union and of guarantees by the credit union of the obligations of such subsidiaries does not exceed the percentage prescribed by regulation of the regulatory capital of the credit union.

Procedural rules

(7) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(8) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Variation of requirements

169 (1) A credit union may apply to the Chief Executive Officer for a variation of the requirements under section 167 or subsection 168 (6).

Application

(2) An application must be in a form approved by the Chief Executive Officer.

Variation

(3) The Chief Executive Officer may grant the variation subject to any terms the Chief Executive Officer considers appropriate if the Chief Executive Officer considers that granting the variation is in the interest of the members of the credit union.

Investment in another credit union

170 (1) A credit union shall not invest in another credit union without the approval of the Chief Executive Officer.

Refusal of approval to be by order

(2) If the Chief Executive Officer refuses to approve an investment in another credit union, the Chief Executive Officer shall do so by order.

Procedural rules

(3) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(4) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Status of investments upon amalgamation, etc.

171 (1) The Chief Executive Officer may authorize the acceptance by a credit union of securities or other assets not fulfilling the requirements of this Act,

- (a) obtained under an arrangement made in good faith for the reorganization of a body corporate whose securities were previously owned by the credit union;
- (b) obtained under an amalgamation with another body corporate of the body corporate whose securities were previously owned by the credit union;
- (c) obtained in good faith for the purpose of protecting investments of the credit union;
- (d) obtained by virtue of the purchase by the credit union of the assets of another credit union;

- (e) obtained by virtue of realizing on the security for a loan where the security is shares in a body corporate; or
- (f) obtained in payment or part payment for securities sold by the credit union.

Divestment

(2) The credit union shall divest itself of the securities or other assets within two years after their acquisition or within such further time as the Chief Executive Officer may authorize.

Exception

(3) The Chief Executive Officer may relieve the credit union of the obligation to divest itself of the securities or other assets if the Chief Executive Officer is satisfied that they are not inferior in status or value to the securities for which they have been substituted.

Order for disposal of unauthorized investments

172 (1) The Chief Executive Officer may order a credit union to dispose of any investment that was not made or is not held in accordance with this Act, the regulations, the Authority rules or the credit union's investment and lending policies.

Time to comply

(2) Despite section 211, an order under this section shall allow the credit union at least 60 days to comply with the order.

Procedural rules

(3) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(4) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Directors' liability

(5) Subject to subsection (8), if the amount realized from the disposal of the investment is less than the amount paid by the credit union for it, the directors of the credit union are jointly and severally liable for the payment to the credit union of the amount of the difference.

Objection to investment

- (6) A director who is present at a directors' meeting at which an investment to which the director objects is authorized may,
- (a) immediately deliver or send to the credit union a protest against the investment; and
 - (b) within 30 days after delivering or sending the protest referred to in clause (a), send a copy of the protest to the Chief Executive Officer.

Same

- (7) A director who is absent from a meeting at which an investment to which the director objects is authorized may,
- (a) within 14 days after the director becomes aware of the investment and is able to do so, deliver or send to the credit union a protest against the investment; and
 - (b) within 30 days after delivering or sending the protest referred to in clause (a), send a copy of the protest to the Chief Executive Officer.

Exoneration

(8) A director who takes the steps set out in subsection (6) or (7) has no liability with respect to an investment to which the director objected.

PURCHASE AND SALE OF ASSETS

Interpretation

173 For the purposes of section 174, a sale of property includes a sale, lease, exchange or other disposition of property and a purchase of property includes a lease, exchange of property or other acquisition of property.

Purchase or sale of substantial assets

174 (1) A credit union shall not do any of the following unless authorized to do so by special resolution of the members of the credit union:

1. Sell assets if the market value of the assets is 15 per cent or more of the value of the credit union's total assets.
2. Purchase assets of a financial institution if the market value of the assets is 15 per cent or more of the value of the credit union's total assets.

Alternative for certain sales

(2) A credit union may proceed with a sale described in paragraph 1 of subsection (1) without a special resolution of the members if the sale is in the ordinary course of business and the purchaser pays the purchase price by paying cash.

Determination of value of total assets

(3) For the purposes of subsection (1), the value of the credit union's total assets shall be as set out in the audited financial statements placed before the members at the most recent annual meeting.

If more than one class of shares

(4) If the credit union has more than one class of issued shares, the special resolution referred to in subsection (1) shall be in the form of a special resolution passed by the holders of each class of shares.

Agreement and Chief Executive Officer approval required

(5) A credit union shall not proceed with a sale or purchase described in subsection (1), including a sale to which subsection (2) applies, unless there is an agreement for the sale or purchase and that agreement has been approved by the Chief Executive Officer.

Chief Executive Officer approval required before authorization of members, etc.

(6) A credit union shall not seek the authorization of the members and shareholders required under subsection (1) until the Chief Executive Officer has approved the agreement under subsection (5).

Refusal of approval to be by order

(7) If the Chief Executive Officer refuses to approve an agreement under subsection (5), the Chief Executive Officer shall do so by order.

Procedural rules

(8) Section 209 applies with respect to an order under subsection (7).

Appeal to Tribunal

(9) The credit union that is subject to an order under subsection (7) may appeal the order to the Tribunal in accordance with section 212.

Purchase price if transaction is between credit unions

(10) In a purchase or sale described in subsection (1) in which both the purchaser and the seller are credit unions, the purchaser may pay the purchase price only in one or more of the following ways:

1. By assuming liabilities of the seller.
2. By paying cash.
3. By issuing shares that are not membership shares or patronage shares.
4. By issuing promissory notes.

No splitting to avoid requirements

(11) A credit union shall not structure a sale or purchase as two or more sales or purchases for the purpose of avoiding a requirement under this section.

**PART VIII
MEETINGS**

MEMBERS' AND SHAREHOLDERS' MEETINGS

Notice of meetings

175 (1) Unless the Authority rules provide otherwise, notice of the time and place for holding a meeting of the members of a credit union shall be given at the time and in the manner specified in the by-laws of the credit union to each member of the credit union who, on the record date for the notice, appears in the records of the credit union as a member.

Same

(2) A notice under subsection (1) must meet the requirements set out in the Authority rules.

Interpretation

(3) For the purposes of subsection (1), the record date means the record date as established by the by-laws of the credit union.

Shareholder meetings

(4) This section applies with necessary modifications to meetings of holders of shares of the credit union other than patronage shares.

Annual meeting

176 (1) Subject to the by-laws, an annual meeting of the members of a credit union shall be held at such time and place in Ontario as the board determines.

Same, Authority rules

(2) An annual meeting of the members of a credit union must be conducted in accordance with the Authority rules.

Financial statements

177 (1) The financial statements to be placed before the members must show the matters prescribed by regulation relating separately to the time periods prescribed by regulation.

Approval of financial statements

(2) Financial statements that have not been approved by the credit union's board may not be placed before the members.

Evidence of approval

(3) The signature, at the foot of the balance sheet, of two authorized directors is evidence of the approval of the board.

Available to members

(4) The credit union shall make copies of the audited financial statements, the auditor's report and the audit committee report available for inspection, by any member, at the meeting at which the statements and reports are to be placed before the members and at the offices of the credit union and electronically at least 10 days before the meeting.

Accepted principles

(5) The financial statements shall, except as otherwise specified by the Chief Executive Officer, be prepared in accordance with generally accepted accounting principles, the primary source of which is the Handbook of the Chartered Professional Accountants of Canada.

General meetings

178 The board may at any time call a general meeting of the members or shareholders for the transaction of any business if the general nature of the business is specified in the notice calling the meeting.

Proposals

179 (1) Any member may,

- (a) submit notice of any matter that the member proposes to raise at the annual meeting; and
- (b) discuss at the annual meeting any matter in respect of which the member would have been entitled to submit a proposal.

Same, form and other requirements

(2) A proposal must be in the form required by the Authority rules and must meet any other requirements set out in the Authority rules.

Same, notice

(3) Notice of a proposal shall be given in accordance with the Authority rules.

Requisition for members' meeting

180 Five per cent of the members of a credit union may requisition the board to call a general meeting of the members for any purpose that is connected with the affairs of the credit union and that is not inconsistent with this Act.

Voting rights at members' meetings

181 Each member of a credit union has one vote at a meeting of the members of the credit union.

Different manners of member voting

182 A member of a credit union may vote in person and in such other manners as may be prescribed by Authority rule.

Proxies, members

183 (1) No member of a credit union shall vote by proxy except when the member is Her Majesty the Queen in right of Ontario or in right of Canada, a corporation, including a municipality defined in the *Municipal Affairs Act*, an unincorporated association or a partnership registered under the *Business Names Act* or a predecessor of that Act.

Only one proxy vote

(2) A person may cast only one vote by proxy on a matter.

Member's vote not affected

(3) For greater certainty, subsection (2) does not prevent a member who votes as a proxy holder from casting the member's own vote.

Proxies, other shareholders

184 (1) Part VIII of the *Business Corporations Act* applies, with necessary modifications, with respect to proxies for voting by shareholders in respect of shares other than membership shares or patronage shares as if the credit union were incorporated under that Act.

Same

(2) For the purposes of subsection (1), any reference in Part VIII of the *Business Corporations Act* to "offering corporation" shall be deemed to be a reference to the "credit union" and, if the credit union is not an "offering corporation" as defined in section 1 of that Act, any reference in Part VIII of that Act to "Commission" shall be deemed to be a reference to the "Chief Executive Officer".

Exception, information circular

(3) Despite Part VIII of the *Business Corporations Act*, as made applicable by subsection (1), neither a credit union nor a dissident is required to deliver an information circular to holders of membership shares or patronage shares.

Remote members' meetings by-laws

185 (1) Subject to such requirements as may be prescribed by Authority rule, the by-laws of a credit union shall set out a policy in respect of the rights of members to participate and vote at meetings remotely.

Member considered present

(2) Except as otherwise provided for in the by-laws of the credit union, every member participating remotely in a meeting described in subsection (1) is considered present at the meeting for the purposes of this Act.

DIRECTORS' MEETINGS

Remote directors' meetings by-laws

186 (1) Subject to such requirements as may be prescribed by Authority rule, the by-laws of a credit union shall set out a policy in respect of the rights of directors to participate and vote at meetings remotely.

Director considered present

(2) Every director participating remotely in a meeting described in subsection (1) is considered present at the meeting for the purposes of this Act.

Dissent of director

187 (1) A director who is present at a meeting of directors or a committee of directors shall be deemed to have consented to any resolution passed or action taken at that meeting unless the director dissents in a manner and within the time specified in the by-laws of the credit union and before the conclusion of the meeting, in any event.

Loss of right to dissent

(2) A director who votes for or consents to a resolution is not entitled to dissent under subsection (1).

Dissent of absent director

(3) A director who is not present at a meeting at which a resolution is passed or action is taken shall be deemed to have consented to the resolution or action unless, within seven days after the director becomes aware of the resolution or action, the director,

- (a) has the dissent placed in the minutes of the meeting; or
- (b) sends the dissent to the credit union.

Meeting required by Chief Executive Officer

188 (1) The Chief Executive Officer may, by written notice to the credit union and each director, require a credit union to hold a meeting of the directors to consider any matter set out in the notice.

Attendance by Chief Executive Officer

(2) The Chief Executive Officer may attend and be heard at a meeting.

MISCELLANEOUS

Annual statement to be given to members

189 Every credit union shall, without charge, supply a copy of its last audited financial statement to every member and shareholder who requests it.

Inspection of books

190 (1) Except as provided in this Act, no person has a right to inspect the books of a credit union.

Inspection of person's own account

(2) A person may inspect, at all reasonable hours, the person's own account.

By-laws may authorize inspection

(3) A credit union may, by by-law, authorize the inspection of any of its books under such conditions as the by-laws may set out.

Limits on inspection

(4) The right to inspect books is subject to such conditions as to time and manner of inspection as the by-laws may specify.

Inspection of other's account

(5) No person, except an officer or employee of the credit union or a person specifically authorized by a resolution of the board, has the right to inspect the loan or deposit account of any other person without that person's written consent.

Additional information

191 (1) A member may access such information about a credit union's business or its members and shareholders as may be prescribed by Authority rule.

Same

(2) The use of information accessed under subsection (1) is subject to such limitations or restrictions as may be established by Authority rule.

Financial statements of subsidiaries

192 (1) Copies of the latest financial statements of each subsidiary of a credit union,

(a) shall be kept by the credit union at such place in Ontario as is specified in the by-laws; and

(b) shall be open to examination by the members and shareholders of the credit union and their agents.

Extracts

(2) Everyone entitled to examine the copies of the financial statements may make extracts of the material free of charge during the normal business hours of the credit union.

Application to court

(3) A credit union may, within fifteen days after receiving a request to examine copies of financial statements, apply to the court for an order barring the examination, and the court may, if satisfied that the examination would be detrimental to the credit union or a subsidiary, bar the examination and make any further order it thinks fit.

Branches and other member groups

193 (1) A credit union may establish branches and such other member groups as may be specified in the by-laws, subject to such conditions as may be set out in the by-laws.

Branch and member group meetings

(2) A credit union may, by by-law, provide for the holding of branch and member group meetings for members of branches and member groups.

Election of delegates

(3) If a by-law of a credit union provides for a branch or member group meeting, the members of the branch or member group shall elect delegates, by a resolution passed by a majority of the votes cast at the meeting, to represent the members at general meetings of the members of the credit union.

Powers of delegates

(4) Delegates elected from a branch or member group shall exercise the powers of the members of the branch or member group at all general meetings of the members of the credit union.

When members lose vote

(5) Members of a branch or member group who are represented by elected delegates at a general meeting of the members of the credit union are entitled to attend the meeting but are not entitled to vote at the meeting.

Branch meeting procedures

- (6) If a by-law of a credit union provides for branch or member group meetings, the by-laws of the credit union shall specify,
- (a) the number of delegates and votes allowed to each branch and member group at a general meeting of the members of the credit union, as determined on a basis that is reasonable given the number of members in each branch or member group;
 - (b) the time, place and manner of calling branch and member group meetings;
 - (c) the number of members of a branch or member group that constitute a quorum; and
 - (d) the procedure to be followed in the conduct of branch and member group meetings.

Majority

(7) The required majority vote for deciding an issue to be voted on at a branch or member group meeting is the same as that required for deciding a similar issue at a general meeting of the members of the credit union.

**PART IX
RESTRICTED PARTY TRANSACTIONS**

General prohibition

194 Except to the extent permitted under this Act, the regulations or the Authority rules, a credit union or a subsidiary shall not directly or indirectly enter into any transaction with a restricted party of the credit union.

Loans to officers and directors

195 (1) A credit union may lend to an officer or a director an amount in excess of the aggregate of deposits of the officer or director pledged as collateral for the loan only if the board approves the loan before it is made.

Delegation of authority to approve loan to committee

(2) The board may delegate its authority to grant an approval under subsection (1) to a committee of the board on such terms and with such restrictions as may be specified by the board.

Committee to report

(3) A committee referred to in subsection (2) shall report details of the loans approved by the committee to the board at the first meeting of the board after the approval is given.

Setting aside transactions

196 (1) If a transaction with a restricted person that is prohibited or restricted by this Act, the regulations or the Authority rules takes place, any interested person, including the Chief Executive Officer, may apply to the court for an order,

- (a) setting aside the transaction and directing that the restricted party account to a credit union for any profit or gain realized; and
- (b) that each person who participated in or facilitated the transaction pay to the credit union on a joint and several basis the damages suffered, the face value of the transaction or the amount expended by the credit union in the transaction.

Order

(2) The court may make the order applied for or such other order as it thinks appropriate.

Same

(3) An order under subsection (2) may order compensation for a loss or damage suffered by the credit union and punitive damages from the restricted party.

Exemption

(4) A person who is not a director is not liable under clause (1) (b) unless the person knew or ought reasonably to have known that the transaction was made in contravention of a restricted party provision.

Interpretation

197 In this Part,

“restricted party” and “transaction” have the meaning given to those expressions in the regulations.

PART X
RETURNS, EXAMINATIONS AND RECORDS

RETURNS AND EXAMINATIONS

Information required by Chief Executive Officer

198 (1) The Chief Executive Officer may require a credit union, a subsidiary of a credit union or any other person to provide the Chief Executive Officer with such information as the Chief Executive Officer may require for the purpose of carrying out the Chief Executive Officer's powers and duties under this Act.

Time and form

(2) The Chief Executive Officer may specify the form in which the information is to be provided and the time within which it is to be provided.

Information required by Authority

199 (1) The Authority may require a credit union, a subsidiary of a credit union or any other person to provide the Authority with such information as the Authority may require for the purpose of carrying out its powers and duties under this Act.

Time and form

(2) The Authority may specify the form in which the information is to be provided and the time within which it is to be provided.

Annual return

200 (1) A credit union shall file an annual return with the Chief Executive Officer at such time, in such form and containing such information as the Chief Executive Officer requires.

Review

(2) The Chief Executive Officer shall review the annual return and, for that purpose, may require the credit union and any central of which it is a member to provide such additional information concerning the affairs of the credit union as the Chief Executive Officer may require.

Same

(3) A credit union and central shall provide any additional information required by the Chief Executive Officer under subsection (2).

Access to business premises for examination

201 (1) The Chief Executive Officer or a person designated by the Chief Executive Officer may, at any reasonable time, enter and have access to any business premises where the Chief Executive Officer or the designated person has reasonable grounds to believe records and documents of a credit union or a subsidiary of the credit union are kept, for the purpose of determining whether the credit union is complying with this Act, the regulations, orders made by the Chief Executive Officer, the Authority rules, conditions imposed on the deposit insurance of the credit union under subsection 218 (4), the by-laws of the credit union or policies established by the board of the credit union.

Examination by Chief Executive Officer or designate

(2) The Chief Executive Officer or the person designated by the Chief Executive Officer under subsection (1) may conduct an examination of the affairs of the credit union or the credit union's subsidiary.

Access to records and documents, etc.

(3) The person conducting an examination under subsection (2) is entitled to access to all records and documents of a credit union or a subsidiary of the credit union for the purpose of the examination.

Answering questions

(4) Every director, officer and employee of a credit union or a subsidiary of the credit union shall answer such questions during the course of the examination as may be necessary for the person conducting the examination to determine if the credit union has complied with this Act, the regulations, orders made by the Chief Executive Officer, the Authority rules, conditions imposed on the deposit insurance of the credit union under subsection 218 (4), the by-laws of the credit union or policies established by the board of the credit union.

Materials to be furnished on examination

(5) For the purposes of an examination,

- (a) a credit union or a subsidiary of the credit union shall prepare and submit to the person conducting the examination such statements with respect to its business, finances or other affairs as the person requires; and

- (b) the person conducting the examination may require the directors, officers and auditor of a credit union or a subsidiary of the credit union to provide information and explanations, to the extent that they are reasonably able to do so, in respect of the condition and affairs of the credit union or subsidiary and any entity in which the credit union or subsidiary has made an investment.

Copies

- (6) If a record or document has been examined or produced under this section, the person conducting the examination may make, or cause to be made, one or more copies of it and, if necessary, may temporarily remove the record or document for the purposes only of making the copy or copies.

RECORDS AND DOCUMENTS

Register of members, shareholders, etc.

- 202** (1) Every credit union shall keep a register of members, shareholders and other security holders.

Contents of register

- (2) The register shall contain,
- (a) the name and address of each member, shareholder or other security holder;
 - (b) the number of shares of each class held by each member or shareholder and the number and type of the securities held by each of the other security holders;
 - (c) the date on which the name of any person or entity was entered in the register as a member, shareholder or other security holder; and
 - (d) the date on which any person or entity ceased to be a member.

Certificate as evidence

- (3) A copy of all or part of the register, or a statement as to the contents of all or part of the register, purporting to be certified by the secretary of the credit union is, without proof of the office or signature of the secretary, receivable in evidence as proof, in the absence of evidence to the contrary, of the facts stated in it for all purposes in any action, proceeding or prosecution.

Requirement to maintain records and documents, etc.

- 203** (1) Every credit union shall keep and maintain at its head office or at such other place in Ontario as may be specified in its by-laws such books, registers and other records and documents in either English or French as may be required by the regulations.

When records or registers are kept outside Ontario

- (2) Despite subsection (1), but subject to federal and Ontario tax statutes or any other Act, a credit union may keep all or any of its records at a place outside of Ontario if,
- (a) the records are available for inspection, by means of any technology, during regular office hours at the credit union's head office; and
 - (b) the credit union provides the technical assistance to facilitate an inspection of the records.

Chief Executive Officer's order re location

- (3) The Chief Executive Officer may order a credit union to keep its books, registers and other records and documents at a place in Ontario, specified in the order.

Procedural rules

- (4) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

- (5) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Form of records and documents

- 204** Any record or document required or authorized by this Act to be prepared and kept by a credit union may be in any form, provided that the records are capable of being reproduced in intelligible written form within a reasonable time.

Copies of by-laws

- 205** (1) A credit union shall, on request and free of charge, provide to a member an electronic copy of the by-laws of the credit union.

Same, paper copy

(2) A credit union shall, on request and upon payment of a fee fixed by the by-laws, provide to a member a paper copy of the by-laws of the credit union.

Fee

(3) The fee shall not exceed the amount prescribed by regulation.

**PART XI
ENFORCEMENT**

CERTAIN ORDERS

Chief Executive Officer's order — general

206 (1) The Chief Executive Officer may make an order under this section against,

- (a) any person if, in the Chief Executive Officer's opinion, the person is doing anything that contravenes this Act, the regulations or the Authority rules or might reasonably be expected, if continued, to result in a contravention of this Act, the regulations or the Authority rules; or
- (b) a credit union or a director, officer or employee of a credit union if, in the Chief Executive Officer's opinion, the credit union, director, officer or employee is doing anything that constitutes a practice that might prejudice or adversely affect the interest of a member, depositor or shareholder of the credit union.

What order may require

- (2) An order under this section may require a person,
- (a) to stop doing any act or pursuing any course of conduct; or
 - (b) to do any act or pursue any course of conduct.

Procedural rules

(3) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(4) The person who is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Appeal to court

(5) A party to the proceedings before the Tribunal may appeal the decision of the Tribunal, within 30 days after the party received notice of the decision, to the court upon a question of law only.

Suspension of business

207 (1) The Chief Executive Officer may order a credit union to discontinue doing business for such time as the Chief Executive Officer determines if, after the receipt of verifiable information, the Chief Executive Officer is satisfied that the continuance in business of the credit union is not in the interest of members, depositors or shareholders.

Procedural rules

(2) Section 209 applies with respect to an order under this section.

Reasons

(3) The Chief Executive Officer shall set out the reasons for the Chief Executive Officer's decision in the order.

Appeal to Tribunal

(4) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Exemption orders

208 (1) The Chief Executive Officer may, on the application of a person or entity, and if in the Chief Executive Officer's opinion it would not be prejudicial to the public interest, make an order exempting the person or entity from any requirement that is imposed by this Act, the regulations or an Authority rule and that is prescribed by regulation, and may make the order subject to such conditions as are set out in the order.

Same

(2) An order under this section is subject to such limits and conditions as may be prescribed by regulation.

GENERAL PROVISIONS RELATING TO ORDERS

Procedural rules for certain orders

209 (1) This section applies with respect to an order by the Chief Executive Officer under this Act if the section under which the order is made provides for this section to apply.

Notice before order made

(2) Before making an order, the Chief Executive Officer shall give notice of the Chief Executive Officer's intention to do so to the person who would be subject to the order and, if the Chief Executive Officer would be relying on information not provided by the person, the Chief Executive Officer shall inform the person of that information and give the person an opportunity to explain or refute it.

Reasons

(3) The Chief Executive Officer shall set out the reasons for which the Chief Executive Officer proposes to make the order in the notice.

Written submissions

(4) The Chief Executive Officer is not required to hold a hearing but shall, before making an order, allow the person who would be subject to the order, and any other person who would be affected by the order, to make written submissions.

Notice not required other than to person subject to order

(5) The Chief Executive Officer is not required to give notice to persons who would be affected by an order other than the person who would be subject to the order as required under subsection (2).

Rules for practice and procedure

(6) The Chief Executive Officer may make rules for the practice and procedure to be observed in relation to orders made by the Chief Executive Officer.

Inquiries can be made before order made

(7) Before making an order under this Act, the Chief Executive Officer may inquire into the affairs of a person as the Chief Executive Officer considers necessary to determine whether the order should be made.

Order made without opportunity to make submissions

(8) The Chief Executive Officer may make an order to which a person is subject without giving notice or allowing the person or any other person to make submissions if the Chief Executive Officer is of the opinion that the interests of the members, depositors or shareholders of any credit union may be prejudiced or adversely affected by a delay in making the order.

Special procedures if no opportunity to make submissions

(9) The following apply with respect to an order under subsection (8):

1. The person who is subject to the order or any other person affected by the order may request an opportunity to make written submissions by giving written notice to the Chief Executive Officer, within 15 days after the person who is subject to the order received it.
2. If the person who is subject to the order or any other person affected by the order requests an opportunity to make written submissions, the Chief Executive Officer may defer compliance with the order until the submissions have been considered or any appeal is concluded and the order is confirmed, varied or revoked.
3. After considering the submissions, the Chief Executive Officer may confirm, vary or revoke the order.

Variation of orders

(10) Subject to subsections (2) and (4), the Chief Executive Officer may reconsider and vary or revoke an order made by the Chief Executive Officer if the Chief Executive Officer considers it advisable to do so.

Copies of orders to be given

210 The Chief Executive Officer shall give a copy of an order the Chief Executive Officer makes under this Act to the person who is subject to the order and, if the person who is subject to the order is a credit union, to each director of the credit union.

When orders take effect

211 An order by the Chief Executive Officer under this Act comes into effect when it is made or at such later time as the order provides.

Appeals of orders to Tribunal

212 (1) This section applies with respect to an appeal to the Tribunal of an order by the Chief Executive Officer under this Act if the section under which the order is made provides for such an appeal in accordance with this section.

How appeal is made

(2) The appeal shall be made by filing a written notice of appeal with the Tribunal and serving a copy of the notice on the Chief Executive Officer.

Time for filing and serving notice

(3) The notice of appeal must be filed and served, as required under subsection (2), within 15 days after the order was received by the person appealing the order.

No stay of decision unless granted

(4) An appeal from an order does not stay the order but the Tribunal may grant a stay until it disposes of the appeal.

Exception

(5) Despite subsection (4), an appeal of an order under section 241, 250 or 269 stays the order.

Hearing

(6) The Tribunal shall hold a hearing of the appeal.

Parties

(7) The parties to the appeal are,

- (a) the person appealing the order;
- (b) the Chief Executive Officer; and
- (c) such other persons as the Tribunal specifies.

Power of the Tribunal

(8) Upon hearing the appeal, the Tribunal may, by order, confirm, vary or revoke the order being appealed or substitute its order for the order being appealed.

Orders, etc., not stayed by judicial review

213 (1) An application for judicial review of an order of the Chief Executive Officer under this Act or of a decision of the Tribunal on the appeal of such an order and any appeal from an order of the court on such an application for judicial review does not stay the order of the Chief Executive Officer or the decision of the Tribunal.

Court may grant stay

(2) Despite subsection (1), a judge of the court to which the application is made or a subsequent appeal is taken may grant a stay until the disposition of the judicial review or appeal.

PART XII CENTRALS

Incorporating centrals

214 (1) A group of credit unions may incorporate a central, subject to the approval of the Chief Executive Officer.

Objects

- (2) The objects of a central are to,
- (a) provide services primarily to members;
 - (b) provide and manage a liquidity system for credit unions;
 - (c) manage those investments that are held by the central for its members; and
 - (d) carry out such other objects as may be prescribed by regulation.

General restriction

(3) A central may engage in or carry on a business or business activity only as allowed under this section.

Businesses, services

(4) A central may engage in or carry on a business or business activity that a credit union may engage in or carry on and may engage in or carry on such other businesses or business activities, or provide such services, as may be prescribed by regulation.

Same

(5) A central may provide services and a liquidity system to any credit union whether it is a member of the central or not.

General business

(6) Centrals may carry on business, consistent with their objects, through subsidiaries prescribed by regulation.

Subsidiaries

(7) A central's subsidiaries may, if permitted by the central's by-laws, provide services to the general public.

Stabilization fund

(8) Without limiting anything else a central may do, a central may establish and maintain a stabilization fund for the benefit of the credit unions that are members of the central.

Application of Act

215 (1) This Act, with necessary modifications, applies to centrals and their incorporation if consistent with this Part.

Exclusion

(2) The Lieutenant Governor in Council may, by regulation, exempt centrals from any provision of this Act.

Corporations Act not to apply

216 The *Corporations Act* does not apply to centrals.

Members

217 Subject to any restrictions as may be prescribed by regulation, the following may be members of a central:

1. Credit unions.
2. Entities prescribed by regulation.

**PART XIII
DEPOSIT INSURANCE**

DEPOSIT INSURANCE

Insurance of deposits with credit unions

218 (1) Subject to subsection (2), the deposits with every credit union that, under the regulations, are insurable deposits, are insured by the Authority in accordance with this Act, except if the deposit insurance of the credit union is cancelled under section 222.

Exceptions

(2) The following are not insured:

1. A deposit that is not payable in Canada or not in Canadian currency.
2. The amount of an insurable deposit that exceeds the amount prescribed by regulation.

Conditions on deposit insurance

(3) The deposit insurance of a credit union is subject to the conditions prescribed by Authority rule and any other conditions imposed by the Authority under subsection (4).

Conditions imposed by notice

(4) The Authority may impose conditions on the deposit insurance of a credit union, or amend such conditions, at any time by written notice to the credit union.

Certificate

(5) The Authority shall issue a certificate of deposit insurance to every credit union whose deposits the Authority insures.

Insurance continues after member withdraws, etc.

(6) For greater certainty, the obligation to insure an insurable deposit of a member of a credit union continues after the member withdraws or is expelled.

Shares not insurable

(7) The shares of a credit union are not insurable by the Authority.

Payment for insured deposits

219 (1) The Authority has an obligation to make payment from the Deposit Insurance Reserve Fund in respect of any deposit insured by the Authority if,

- (a) the members of the credit union that holds the deposit pass a resolution for the voluntary liquidation and dissolution of the credit union;
- (b) the credit union becomes a bankrupt under the *Bankruptcy and Insolvency Act* (Canada) or a liquidator is appointed for the credit union under this Act or the *Winding-Up and Restructuring Act* (Canada);

- (c) the Authority is satisfied that the credit union will be unable to make payment in full, without delay, in respect of any deposits insured by deposit insurance; or
- (d) the Chief Executive Officer, as administrator, requires the credit union to be wound up under subparagraph 6 iii of subsection 234 (1).

Payment to person apparently entitled

(2) The Authority, if it is obliged to make payment in respect of any deposit insured by deposit insurance, shall make payment to the person who appears entitled to the payment by the records of the credit union.

Amount of payment

- (3) The Authority may pay,
 - (a) the amount of the deposit according to the terms of the deposit; or
 - (b) before maturity of the deposit, an amount equal to the principal of the deposit and the accrued and unpaid interest on the deposit on the day it is paid.

Withholding to cover lien

(4) If the credit union has a lien on a deposit under section 39, the Authority may withhold payment of an amount equal to the amount of the lien and pay that amount to the liquidator of the credit union.

Withholding of amount held as security

(5) If the credit union held a deposit as security for a loan, the Authority may withhold payment of an amount necessary to repay the loan and pay that amount to the liquidator of the credit union.

Discharge of liability

(6) Payment, under this section, by the Authority in respect of any deposit insured by deposit insurance discharges the Authority from all liability in respect of that deposit, and in no case is the Authority under any obligation to see to the proper application of the payment made.

Subrogation

(7) If the Authority makes a payment under this section in respect of any deposit with a credit union, the Authority is subrogated to the extent of the payment made to all the rights and interests of the depositor as against that credit union.

Assignment

(8) If the Authority considers it advisable, it may withhold payment in respect of any deposit with a credit union until the Authority has received a written assignment of all the rights and interests of the depositor against that credit union.

Agreement to administer payments

(9) The Authority may enter into a deposit administration agreement with a financial institution under which that financial institution agrees to make the payments under this section on behalf of the Authority.

Insurance of deposits with amalgamating credit unions

220 (1) This section applies to the deposits of a person who has deposits with two or more credit unions that amalgamate and continue in operation as one credit union.

Remain separate

(2) A deposit with an amalgamating credit union on the day on which the amalgamated credit union is formed, less any withdrawals from the deposit, is, for the purpose of deposit insurance with the Authority, separate from a deposit of the same person on that day with another amalgamating credit union that became part of the amalgamated credit union.

Deposits with amalgamated credit union

(3) A deposit made by a person referred to in subsection (2) with an amalgamated credit union after the day on which the amalgamated credit union is formed is insured by the Authority only to the extent that the aggregate of that person's deposits with the amalgamated credit union, exclusive of the deposit in respect of which the calculation is made, does not exceed the amount prescribed by regulation.

If undertaking acquired

(4) For the purpose of deposit insurance with the Authority, if one credit union acquires the undertaking and assets of another credit union, those credit unions are considered to be amalgamating credit unions.

Preparatory examination

221 (1) The Authority may examine the records and documents of the credit union if the Authority believes that a payment by the Authority under this Act in respect of a deposit held by a credit union is imminent and that it is in the best interest of both the depositors with the credit union and the Authority to make early preparations for the payment.

Same

(2) The examination may be made by a person designated by the Authority.

Examination powers

(3) Section 201 applies, with necessary modifications, with respect to an examination under this section.

Application to receivers and liquidators

(4) Under clause 201 (5) (b), as it applies under subsection (3) of this section, the person conducting the examination may also require a receiver or liquidator to provide information and explanations.

Cancellation of deposit insurance

222 (1) The deposit insurance of a credit union may be cancelled on not less than 30 days notice to the credit union by the Authority when,

- (a) the credit union is in breach of the standards of business and financial practices established by the Authority or any conditions of its deposit insurance;
- (b) the credit union ceases to accept deposits;
- (c) an order has been made appointing the Chief Executive Officer or another person as the liquidator of the credit union;
- (d) the credit union fails to pay its deposit insurance premiums; or
- (e) the Authority determines, on reasonable grounds, that the credit union is unable to meet its obligations as they come due.

Effect of cancellation

(2) If the deposit insurance of a credit union is cancelled by the Authority, the deposits with the credit union on the day the cancellation takes effect, less any withdrawals from those deposits, continue to be insured for a period of two years or, in the case of a term deposit with a remaining term exceeding two years, to the maturity of that term.

Notification to depositors

(3) If the deposit insurance of a credit union has been cancelled, the credit union shall notify its depositors of that fact and shall stop accepting deposits from the date of cancellation.

Public notice

(4) The Authority may, in the manner it considers expedient, give public notice of the cancellation of deposit insurance of a credit union if, in the opinion of the Authority, the public interest requires that notice be given.

Notice to central

(5) The Authority shall give the central for the credit union written notice of the cancellation of deposit insurance.

Prohibition, advertising, holding out as insured

223 (1) Except as allowed under this section, no person shall, by written or oral representations, advertise or hold out the deposits made to any entity as being insured by the Authority.

Advertisement, etc., by credit union or central

(2) A credit union may advertise or hold out that deposits made to it are insured and a central may advertise or hold out that deposits to its members are insured if the advertising or holding out is by marks, signs, advertisements or other devices authorized by the Authority rules and used in the manner and on the occasions set out by the Authority rules.

DEPOSIT INSURANCE RESERVE FUND AND PREMIUMS**Deposit Insurance Reserve Fund**

224 (1) The Authority shall maintain a fund, called the Deposit Insurance Reserve Fund.

Use of the Fund

(2) The Deposit Insurance Reserve Fund may be used to pay only for the following:

1. Deposit insurance claims.
2. The costs associated with the orderly winding up of credit unions in financial difficulty.
3. Financial assistance provided under clause 228 (1) (a).
4. Payments made under clause 228 (1) (b).
5. Assets acquired or liabilities assumed under clause 228 (1) (c).

Same

(3) The Authority has the power to manage and invest the money in the Deposit Insurance Reserve Fund and may disburse money from the Fund for anything under subsection (2).

Liability of Authority limited

(4) The total liability of the Authority to insure deposits at any particular time is limited to the assets of the Deposit Insurance Reserve Fund at that time.

Not public money

(5) The assets of the Deposit Insurance Reserve Fund are not public money within the meaning of the *Financial Administration Act* and do not form part of the Consolidated Revenue Fund.

Immunity of Crown

(6) The Crown is not liable for any liability or obligation in respect of the Deposit Insurance Reserve Fund.

Annual premiums

225 (1) Within 120 days after the start of a credit union's financial year, the Authority shall do the following:

1. Determine the credit union's annual premium for that financial year in accordance with the regulations.
2. Collect the annual premium determined under paragraph 1.

Deposit of premiums

(2) The Authority shall credit the annual premiums to the Deposit Insurance Reserve Fund.

Overdue premiums

226 The Authority may charge interest at a rate equal to the rate prescribed under subsection 161 (1) of the *Income Tax Act* (Canada) plus 2 per cent on the unpaid amount of any premium instalment that is not paid on or before the due date of that instalment.

Deferral of premiums

227 The Authority may, upon such conditions as it may direct, defer the collection of, or cancel, all or part of an annual premium assessed by the Authority.

**PART XIV
SUPERVISION AND ADMINISTRATION**

POWERS OF AUTHORITY AND CHIEF EXECUTIVE OFFICER

Powers of Authority

228 (1) The Authority may, in furtherance of its objects in respect of credit unions, as set out in section 3 of the *Financial Services Regulatory Authority of Ontario Act, 2016*,

- (a) provide, in its discretion, financial assistance for the purpose of,
 - (i) assisting a credit union under administration in its continued operation, or
 - (ii) assisting in the orderly winding up of the operations of a credit union;
- (b) make an advance or grant for the purpose of paying lawful claims against a credit union in respect of any claims of its members for withdrawal of deposits;
- (c) acquire assets or assume the liabilities of credit unions;
- (d) with the approval of the Minister, require the payment of special levies by credit unions;
- (e) accept powers conferred on it under the *Canada Deposit Insurance Corporation Act*;
- (f) declare and pay premium rebates to credit unions; and
- (g) collect or disclose information concerning a credit union.

Same

(2) The Authority may attach conditions to financial assistance provided under clause (1) (a) and, without limiting the form in which such financial assistance may be provided, the Authority may provide such financial assistance by,

- (a) purchasing securities of a credit union;
- (b) making or guaranteeing loans, with or without security, or advances to or deposits with a credit union;
- (c) taking security for loans or advances to a credit union; or

(d) guaranteeing the payment of the fees of, and the costs incurred by, a liquidator of a credit union.

Subrogation

(3) If the Authority makes an advance under clause (1) (b), it is subrogated as an unsecured creditor for the amount of the advance.

Membership

(4) If the Authority holds membership shares of a credit union, the Authority is a member of the credit union and has the rights and benefits of a member.

Powers of Chief Executive Officer

229 The Chief Executive Officer may act as the supervisor, administrator or liquidator of a credit union.

SUPERVISION

Supervision by Chief Executive Officer

230 (1) The Chief Executive Officer may order that a credit union is subject to the supervision of the Chief Executive Officer in any of the following circumstances:

1. The credit union requests, in writing, that it be subject to supervision.
2. The credit union is in contravention of section 77.
3. The Chief Executive Officer, on reasonable grounds, believes that the credit union is conducting its affairs in a way that might be expected to harm the interests of members or depositors or that tends to increase the risk of claims by depositors against the Authority.
4. The credit union or an officer or director of it does not file, submit or deliver a report or document required to be filed, submitted or delivered under this Act within the time limited under this Act.
5. The credit union has failed to comply with an order of the Chief Executive Officer.

Interpretation

(2) For the purposes of paragraph 2 of subsection (1), a variation under section 80 does not bring a credit union into compliance with section 77.

Release

- (3) The credit union remains subject to supervision until,
- (a) the credit union is being wound up or placed under administration; or
 - (b) the Chief Executive Officer rescinds the order that the credit union be subject to supervision.

Same

(4) The Chief Executive Officer may rescind an order under clause (3) (b) on the application of the credit union or on the Chief Executive Officer's own initiative if there are reasonable grounds for believing that the credit union is no longer in need of supervision.

Procedural rules

(5) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(6) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Exception, if order at credit union's request

(7) Subsections (5) and (6) do not apply if the order is made after the credit union requests, in writing, that it be subject to supervision as described in paragraph 1 of subsection (1).

Powers when credit union supervised

- 231** (1) If a credit union is subject to the supervision of the Chief Executive Officer, the Chief Executive Officer may,
- (a) order the credit union to correct any practices that the Chief Executive Officer believes are contributing to the problem or situation that caused the credit union to be ordered subject to its supervision;
 - (b) order the credit union and its directors, committee members, officers and employees to not exercise any powers of the credit union or of its directors, committee members, officers and employees;
 - (c) establish guidelines for the operation of the credit union;

- (d) order the credit union not to declare or pay a dividend or to restrict the amount of a dividend to be paid to a rate or amount set by the Chief Executive Officer;
- (e) attend meetings of the credit union's board and its audit committee; and
- (f) propose by-laws for the credit union and amendments to its articles of incorporation.

Approval of by-laws, etc.

(2) No by-law, policy or resolution relating to the business, affairs or management of a credit union passed or made by the board during the time the credit union is subject to supervision is of any effect until approved in writing by the Chief Executive Officer.

Enforcement

(3) If a credit union fails to comply with an order of the Chief Executive Officer under this section, the Chief Executive Officer may apply to the court for,

- (a) an order directing compliance with the Chief Executive Officer's order; or
- (b) such other order as the court considers appropriate.

Expenses of Chief Executive Officer

232 The Chief Executive Officer may require a credit union to pay the expenses of and disbursements by the Chief Executive Officer in supervising the credit union.

ADMINISTRATION

Administration by Chief Executive Officer

233 (1) The Chief Executive Officer may order that a credit union is subject to administration by the Chief Executive Officer in any of the following circumstances:

1. The Chief Executive Officer, on reasonable grounds, believes that the credit union is conducting its affairs in a way that might be expected to harm the interests of members, depositors or shareholders or that tends to increase the risk of claims by depositors against the Chief Executive Officer, but that supervision would, in the circumstances, not be appropriate.
2. The credit union has failed to comply with an order of the Chief Executive Officer made while the credit union was subject to the supervision of the Chief Executive Officer.
3. The Chief Executive Officer is of the opinion that the assets of the credit union are not sufficient to give adequate protection to its depositors.
4. The credit union has failed to pay any liability that is due or, in the opinion of the Chief Executive Officer, will not be able to pay its liabilities as they become due.
5. After a general meeting and any adjournment of no more than two weeks, the members of the credit union have failed to elect the minimum number of directors required under section 86.
6. The Chief Executive Officer has made an order under section 207.

Procedural rules

(2) Section 209 applies with respect to an order under this section.

Appeal to court

(3) The credit union that is subject to an order under this section may appeal the order to the court, within seven days after receiving the order, upon a question of law only.

Administrator's powers

234 (1) As an administrator, the Chief Executive Officer may exercise the following powers:

1. Carry on, manage and conduct the operations of a credit union.
2. Preserve, maintain, realize, dispose of and add to the property of a credit union.
3. Receive the income and revenues of the credit union.
4. Exercise the powers of the credit union and of the directors, officers and committees.
5. Exclude the directors of the credit union and its officers, committee members, employees and agents from the property and business of the credit union.
6. Require the credit union to,
 - i. amalgamate, by requiring the credit union to enter into an amalgamation agreement under section 251,

- ii. dispose of its assets and liabilities, or
- iii. be wound up.

Same

(2) In exercising its powers under paragraph 6 of subsection (1), the administrator does not require the consent of the members or shareholders of a credit union.

Same

(3) If the administrator causes a credit union to be wound up, the wind-up shall proceed as a voluntary wind-up under section 238.

Release from administration

(4) The Chief Executive Officer may release a credit union from administration on such conditions as the Chief Executive Officer may impose.

Expenses of the Chief Executive Officer

235 The Chief Executive Officer may require a credit union to pay the expenses of and disbursements by the Chief Executive Officer in administering the credit union.

**PART XV
DISSOLUTION, AMALGAMATION, OTHER FUNDAMENTAL CHANGES**

Definition

236 In this Part,

“contributory” means a person who is liable to contribute to the property of a credit union being wound up under this Act.

DISSOLUTION

Dissolution where no assets

237 (1) A credit union that has no assets and no liabilities may, if authorized by a special resolution of the members, apply to the Chief Executive Officer for an order dissolving the credit union.

Same

(2) The Chief Executive Officer may, if the Chief Executive Officer receives an application under subsection (1) and is satisfied that a dissolution of the credit union is appropriate, issue an order dissolving the credit union.

Same

(3) A credit union in respect of which an order is issued under subsection (2) ceases to exist on the day stated in the order.

Voluntary winding up

238 (1) The members of a credit union may, by special resolution passed at a general meeting called for that purpose, require the credit union to be wound up voluntarily.

If more than one class of shares

(2) If the credit union has more than one class of issued shares, the special resolution referred to in subsection (1) shall be in the form of a special resolution passed by the holders of each class of shares.

Appointment of liquidator

(3) At the meeting passing the special resolution, the members shall appoint a person as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property.

Same

(4) Only the following may be appointed as a liquidator under this section:

1. The Chief Executive Officer.
2. A licensed trustee in bankruptcy.

Remuneration and expenses of liquidator

(5) The remuneration of the liquidator and the costs, charges and expenses of the winding up shall be determined in accordance with the following:

1. If the liquidator is the Chief Executive Officer, the remuneration and costs, charges and expenses shall be as set by the Chief Executive Officer as of the day the resolution is passed.

2. If the liquidator is a licensed trustee in bankruptcy, the remuneration and costs, charges and expenses shall be as set out in the appointment of the liquidator.

Filing with Chief Executive Officer

(6) The liquidator shall file a copy of the resolution under subsection (1) and the appointment under subsection (3) with the Chief Executive Officer within 10 days after the resolution has been passed.

Publication of notice of winding up

(7) The Chief Executive Officer shall publish a notice of the resolution and the appointment on the website of the Authority within 10 days after the liquidator has filed them under subsection (6).

Vacancy in office of liquidator

(8) The following apply if a vacancy occurs, by death, resignation or otherwise, in the office of a liquidator appointed under this section:

1. The members of the credit union, by a majority of the votes cast at a general meeting called for that purpose, may appoint a person to fill the vacancy.
2. If the members fail to appoint a person under paragraph 1, the Chief Executive Officer shall appoint a person to fill the vacancy.

Removal of liquidator

(9) Unless the liquidator is the Chief Executive Officer, the members of the credit union may, by a majority of the votes cast at a general meeting called for that purpose, remove a liquidator appointed under this section and appoint a replacement.

Credit union to cease business

(10) From the time the resolution under subsection (1) is passed, the credit union shall cease to carry on its business, except in so far as is, in the opinion of the liquidator, required for the beneficial winding-up of the credit union, but the corporate state and all the corporate powers of the credit union, despite anything to the contrary in the charter of the credit union, continue until the affairs of the credit union are wound up.

No proceeding against credit union without leave

(11) After the resolution under subsection (1) is passed, no suit, action or other proceeding shall be proceeded with or commenced against the credit union, except with the leave of the court and subject to such terms as the court imposes.

Attachments, etc., void

(12) Every attachment, sequestration, distress or execution put in force against the estate or effects of the credit union after the passing of the resolution under subsection (1) is void.

Liquidator to take custody

(13) Upon appointment, the liquidator shall take custody and control of all property, rights and privileges of the credit union or to which the credit union appears to be entitled and shall take all necessary steps to wind up the credit union.

Statement of assets and liabilities

(14) Within 60 days after being appointed, the liquidator shall prepare a statement of the assets and liabilities of the credit union as of the start of the winding up and file the statement with the Chief Executive Officer.

List of contributories and calls

(15) Upon a voluntary winding-up, the liquidator,

- (a) shall settle the list of contributories; and
- (b) may, before having ascertained the sufficiency of the property of the credit union, call on any of the contributories for the time being settled on the list of contributories, to the extent of their liability, to pay any sum that the liquidator considers necessary to satisfy the liabilities of the credit union, and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

Same

(16) The list of contributories settled by the liquidator under clause (15) (a) is admissible in evidence as proof, in the absence of evidence to the contrary, of the liability of the persons named in the list as contributories.

Meetings of credit union during winding-up

(17) The liquidator may, during the continuance of the voluntary winding-up, call general meetings of the members of the credit union for the purpose of obtaining their approval by resolution or for any other purpose as the liquidator thinks fit.

Arrangements with creditors

(18) The liquidator may make such compromise or other arrangement as the liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that the person has a claim, present or future, certain or contingent, liquidated or unliquidated, against the credit union or whereby the credit union may be rendered liable.

Power to compromise with debtors and contributors

(19) The liquidator may compromise all debts and liabilities capable of resulting in debts and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the credit union and any contributory, alleged contributory or other debtor or person who may be liable to the credit union and all questions in any way relating to or affecting the property of the credit union, or the winding up of the credit union upon the receipt of the sums payable at such times and generally upon such conditions as are agreed, and the liquidator may take any security for the discharge of the debts or liabilities and give a complete discharge in respect of them.

Account to be made by liquidator

(20) The liquidator shall make up an account showing the manner in which the winding-up has been conducted and the property disposed of.

Same

(21) After the account is made up, the liquidator shall call a general meeting of the members and shareholders of the credit union for the purpose of having the account laid before them and hearing any explanation that may be given by the liquidator.

Calling meeting

(22) The liquidator shall call the meeting in the manner set out in the credit union's articles or by-laws.

Extension of time

(23) The Chief Executive Officer may, in writing, extend the time for filing any documents required to be filed under this section if the Chief Executive Officer is satisfied that an extension is appropriate.

Notice and dissolution

239 (1) Following the meeting called under subsection 238 (21), the liquidator shall, within 10 days after the meeting, file a notice with the Chief Executive Officer stating that the meeting was held and its date.

Publication of notice

(2) The Chief Executive Officer shall, promptly after the liquidator files the notice under subsection (1), publish a notice on the website of the Authority setting out the date that the meeting was held and the date, proposed by the liquidator, for the dissolution of the credit union.

Restriction on dissolution date

(3) The date proposed by the liquidator for the dissolution of the credit union must be at least three months after the date that the meeting called under subsection 238 (21) was held.

Deferral of date by court

(4) At any time before the credit union is dissolved, the court may, on the application of the liquidator or any other interested person, make an order deferring the date on which the dissolution of the credit union is to take effect to a date fixed in the order.

Dissolution

(5) The credit union is dissolved on the date proposed by the liquidator unless the court makes an order under subsection (4), in which case the credit union is dissolved on the date fixed in the order.

Dissolution order

(6) Despite anything in this Act, the court, at any time after the affairs of the credit union have been fully wound up may, on the application of the liquidator or any other interested person, make an order dissolving it, and it is dissolved on the date fixed in the order.

Winding up by court order

240 (1) A credit union may be wound up by order of the court if,

- (a) the members, by a special resolution passed at a general meeting called for that purpose, authorize an application to be made to the court to wind up the credit union;
- (b) proceedings have been started to wind up the credit union voluntarily and it appears to the court that it is in the interest of contributories and creditors that the proceedings should be continued under the supervision of the court;
- (c) it is proved to the satisfaction of the court that the credit union, though it may be solvent, cannot by reason of its liabilities continue its business and that it is advisable to wind it up; or

- (d) in the opinion of the court it is just and equitable for some reason other than the bankruptcy or insolvency of the credit union that it should be wound up.

If more than one class of shares

- (2) If the credit union has more than one class of issued shares, the special resolution referred to in clause (1) (a) shall be in the form of a special resolution passed by the holders of each class of shares.

Applicants

- (3) A winding-up order may be made upon the application of,
- (a) the credit union;
 - (b) if the credit union is being wound up voluntarily, the liquidator or a contributor; or
 - (c) the Chief Executive Officer.

Notice to credit union

- (4) Except if the application is made by the credit union, four days notice of the application must be given to the credit union.

Notice to Chief Executive Officer

- (5) Except if the application is made by the Chief Executive Officer, four days notice of the application must be given to the Chief Executive Officer.

Power of court

- (6) The court may,
- (a) make the order applied for;
 - (b) dismiss the application with or without costs;
 - (c) adjourn the hearing conditionally or unconditionally;
 - (d) make an interim or such other order as it considers appropriate; or
 - (e) refer the proceedings for the winding-up to an officer of the court for inquiry and report and authorize the officer to exercise such powers of the court as are necessary for the reference.

Appointment of liquidator

- (7) The court making the winding-up order may appoint one or more persons as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property.

Remuneration

- (8) The court may at any time fix the remuneration of the liquidator and the costs, charges and expenses of the winding-up.

Vacancy

- (9) If a liquidator who is appointed by the court dies or resigns or the office becomes vacant for any reason, the court may fill the vacancy.

Removal

- (10) The court may, by order for cause, remove a liquidator appointed by it and appoint another liquidator in the stead of the removed liquidator.

Notice of court order

- (11) A liquidator appointed by the court shall give notice to the Chief Executive Officer of the court order respecting the winding up promptly after the liquidator's appointment.

Notice of appointment

- (12) The Chief Executive Officer shall publish a notice of the liquidator's appointment on the website of the Authority.

Proceedings in winding-up after order

- (13) If a winding-up order has been made by the court, proceedings for the winding up of the credit union must be taken in the same manner and with the like consequences as are provided for a voluntary winding-up, except that,

- (a) the list of contributories shall be settled by the court unless it has been settled by the liquidator before the winding-up order; and
- (b) all proceedings in the winding-up are subject to the order and direction of the court.

Review by court

(14) If the list of contributories has been settled by the liquidator before the winding-up order, it is subject to review by the court.

Meeting of members may be ordered

(15) If a winding-up order has been made by the court, the court may direct meetings of the members of the credit union to be called, held and conducted in such manner as the court thinks fit for the purpose of ascertaining their wishes, and may appoint a person to act as chair of the meeting and to report the results of it to the court.

Order for delivery of property

(16) If a winding-up order has been made by the court, the court may require any contributory for the time being settled on the list of contributories, or any director, employee, trustee, receiver, banker, agent or officer of the credit union, to pay, deliver, convey, surrender or transfer promptly, or within such time as the court directs, to the liquidator any money, record, document, estate or effects that are in any such person's hands and to which the credit union is apparently entitled.

Inspection of documents and records

(17) If a winding-up order is made by the court, the court may make an order for the inspection of the records and documents of the credit union by its creditors and contributories, and any records and documents in the possession of the credit union may be inspected in conformity with the order.

No proceedings against credit union without leave

(18) After a winding-up order is made, no suit, action or other proceeding shall be proceeded with or commenced against the credit union, except with the leave of the court and subject to such terms as the court imposes.

Attachments, etc., void

(19) Every attachment, sequestration, distress or execution put in force against the estate or effects of a credit union after a winding-up order is made is void.

Provision for discharge of liquidator and distribution by the court

(20) If the realization and distribution of the property of a credit union being wound up under an order of the court has proceeded so far that, in the opinion of the court it is expedient that the liquidator should be discharged and that the property of the credit union remaining in the liquidator's hands can be better realized and distributed by the court, the court may make an order discharging the liquidator and for payment, delivery and transfer into court, or to such officer or person as the court directs, of such property, and it shall be realized and distributed by or under the direction of the court among the persons entitled thereto in the same way as nearly as may be as if the distribution were being made by the liquidator and the court may make an order directing how the documents and records of the credit union and of the liquidator are to be disposed of, and may order that they be deposited in court or otherwise dealt with as the court considers appropriate.

Order for dissolution

(21) The court at any time after the affairs of the credit union have been fully wound up may, upon the application of the liquidator or any other interested person, make an order dissolving it, and it is dissolved on the date fixed in the order.

Notice to Chief Executive Officer

(22) The person on whose application the order was made shall, within 10 days after it was made, file with the Chief Executive Officer a certified copy of the order and the Chief Executive Officer shall publish notice of the dissolution on the website of the Authority.

Dissolution by Chief Executive Officer

241 (1) The Chief Executive Officer may, by order, dissolve a credit union if the Chief Executive Officer is satisfied that,

- (a) its incorporation was obtained by fraud or mistake;
- (b) it exists for an illegal purpose;
- (c) the number of its members is reduced to fewer than the minimum number of members prescribed by Authority rule;
- (d) it is not carrying on business or is not in operation; or
- (e) it has contravened this Act, the regulations or the Authority rules.

Procedural rules

(2) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(3) The credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

Appointment of liquidator

(4) If necessary, the Chief Executive Officer shall appoint a liquidator to carry out the dissolution.

Liquidation

(5) The liquidator, if one is appointed, shall proceed to wind up the credit union and subsections 238 (10) to (23) and 239 (1) apply, except that no approval of the members of the credit union is required.

Notice of dissolution

(6) The Chief Executive Officer shall publish notice of the dissolution on the website of the Authority.

Liability of members and shareholders to creditors

242 (1) Despite the dissolution of a credit union, each of the members or shareholders among whom its property has been distributed other than the refunds of deposits, remains liable to its creditors to the extent of the amount received by the member or shareholder upon the distribution, and an action in a court of competent jurisdiction to enforce such liability may be brought against the member or shareholder.

Action against one member or shareholder as representing a class

(2) If there are several members or classes of shareholders, the court may permit an action to be brought against one or more members or one or more shareholders of each class of shareholders as representatives of the class of members or shareholders and, if the plaintiff establishes the plaintiff's claim as creditor, may make an order of reference and add as parties in the referee's office all such members or shareholders of each class of shareholders as are found, and the referee shall determine the amount that each should contribute towards the plaintiff's claim and may direct payment of the sums so determined.

Forfeiture of undisposed property

243 Subject to section 242, any real or personal property of a credit union that has not been disposed of at the date of its dissolution is forfeit to the Crown in right of Ontario.

Responsibilities of liquidator

244 Upon a winding-up of a credit union,

- (a) the liquidator shall apply the property of the credit union in satisfaction of all its debts, obligations and liabilities, and, subject thereto, shall distribute any remaining property rateably among the members or shareholders according to their rights and interests in the credit union;
- (b) in distributing the property of the credit union, debts due to the employees of the credit union for services performed due at the commencement of the winding-up or within one month before, not exceeding three months wages and accumulated sickness benefits or vacation pay accrued for not more than twelve months, shall be paid in priority to the claims of the ordinary creditors, and such persons shall rank as ordinary creditors for any additional amount of their claims for wages; and
- (c) all the powers of the board of a credit union being wound up cease upon the appointment of a liquidator except to the extent that the liquidator may permit the continuance of these powers for the purpose of assisting the winding-up proceedings.

Distribution of property

245 Section 53 of the *Trustee Act* applies with necessary modifications to liquidators.

Payment of costs and expenses

246 The costs, charges and expenses of the winding-up including the remuneration of the liquidator are payable out of the property of the credit union in priority to all other claims.

Powers of liquidator

247 (1) A liquidator may,

- (a) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the credit union;
- (b) carry on the business of the credit union so far as may be necessary for the beneficial winding up of the credit union;
- (c) sell the real and personal property of the credit union by public auction or private sale;
- (d) borrow money on behalf of the credit union as may be necessary for the winding up of the credit union;
- (e) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the credit union;
- (f) raise upon the security of the property of the credit union such money as may be required;

- (g) take out in the liquidator's official name, letters of administration of the estate of any deceased contributory and in that official name, do any other act that may be necessary for obtaining payment of any money due from a contributory or from a contributory's estate that cannot conveniently be done in the name of the credit union;
- (h) do and perform all acts and other things and execute under the corporate seal or otherwise all documents in the name and on behalf of the credit union as may be necessary for winding up the affairs of the credit union and distributing its property;
- (i) engage the services of a solicitor to assist in the performance of the liquidator's duty;
- (j) employ an agent to do any business that the liquidator is unable to do directly;
- (k) claim and, where necessary, prove any claim against the estate of a contributory for any debt or liability to the credit union;
- (l) receive dividends in the distribution of an estate of a contributory in respect of any debt or liability mentioned in clause (k);
- (m) compromise all calls, and liabilities to call, debts and liabilities capable of or resulting in debts, and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or alleged as subsisting between the credit union and any other person; and
- (n) do and execute all such other things as are necessary for winding up the affairs of the credit union and distributing its property.

Bills of exchange deemed drawn in the course of business

(2) The execution, endorsement or making of all agreements, contracts, bills of exchange or other documents by a liquidator on behalf of a credit union has the same effect with respect to the rights and liabilities of the credit union as if the agreements, contracts or bills of exchange or other documents had been executed, endorsed or made by or on behalf of the credit union in the course of carrying on its business.

Where approval required

- (3) The liquidator shall not exercise power granted under clause (1) (a), (d), (f), (m) or (n),
 - (a) in the case of a voluntary winding-up or a liquidator appointed by the Chief Executive Officer under section 241, unless the liquidator has obtained the approval in writing of the Chief Executive Officer; or
 - (b) in the case of a winding-up by order of the court, unless the liquidator has obtained the approval of the court.

Exception

(4) Clause (3) (a) does not apply where the Chief Executive Officer is the liquidator.

Notice of liability of contributory

(5) The liability of a contributory is a debt accruing due from the contributory at the time when the contributory's liability commenced, but payable at the time when calls are made for enforcing the liability.

Liability in case of death

(6) If a contributory dies before or after being placed on the list of contributories, the deceased contributory's personal representative, in administering the estate of the contributory, is liable to contribute to the property of the credit union in discharge of the liability of the deceased contributory and shall be a contributory accordingly.

Examination of persons as to estate

(7) The court may, at any time after the commencement of the winding-up, summon to appear before the court or liquidator, any director, manager, employee or officer of the credit union, or any other person known or suspected to have possession of any of the estate or effects of the credit union, or alleged to be indebted to the credit union, or any person whom the court thinks capable of giving information concerning the dealings, estate or effects of the credit union.

Damages against delinquent directors, etc.

(8) If, in the course of the winding-up of a credit union, it appears that a person who has taken part in the formation or promotion of the credit union or any past or present director, manager, officer, employee, liquidator or receiver of the credit union has misapplied or retained in the person's own hands, or become liable or accountable for money of the credit union, or has committed any misfeasance or breach of trust in relation to the credit union, the court may, on the application of a creditor, member, director, liquidator, or contributory, inquire into the conduct of that person and order the person to restore the money so misapplied or retained, or for which the person has become liable or accountable together with interest at such rate as the court considers just or to contribute such sum to the property of the credit union by way of compensation in respect of the misapplication, retention, misfeasance or breach of trust as the court considers just.

Disposal of records

(9) If a credit union has been wound up under this Act and is about to be dissolved, the records and documents of the credit union and of the liquidator may be disposed of in such manner as,

- (a) the Chief Executive Officer may specify, in the case of voluntary winding up or a liquidator appointed by the Chief Executive Officer under section 241; or
- (b) the court may order in the case of winding up under court order.

Retention of records by custodian

(10) A person who has been granted custody of the records and documents under subsection (9) shall keep them available for production for six years following the date of the dissolution of the credit union or until the expiration of such other period as may be specified by the Chief Executive Officer or ordered by the court under subsection (9).

Rules

(11) Unless otherwise provided by this Act or by the Authority rules, the practice and procedure in a winding-up under the *Winding-up and Restructuring Act* (Canada) applies.

Notice of winding-up proceedings

248 If proceedings are taken under the *Winding-up and Restructuring Act* (Canada) in respect of a credit union, the secretary of the credit union shall send notice of the proceedings to the Chief Executive Officer.

Security interests remaining after dissolution

249 (1) If a credit union is dissolved without discharging a security interest given to the credit union, the Chief Executive Officer may discharge that security interest or do anything else, in relation to that security interest, that the credit union could have done had it not been dissolved.

Clarification with respect to real property

(2) For greater certainty, and without limiting what other security interests subsection (1) applies to, subsection (1) applies to liens, charges and mortgages or any other security interest in real property.

AMALGAMATIONS

Amalgamation of credit union

250 (1) Any two or more credit unions may amalgamate and continue as one credit union.

Amalgamation agreement

(2) The credit unions proposing to amalgamate must enter into an agreement for the amalgamation prescribing the conditions of the amalgamation, the mode of carrying the amalgamation into effect, and, in particular, the agreement must set out the following:

1. The corporate name of the amalgamated credit union.
2. The limitation on membership in the amalgamated credit union.
3. The name in full, callings and places of residence of the first directors of the amalgamated credit union.
4. The time and manner of election of subsequent directors of the amalgamated credit union.
5. The manner of converting the share capital of each of the amalgamating credit unions into that of the amalgamated credit union.
6. If any membership shares of one of the credit unions are not to be converted into membership shares of the amalgamated credit union, the amount of money or securities that the members are to receive in addition or instead of membership shares of the amalgamated credit union.
7. If any shares of one of the credit unions are not to be converted into shares or other securities of the amalgamated credit union, the amount of money or securities that the holders of the shares are to receive in addition or instead of shares or other securities of the amalgamated credit union.
8. The manner of payment of money instead of the issue of fractional shares of the amalgamated credit union or of any other body corporate that are to be issued in the amalgamation.
9. Such other details as are necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated credit union.
10. The proposed effective date of the amalgamation.

Filing of agreement

(3) Within one month after the agreement is signed, the parties must file with the Chief Executive Officer a true copy of the amalgamation agreement and pay the fee established by Authority rule.

Approvals required

(4) The agreement is subject to the approval of the Chief Executive Officer and to adoption by special resolutions of the members of each of the amalgamating credit unions, passed at meetings called for the purpose of considering the agreement.

If more than one class of shares

(5) If the credit union has more than one class of issued shares, each special resolution referred to in subsection (4) shall be in the form of a special resolution passed by the holders of each class of shares.

Conditions of approval to be by order

(6) If the Chief Executive Officer approves the agreement, the Chief Executive Officer may impose such conditions on the approval as the Chief Executive Officer considers appropriate and shall do so by order.

Refusal of approval to be by order

(7) If the Chief Executive Officer refuses to approve the agreement, the Chief Executive Officer shall do so by order.

Procedural rules

(8) Section 209 applies with respect to an order under subsection (6) or (7) of this section.

Appeal to Tribunal

(9) The credit union that is subject to an order under subsection (6) or (7) may appeal the order to the Tribunal in accordance with section 212.

Meeting

(10) The meeting to approve the amalgamation must be held within one month after the approval of the Chief Executive Officer is given.

Certification

(11) If the amalgamation is approved, that fact must be certified upon the agreement by the secretary of each of the amalgamating credit unions.

Extension of time

(12) The Chief Executive Officer may extend the time within which the meeting to approve the amalgamation must be held if there are reasonable grounds for doing so.

Application for certificate

(13) If the agreement is adopted, the amalgamating credit unions may apply jointly for a certificate of amalgamation by submitting an application to the Chief Executive Officer together with articles of amalgamation.

Certificate of amalgamation

(14) The Chief Executive Officer may, in the Chief Executive Officer's discretion, issue a certificate of amalgamation which shall set out the effective date of the amalgamation.

Grounds for refusing certificate

(15) Subsection 13 (2) applies, with necessary modifications, with respect to the issue of a certificate of amalgamation.

Amalgamation and effects

(16) On and after the effective date of the amalgamation,

- (a) the amalgamating credit unions are amalgamated and are continued as one credit union under the corporate name set out in the certificate;
- (b) the amalgamated credit union possesses all the property, rights, privileges and franchises and is subject to all the liabilities, contracts, disabilities and debts of each of the amalgamating credit unions; and
- (c) the articles of amalgamation shall be deemed to be the articles of incorporation of the amalgamated credit union and the certificate of amalgamation shall be deemed to be the certificate of incorporation of the amalgamated credit union.

Notice

(17) The Chief Executive Officer shall publish notice of the issue of the certificate of amalgamation on the website of the Authority.

Statement of assets and liabilities

(18) The amalgamated credit union shall file with the Chief Executive Officer, within 60 days after the effective date of the amalgamation, a statement of the assets and liabilities of the amalgamated credit union as of the date of the certificate.

Amalgamation of credit unions under administration

251 (1) If a credit union is under the administration of the Chief Executive Officer, the Chief Executive Officer may require the credit union to enter into an amalgamation agreement or do anything else under section 250.

Application of s. 250

(2) If the Chief Executive Officer requires a credit union under the administration of the Chief Executive Officer to enter into an amalgamation agreement under section 250, the following apply with respect to the application of section 250:

1. The adoption, under subsection 250 (4), of the amalgamation agreement by the members and shareholders of the credit union under administration is not required.
2. The Chief Executive Officer shall not issue a certificate of amalgamation under subsection 250 (14) unless the amalgamation would,
 - i. protect the interests of the depositors or members of the credit unions being amalgamated, and
 - ii. promote the financial security and integrity of the amalgamated credit union.

REORGANIZATION

Articles of amendment

252 (1) A credit union may from time to time amend its articles of incorporation to,

- (a) limit its business or powers or otherwise vary its business or powers;
- (b) change its corporate name; or
- (c) add, change or remove any provision that,
 - (i) is authorized by this Act to be set out in the articles, or
 - (ii) could be subject to a by-law of the credit union.

Authorization

(2) An amendment under subsection (1) must be authorized by special resolution of members and such further authorization as the by-laws provide.

Class vote

253 (1) The holders of shares of a class or of a series are entitled to vote separately as a class or series on a proposal to amend the articles to,

- (a) increase or decrease any maximum number of authorized shares of that class, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the shares of that class;
- (b) effect an exchange, reclassification or cancellation of all or part of the shares of that class;
- (c) add, change or remove the rights, privileges, restrictions or conditions attached to the shares of that class and, without limiting the generality of the foregoing,
 - (i) prejudicially remove or change rights to accrued dividends or rights to cumulative dividends,
 - (ii) prejudicially add, remove, or change redemption rights,
 - (iii) reduce or remove a dividend preference or a liquidation preference, or
 - (iv) prejudicially add, remove or change conversion privileges, options, voting, transfer or pre-emptive rights, or rights to acquire securities of the credit union;
- (d) increase the rights or privileges of any class of shares having rights or privileges equal or superior to the shares of that class;
- (e) create a new class of shares equal or superior to the shares of that class;
- (f) make any class of shares having rights or privileges inferior to the shares of that class equal or superior to the shares of that class; or
- (g) effect an exchange or create a right of exchange of all or part of the shares of another class into the shares of that class.

Exception

(2) Subsection (1) does not apply to membership shares.

Same

(3) Subsection (1) does not apply in the case of amendments to the articles referred to in clause (1) (a), (b) or (e) if the articles so provide.

Right limited

(4) Subject to subsection (3), the holders of a series of shares of a class are entitled to vote separately as a series under subsection (1) if that series is affected by an addition or amendment to the articles in a manner different from other shares of the same class.

Right to vote

(5) Subsections (1) and (4) apply whether or not the shares of a class otherwise carry the right to vote.

Required documentation

254 The credit union must deliver to the Chief Executive Officer, within 60 days after the special resolution has been confirmed by its members and affected shareholders, articles of amendment, signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the articles of amendment, setting out,

- (a) the corporate name of the credit union;
- (b) a certified copy of the special resolution;
- (c) that the amendment has been duly confirmed and authorized; and
- (d) the date of the confirmation of the special resolution by the members and affected shareholders.

Certificate of amendment

255 (1) If the articles of amendment conform to law, the Chief Executive Officer shall, when all fees established by Authority rule have been paid,

- (a) endorse on the articles of amendment the word “Filed/Déposé” and the day, month and year of the filing thereof;
- (b) file an electronic copy with the Chief Executive Officer’s office; and
- (c) issue to the credit union or its agent a certificate of amendment to which the Chief Executive Officer shall affix the original.

Effect of certificate

(2) The amendment becomes effective upon the date set out in the certificate of amendment and the articles of incorporation are amended accordingly.

Restatement of articles

256 (1) Subject to subsections (2) and (3), a credit union may at any time restate its amended articles of incorporation.

Filing of restatement

(2) The credit union shall deliver to the Chief Executive Officer the restated articles, signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the restated articles, setting out,

- (a) all the provisions that are then set out in the original articles of incorporation as amended; and
- (b) a statement that the restated articles correctly set out, without change, the corresponding provisions of the original articles as amended.

Certificate of restatement

(3) If the restated articles of incorporation conform to law, the Chief Executive Officer shall, when all fees established by Authority rule have been paid,

- (a) endorse on the restated articles the word “Filed/Déposé” and the day, month and year of the filing thereof;
- (b) file an electronic copy with the Chief Executive Officer’s office; and
- (c) issue to the credit union or its agent a restated certificate of incorporation to which the Chief Executive Officer shall affix the original.

Effect of certificate

(4) The restated articles of incorporation become effective upon the date set out in the restated certificate and supersede the original articles of incorporation and all amendments to them.

CONTINUING OR CEASING TO BE AN ONTARIO CREDIT UNION

Continuance as an Ontario credit union

257 (1) A body corporate incorporated under the laws of another jurisdiction in Canada other than Ontario or under another Ontario Act may, if authorized by the laws of that other jurisdiction or under that other Ontario Act, apply to the Chief Executive Officer for a certificate of continuance.

Authorization

(2) If a body corporate has shareholders, the application must be authorized by a special resolution of the shareholders.

Articles of continuance, etc.

(3) Articles of continuance shall be sent to the Chief Executive Officer together with a copy of the special resolution required under subsection (2) and any other prescribed documents.

Requirements for articles

(4) The articles of continuance shall make any amendments to the original or restated articles of incorporation, articles of amalgamation, letters patent, supplementary letters patent, a special Act and 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 Ontario, and may make such other amendments as would be permitted under this Act if the body corporate were incorporated under this Act, provided that at least the same shareholder approval has been obtained for such other amendments as would have been required if the body corporate were incorporated under this Act.

Issue of certificate of continuance

(5) Upon receipt of the articles of continuance and the other required documents, the Chief Executive Officer may, subject to any prescribed conditions, issue a certificate of continuance on such terms and subject to such limitations and conditions as the Chief Executive Officer considers proper.

Grounds for refusing certificate

(6) Subsection 13 (2) applies, with necessary modifications, with respect to the issue of a certificate of continuance.

Effect of certificate

(7) The articles of continuance become effective on the date set out in the certificate of continuance and, as of that date,

- (a) the body corporate is continued as a credit union under this Act as though it had been incorporated under this Act;
- (b) the articles of continuance are deemed to be the articles of incorporation of the continued credit union; and
- (c) the certificate of continuance is deemed to be the certificate of incorporation of the credit union.

Copy of certificate to other jurisdiction, etc.

(8) The Chief Executive Officer shall send a copy of the certificate of continuance,

- (a) to the appropriate official or public body for the jurisdiction in which the body corporate was incorporated; or
- (b) if the body corporate was incorporated under another Ontario Act, to the appropriate official or public body for the other Ontario Act.

Rights, liabilities, etc., preserved

(9) If a body corporate is continued as a credit union under this Act,

- (a) the credit union possesses all the property, rights, privileges and franchises and is subject to all the liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of the body corporate;
- (b) a conviction against, or ruling, order or judgment in favour of or against, the body corporate may be enforced by or against the credit union; and
- (c) the credit union 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.

Notice

(10) The Chief Executive Officer shall publish notice of the issue of the certificate of continuance on the website of the Authority.

Transition — outstanding debt and assets, etc.

- (11) The Chief Executive Officer may, by order, allow a continued credit union to,
- (a) have outstanding debt obligations which are not authorized by this Act if the debt obligations were outstanding at the time the application for the certificate of continuance was made, for such period and under such conditions as the Chief Executive Officer may order;
 - (b) hold assets, including loans, that a credit union is not otherwise permitted by this Act to hold if the assets were held at the time the application for the certificate of continuance was made, for such period and under such conditions as the Chief Executive Officer may order; and
 - (c) acquire and hold assets, including loans, that a credit union is not otherwise permitted by this Act to acquire or hold if the body corporate continued as the credit union was obliged, at the time the application for the certificate of continuance was made, to acquire those assets, for such period and under such conditions as the Chief Executive Officer may order.

Limits on transition period

- (12) The following apply with respect to a period mentioned in clause (11) (a), (b) or (c):
1. The period may not exceed the maximum period prescribed by regulation.
 2. The Chief Executive Officer may extend the period but only for a further period that does not exceed the maximum extension period prescribed by regulation.

Transfer to another jurisdiction

258 (1) A credit union may, if it has been issued a certificate of approval of continuance under this section, apply to the appropriate official or public body of another jurisdiction in Canada requesting that the credit union be continued as if it had been incorporated under the laws of that other jurisdiction.

Application for certificate of approval

- (2) A credit union may apply to the Chief Executive Officer for a certificate of approval of continuance.

Authorization

- (3) An application must be authorized by a special resolution of the members of the credit union.

If more than one class of shares

- (4) If the credit union has more than one class of issued shares, the special resolution referred to in subsection (3) shall be in the form of a special resolution passed by the holders of each class of shares.

Issue of certificate of approval

- (5) The Chief Executive Officer may, subject to any conditions prescribed by regulation, issue a certificate of approval of continuance if the Chief Executive Officer is satisfied as to the following:
1. If the credit union is to be continued as a deposit-taking institution, the deposits held by the institution will be insured or guaranteed by the Authority or similar entity for the jurisdiction under whose laws the credit union is to be continued.
 2. If the credit union is to be continued as a body corporate other than a deposit-taking institution, the body corporate will not hold any deposits when it is continued.

Copy of certificate to other jurisdiction

- (6) The Chief Executive Officer shall send a copy of the certificate of approval of continuance to the appropriate official or public body for the jurisdiction under whose laws the credit union is to be continued.

Effect of continuation in other jurisdiction

- (7) When a credit union is continued under the laws of another jurisdiction following the issue of a certificate of approval of continuance, the credit union ceases to be a credit union for the purposes of this Act.

Filing and notice

- (8) A credit union that is continued under the laws of another jurisdiction shall file a copy of the instrument of continuance with the Chief Executive Officer and the Chief Executive Officer shall publish notice of the continuation on the website of the Authority.

Continuation under other Ontario Act

259 (1) A credit union may, if it has been issued a certificate of approval of continuance under this section, apply under another Ontario Act to be continued as if it had been incorporated under that other Act.

Application for certificate of approval

- (2) A credit union may apply to the Chief Executive Officer for a certificate of approval of continuance.

Authorization

(3) An application must be authorized by a special resolution of the members of the credit union.

If more than one class of shares

(4) If the credit union has more than one class of issued shares, the special resolution referred to in subsection (3) shall be in the form of a special resolution passed by the holders of each class of shares.

Issue of certificate of approval

(5) The Chief Executive Officer may, subject to any prescribed conditions, issue a certificate of approval of continuance if the Chief Executive Officer is satisfied that the credit union, when it is continued under the other Ontario Act, will not hold any deposits.

Copy of certificate to other official

(6) The Chief Executive Officer shall send a copy of the certificate of approval of continuance to the appropriate official or public body under the other Ontario Act.

Effect of continuation under other Act

(7) When a credit union is continued under another Ontario Act following the issue of a certificate of approval of continuance, the credit union ceases to be a credit union for the purposes of this Act.

Filing and notice

(8) A credit union that is continued under another Ontario Act shall file a copy of the instrument of continuance with the Chief Executive Officer and the Chief Executive Officer shall publish notice of the continuation on the website of the Authority.

**PART XVI
OFFENCES AND ADMINISTRATIVE PENALTIES**

OFFENCES

Offence, general

260 (1) Every person who contravenes any provision of this Act or the regulations or an order of the Chief Executive Officer is guilty of an offence.

Officers, agents, etc.

(2) If an entity commits an offence under this Act, every director, officer or agent of the entity who authorized, permitted or acquiesced in the offence is a party to and guilty of the offence and is liable, on summary conviction, to the penalty for the offence whether or not the entity has been prosecuted or convicted.

Penalty

(3) A person who is guilty of an offence referred to in this section is liable,

(a) in the case of an entity, to a fine of not more than \$1,000,000; and

(b) in the case of an individual, to a fine of not more than \$500,000 or to imprisonment for not more than two years or to both.

Order to comply

261 If a person is convicted of an offence under this Act the court making the conviction, in addition to any penalty it may impose, may order that person to comply with the provisions of this Act or the regulations for the contravention of which the person has been convicted.

Restitution

262 If a person is convicted of an offence under this Act, the court making the conviction, may, in addition to any other penalty, order the person convicted to pay compensation or make restitution in relation to the offence to any person suffering a loss because of the offence.

Repaying benefits

263 (1) If a person has been convicted of an offence under this Act, the court may order the convicted person to pay an amount equal to the court's estimation of the amount of any monetary benefits acquired by the convicted person or accruing to the convicted person or to the spouse or a dependant of the person.

Same

(2) Subsection (1) applies even though the maximum fine has been imposed on the convicted person.

Order to comply

264 (1) If a credit union or any director, officer, employee or agent of a credit union does not comply with any provision of this Act, the regulations, the Authority rules or by-laws, or the articles of incorporation or by-laws of the credit union, the Chief Executive Officer or a member or creditor of the credit union may apply to the court for an order directing the credit union, director, officer, employee or agent to comply with, or restraining the credit union, director, officer, employee or agent from acting in breach of, the provision.

Additional order

(2) On an application under subsection (1), the court may make the order applied for and such further order it thinks appropriate.

Effect of contravention

265 A contravention of a provision of this Act or the regulations does not invalidate a contract entered into in contravention of the provision unless otherwise expressly provided in this Act.

Effect of penalty

266 The fact that a person is subject to or has paid a penalty for an offence under this Act does not relieve that person from any other liability in a civil proceeding.

Limitation period

267 No proceeding for an offence under this Act shall be started more than two years after the facts on which the proceedings are based first came to the knowledge of the Chief Executive Officer.

ADMINISTRATIVE PENALTIES

Administrative penalties

268 (1) An administrative penalty may be imposed under section 269 for either of the following purposes:

1. To promote compliance with the requirements established under this Act.
2. To prevent a person or entity from deriving, directly or indirectly, any economic benefit as a result of contravening a provision of this Act, the regulations or the Authority rules.

Same

(2) An administrative penalty may be imposed alone or in conjunction with any other regulatory measure provided by this Act, including any other order under this Act or the cancellation of deposit insurance under section 222.

Chief Executive Officer — administrative penalties

269 (1) If the Chief Executive Officer is satisfied that a person or entity is contravening or not complying with or has contravened or not complied with a requirement established under this Act, the Chief Executive Officer may, by order, impose an administrative penalty on the person or entity in accordance with this section and the regulations.

Proposal to impose penalty

(2) If the Chief Executive Officer proposes to impose an administrative penalty under this section, the Chief Executive Officer shall give written notice of the proposal to the person or entity, including the details of the contravention or failure to comply, the amount of the penalty and the payment requirements; the Chief Executive Officer shall also inform the person or entity that the person or entity can request a hearing by the Tribunal about the proposal and shall advise the person or entity about the process for requesting a hearing.

Limitation

(3) The Chief Executive Officer shall not give notice of a proposal more than two years after the day the Chief Executive Officer became aware of the contravention or failure to comply.

Hearing requested

(4) If the person or entity requests a hearing in writing within 15 days after the notice under subsection (2) is received, the Tribunal shall hold a hearing.

Order

(5) The Tribunal may, by order, direct the Chief Executive Officer to carry out the proposal, with or without changes, or substitute its opinion for that of the Chief Executive Officer.

Hearing not requested

(6) If the person or entity does not request a hearing or does not make the request in accordance with subsection (4), the Chief Executive Officer may carry out the proposal.

Definition

(7) In this section,

“requirement established under this Act” means a requirement imposed by this Act or by a regulation or an Authority rule, or a requirement imposed by order.

Effect of paying penalty

270 If a person or entity pays the administrative penalty in accordance with the terms of an order under section 269 or, if the order is varied on appeal, in accordance with the terms of the varied order, the person or entity cannot be charged with an offence under this Act in respect of the same contravention or failure to comply.

Maximum administrative penalties

271 An administrative penalty imposed under section 269 shall not exceed the following amounts:

1. In the case of an entity, \$500,000.
2. In the case of an individual, \$100,000.

Enforcement of administrative penalties

272 (1) If a person or entity fails to pay an administrative penalty imposed under section 269 in accordance with the terms of the order imposing the penalty, the person who made the order may file the order with the court and the order may be enforced as if it were an order of the court.

Same

(2) For the purposes of section 129 of the *Courts of Justice Act*, the date on which the order is filed with the court shall be deemed to be the date of the order.

Same

(3) An administrative penalty that is not paid in accordance with the terms of the order imposing the penalty is a debt due to the Crown and is also enforceable as such.

**PART XVII
MISCELLANEOUS**

Extra-provincial credit unions

273 (1) If the Government of Ontario has entered into an agreement providing for reciprocal rights for credit unions with the government of a province or territory of Canada, a credit union incorporated under the laws of that province or territory may register under this Act for such purposes as are specified in the agreement.

Register

(2) The Chief Executive Officer shall maintain the Extra-Provincial Credit Unions Register and shall record in it the names of the credit unions registered and the limited purposes to which they are subject in Ontario.

Condition precedent to licence

(3) No credit union that is an extra-provincial corporation within the meaning of the *Extra-Provincial Corporations Act* shall be licensed under that Act as an extra-provincial corporation unless it has been first registered under this Act by the Chief Executive Officer.

Registration of credit unions to take deposits

(4) The Chief Executive Officer may, subject to any conditions prescribed by regulation, register a credit union in the Extra-Provincial Credit Unions Register for the purpose of allowing the credit union to borrow money from the public by receiving deposits and lending or investing such money.

Limitation

(5) A credit union shall not be registered under subsection (4) unless the deposits taken in Ontario are insured or guaranteed by the deposit insurer or similar entity for the jurisdiction under whose laws the credit union was incorporated.

Registration of credit unions to participate in syndicated loans

(6) The Chief Executive Officer may, subject to any conditions prescribed by regulation,

- (a) register a credit union in the Extra-Provincial Credit Unions Register for the purpose of allowing the credit union to participate in syndicated loans under this Act, even if no agreement under subsection (1) applies to the credit union; or
- (b) cancel the registration.

Special rules for credit unions registered under subs. (4) or (6) (a)

(7) The following apply with respect to a credit union registered under subsection (4) or clause (6) (a):

1. References to a credit union in the *Loan and Trust Corporations Act* and such other statutes and regulations as may be prescribed by regulation shall be deemed to include a credit union registered under subsection (4) or clause (6) (a).
2. The credit union shall comply with any regulations governing the conduct of credit unions registered under this section.
3. This Act shall not apply with respect to the credit union, except as provided in the regulations.

Review

274 (1) Within five years after this section comes into force, the Minister shall appoint one or more persons to review the operation of this Act and the regulations and to make recommendations to the Minister.

Subsequent reviews

(2) The Minister shall, no later than five years after the appointment under subsection (1), appoint one or more persons to conduct a subsequent review and shall, no later than five years after the most recent appointment under this subsection, appoint one or more persons to conduct subsequent reviews.

Public consultation

(3) When conducting a review, the appointees shall solicit the views of the public.

Public inspection

(4) The Minister shall make the recommendations of the appointees available to the public.

Cessation of carrying on business

275 (1) Subject to subsections (2) and (5), credit unions and centrals shall not carry on business, and extra-provincial credit unions shall not carry on business in Ontario, after the fifth anniversary of the day on which this section comes into force.

Extension

(2) The Lieutenant Governor in Council may, by order, extend by up to one year the time during which credit unions and centrals may carry on business and extra-provincial credit unions may carry on business in Ontario.

Same, limit

(3) No more than one order may be made under subsection (2).

Order not a regulation

(4) An order made under subsection (2) is not a regulation within the meaning of Part III (Regulations) of the *Legislation Act, 2006*.

Exception — dissolution

(5) If the Legislature dissolves on the fifth anniversary of the day this section comes into force or on any day within the one-year period before that anniversary or on any day within an extension ordered under subsection (2), credit unions and centrals may continue to carry on business, and extra-provincial credit unions may continue to carry on business in Ontario, until the end of the 180th day after the first day of the first session of the next Legislature.

Electronic format of documents

276 (1) Subject to any specific requirements set out in this Act, the regulations, the Authority rules or other applicable law, including the *Electronic Commerce Act, 2000*, a record or other document that is to be provided, issued or otherwise transmitted under this Act may be provided, issued or otherwise transmitted in electronic format.

Delivery of certain documents

(2) Delivery of any written notice or document for any purpose of this Act may be made by mail,

- (a) in the case of a credit union, addressed to it at its principal place of business;
- (b) in the case of a director, addressed to the director at the director's address as shown on the records of the Authority;
- (c) in the case of the Chief Executive Officer, addressed to the Chief Executive Officer at the Chief Executive Officer's office;
- (d) in the case of the Authority, addressed to the Authority at its office; or
- (e) in the case of a member, addressed to the member at the member's address as shown in the records of the credit union or by personal delivery to the member at the member's place of employment.

PART XVIII
REGULATIONS, RULES, FORMS AND FEES

REGULATIONS

Regulations, general

277 (1) The Lieutenant Governor in Council may make regulations,

- (a) respecting any matter in respect of which the Authority may make Authority rules under section 285, with necessary modifications;
- (b) governing credit unions and centrals of credit unions;
- (c) governing the operations and powers of branches of credit unions;
- (d) defining, for the purposes of this Act and the regulations, any word or expression used in this Act that is not defined in this Act;
- (e) prescribing any matter that, under this Act, is permitted or required to be prescribed or to be otherwise done by regulation or in accordance with the regulations;
- (f) defining the interests of a credit union in real property and determining the method of valuing those interests;
- (g) respecting the relations between credit unions and,
 - (i) entities that undertake the business of insurance, and
 - (ii) insurance agents or insurance brokers;
- (h) respecting networking arrangements between credit unions and other persons providing products or services to credit unions or its members;
- (i) prohibiting or restricting networking arrangements;
- (j) governing the conduct of credit unions in networking arrangements;
- (k) respecting the management of risk in making loans and investments and in the general management of a credit union's business;
- (l) prohibiting or restricting the sale by credit unions of a product or service on condition that another product or service is acquired from any person;
- (m) respecting the protection of members of credit unions and of the public in their dealings with credit unions including the regulating of representations that may be made by credit unions;
- (n) prescribing procedures to be followed by credit unions in dealing with consumer complaints by members or depositors;
- (o) setting out limits or restrictions, for the purposes of section 85, respecting the chief executive officer of a credit union acting as a director of the credit union;
- (p) prescribing requirements for gender diversity reports under section 103;
- (q) respecting the retention, in Canada, of assets of a credit union;
- (r) requiring the disclosure to depositors of the rate of interest on their accounts and the manner of calculating and paying the interest;
- (s) requiring the bonding of and insurance coverage for directors, officers, agents and employees of the credit union and of property of or held by the credit union;
- (t) prescribing and regulating aggregate and individual lending limits for credit unions and methods of calculating limits for the purposes of subsection 155 (1);
- (u) prescribing the type and value of security that a credit union must have before making a loan and the method for valuing such security;
- (v) prescribing matters to be shown in financial statements under subsection 177 (1) and the periods to which those matters relate;
- (w) prescribing the discretionary authorities that may be conferred in proxies and excluding the application of similar provisions in regulations made under Part VIII of the *Business Corporations Act*;
- (x) governing transactions between a credit union or subsidiary and a restricted party for the purposes of Part IX;
- (y) respecting the books, registers and other records and documents to be kept and maintained by credit unions for the purposes of subsection 203 (1) and the length of time they are to be retained;

- (z) authorizing the Authority to provide services prescribed by the regulations that are ancillary, complementary or similar to services it performs to persons, bodies or classes of persons or bodies prescribed by the regulations, and governing the provision of those services;
- (z.1) governing credit unions registered under section 273, including providing for provisions of this Act to apply to such credit unions with such modifications as may be specified in the regulations.

Same

(2) If an amount or rate is to be prescribed under subsection (1), the regulation may prescribe a method of determining the amount or rate.

Regulations, offering statements

278 The Lieutenant Governor in Council may make regulations,

- (a) specifying the financial statements, reports and other documents that are to be included with an offering statement;
- (b) respecting the disclosure of material facts in relation to securities to be distributed;
- (c) respecting the distribution of an offering statement;
- (d) exempting any class of distributions from the application of sections 68 to 75;
- (e) generally, for carrying out the purposes of sections 67 to 75.

Regulations, capital adequacy

279 The Lieutenant Governor may make regulations,

- (a) adopting by reference any code, standard or guideline in respect of capital adequacy requirements;
- (b) requiring compliance with any regulation, administrative directive, or prescribed requirement, code standard or guideline in respect of capital adequacy.

Regulations, cost of borrowing

280 (1) The Lieutenant Governor in Council may make regulations,

- (a) prescribing, for the purposes of section 158, charges that are included in the cost of borrowing and charges that are excluded;
- (b) governing rebates to be made under section 159;
- (c) prescribing information other than the cost of borrowing that must be disclosed under section 160;
- (d) prescribing the manner of calculating the cost of borrowing for the purposes of section 160;
- (e) prescribing the circumstances in which the cost of borrowing must be expressed as an amount in dollars and cents for the purposes of section 160;
- (f) prescribing the manner of calculating any rebate referred to in paragraph 4 of section 161;
- (g) prescribing changes for the purposes of paragraph 6 of section 161, paragraph 3 of section 163 and paragraph 3 of subsection 164 (1);
- (h) prescribing rights and obligations of borrowers for the purposes of paragraph 7 of section 161, paragraph 4 of section 163 and paragraph 4 of subsection 164 (1);
- (i) prescribing information that must be disclosed under paragraph 8 of section 161, paragraph 5 of section 163 and paragraph 5 of subsection 164 (1);
- (j) prescribing information for the purposes of section 162;
- (k) prescribing information for the purposes of section 165;
- (l) prescribing matters for the purposes of clause 166 (1) (b) and respecting the form, manner and content of advertisements for the purposes of subsection 166 (2);
- (m) prescribing the time, manner and form of any disclosure required under sections 160 to 166;
- (n) prescribing classes of loans in respect of which some or all of the requirements of sections 159 to 166 do not apply;
- (o) prohibiting the imposition of any charge or penalty referred to in section 161, 163 or 164;
- (p) governing the nature and amount of any charge or penalty referred to in section 161, 163 or 164 that may be imposed by a credit union, including but not limited to,
 - (i) regulations providing that such a charge or penalty shall not exceed an amount prescribed in the regulation, and

(ii) regulations respecting the costs of the credit union that may be included or must be excluded in the determination of the charge or penalty;

(q) respecting any other matter or thing that is necessary to carry out the purposes of sections 159 to 166.

Same

(2) A regulation made under clause (1) (a) may exclude charges described in clause (a), (b) or (c) of the definition of “cost of borrowing” in section 158.

Same

(3) A regulation made under subsection (1) may be general or particular in its application and may be restricted in its application to the class or classes of loans set out in the regulation.

Regulations, deposit insurance premiums

281 (1) The Lieutenant Governor in Council may make regulations prescribing how annual premiums are to be determined under paragraph 1 of subsection 225 (1).

Same

(2) A regulation under subsection (1) may prescribe different annual premiums for different credit unions or classes of credit unions.

Limitation

(3) For the purposes of subsection (2), prescribed classes of credit unions shall be based in part on measurable criteria which relate to the risk posed by the credit union and may be based in part on other factors so long as they are not based on membership in a central.

Regulations, administrative penalties

282 (1) The Lieutenant Governor in Council may make regulations governing the administrative penalties that may be imposed under section 269.

Same

(2) Without limiting the generality of subsection (1), a regulation governing administrative penalties may,

- (a) prescribe criteria the Chief Executive Officer is required or permitted to consider when imposing a penalty under section 269;
- (b) authorize the Chief Executive Officer to determine the amount of a penalty, if the amount of the penalty is not prescribed, and prescribe criteria the Chief Executive Officer is required or permitted to consider when determining the amount of the penalty;
- (c) establish different penalties or ranges of penalties for different types of contraventions and for different classes of persons and entities;
- (d) authorize a penalty to be imposed for each day or part of a day on which a contravention continues;
- (e) authorize higher penalties for a second or subsequent contravention by a person or entity;
- (f) require that the penalty be paid before a specified deadline or before a deadline specified by the Chief Executive Officer;
- (g) authorize the imposition of late payment fees respecting penalties that are not paid before the deadline, including graduated late payment fees;
- (h) establish a maximum cumulative penalty payable in respect of a contravention or in respect of contraventions during a specified period.

Incorporation by reference

283 A regulation made under this Act may adopt by reference, in whole or in part, with such changes as the Lieutenant Governor in Council considers necessary, any code, standard or guideline, as amended from time to time, whether before or after the regulation is filed, and may require compliance with any code, standard or guideline adopted.

Transitional regulations

284 (1) The Lieutenant Governor in Council may make regulations respecting transitional matters related to the implementation of this Act.

Conflict with transitional regulations

(2) In the event of a conflict between this Act and a regulation made under this section, the regulation prevails.

Authority rules

285 (1) The Authority may make rules in respect of the following matters:

1. Establishing standards of sound business and financial practices for credit unions.
2. Establishing any fee described in this Act as being established by Authority rule.
3. Respecting the holding of first meetings, the notice calling the meeting, the quorum, and the business to be transacted.
4. Prescribing the number of individuals required to incorporate a credit union under section 10.
5. Prescribing information for the purposes of subsection 12 (1).
6. Specifying the date on which the financial year of a credit union ends for the purposes of section 27.
7. Governing membership in a credit union for the purposes of Part III.
8. Governing the withdrawal of members from credit unions for the purposes of section 40.
9. Governing the expulsion of members from credit unions for the purposes of section 41.
10. Regulating the maintenance, by credit unions, of adequate capital and adequate and appropriate forms of liquidity.
11. Respecting regulatory capital and the total assets of a credit union.
12. Prescribing phase-in periods for capital adequacy requirements based on a graduated scale.
13. Prescribing classes of subsidiaries whose shares may be included in a credit union's regulatory capital.
14. Governing transactions between a credit union or a subsidiary and a restricted party.
15. Prescribing individuals who are disqualified from being directors of credit unions for the purposes of section 84.
16. Prescribing the minimum number of directors that a credit union must have for the purposes of section 86.
17. Governing the election of directors for the purposes of section 87.
18. Governing the composition of boards for the purposes of section 88.
19. Governing the terms of office of directors for the purposes of section 89.
20. Governing quorum for the purposes of section 90.
21. Governing the filling of board vacancies for the purposes of section 91.
22. Prescribing circumstances for the purposes of section 92.
23. Governing the removal of directors for the purposes of section 93.
24. Governing the resignation of directors for the purposes of section 95.
25. Governing the remuneration of directors for the purposes of section 99.
26. Governing the establishment of committees and the delegation of powers and assignment of duties to committees for the purposes of section 101.
27. Prescribing the powers and duties of audit committees for the purposes of subsection 104 (2).
28. Governing the officers of credit unions and the power and duties of those officers for the purposes of section 105.
29. Establishing the procedures for setting, paying and disclosing the remuneration and expenses of officers for the purposes of section 106.
30. Governing bonds for the purposes of subsection 117 (2).
31. Governing the appointment of auditors and prescribing the required qualifications of auditors for the purposes of section 125.
32. Governing the removal of auditors for the purposes of section 126.
33. Governing the resignation of auditors for the purposes of section 128.
34. Governing the replacement of auditors for the purposes of section 129.
35. Establishing the procedures for setting, paying and disclosing the remuneration of auditors for the purposes of section 130.
36. Prescribing information for the purposes of subsection 137 (2).
37. Governing the transmission of auditors' reports for the purposes of subsection 137 (2).

38. Prescribing businesses and business activities for the purposes of section 138.
39. Authorizing the dealing in goods or engaging in trade or business for the purposes of subsection 139 (1).
40. Governing requests for approvals and approvals for the purposes of subsection 139 (3).
41. Prescribing services as prohibited for the purposes of subsection 139 (4).
42. Prescribing persons and entities for the purposes of subsection 139 (5).
43. Governing the business of insurance as undertaken by credit unions for the purposes of section 141.
44. Permitting credit unions to undertake fiduciary activities for the purposes of section 142.
45. Governing unclaimed deposits for the purposes of section 147, including, but not limited to,
 - i. governing the payment of unpaid deposits by a credit union to the Authority,
 - ii. governing evidence of entitlement to transferred unclaimed amounts, and
 - iii. governing the interest payable on transferred unclaimed amounts or specifying that no interest is payable on transferred unclaimed amounts.
46. Governing the restrictions on borrowing for the purposes of subsection 148 (2).
47. Prescribing the meaning of “borrow” for the purposes of subsection 148 (3).
48. Governing security interests in property for the purposes of section 149.
49. Prescribing types of securities or property and prescribing conditions for the purposes of section 167.
50. Governing meeting notices for the purposes of section 175.
51. Governing annual meetings of credit unions for the purposes of section 176.
52. Governing proposals for the purposes of section 179.
53. Prescribing manners of voting for the purposes of section 182.
54. Prescribing requirements for remote members’ meetings by-laws under section 185.
55. Prescribing requirements for remote directors’ meetings by-laws under section 186.
56. Prescribing information for the purposes of section 191 and establishing limitations or restrictions with respect to the use of that information.
57. Prescribing conditions for the purposes of subsection 218 (3).
58. Authorizing, controlling and requiring the use by credit unions of marks, signs, advertisements or devices indicating that deposits with credit unions are insured by the Authority.
59. Prescribing a minimum number of members for the purposes of clause 241 (1) (c).
60. Respecting the procedure to be followed in a winding-up for the purposes of subsection 247 (11).

Legislation Act, 2006

(2) Part III (Regulations) of the *Legislation Act, 2006* does not apply to the Authority rules.

Regulation prevails

(3) If there is a conflict or an inconsistency between a regulation made by the Lieutenant Governor in Council under this Act and an Authority rule, the regulation prevails, but in all other respects an Authority rule has the same force and effect as a regulation.

Transition, rules made under the *Credit Unions and Caisses Populaires Act, 1994*

(4) Rules made under section 321.0.4 of the *Credit Unions and Caisses Populaires Act, 1994*, as it read on the day before the day this section came into force, are deemed, on the day this section comes into force, to be rules made under this Act and those rules apply, with necessary modifications.

Termination of certain Authority by-laws

(5) The Authority may terminate the by-laws that were deemed under subsections 321.0.4 (4) and (5) of the *Credit Unions and Caisses Populaires Act, 1994* to be Authority by-laws made in accordance with the requirements of the *Financial Services Regulatory Authority of Ontario Act, 2016* at the time and in the manner that the Authority considers appropriate.

Rule prevails

(6) If there is a conflict or an inconsistency between a rule made by the Authority under this Act and a by-law described in subsection (5), the rule prevails.

APPROVAL OF FORMS, ETC.

Forms

286 The Chief Executive Officer may approve the use of forms, specify the procedure for the use of the forms, and require their use for any purpose of this Act, and the forms may provide for such information to be furnished as the Chief Executive Officer may require.

Reports

287 The Chief Executive Officer may approve the form and contents of any report required to be prepared under this Act, the regulations or the Authority rules, and the manner of reporting.

Circulars and proxies

288 The Chief Executive Officer may approve the form and content of information circulars and proxies.

Statements

289 The Chief Executive Officer may approve the form and content of an offering statement or a statement of material changes.

FEES

Fees

290 The Minister may make regulations governing fees under this Act, including,

- (a) requiring the payment of fees in relation to any matter under this Act, including any services provided by or through the Ministry of Finance;
- (b) prescribing the amount of fees or the manner of determining fees;
- (c) prescribing the manner in which and the period within which fees must be paid.

PART XIX**REPEAL, AMENDMENTS TO OTHER ACTS, COMMENCEMENT AND SHORT TITLE****REPEAL AND AMENDMENTS TO OTHER ACTS****Repeal**

291 The *Credit Unions and Caisses Populaires Act, 1994* is repealed.

AgriCorp Act, 1996

292 Clause 12 (c) of the *AgriCorp Act, 1996* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Algonquin Forestry Authority Act

293 Clause 13 (3) (c) of the *Algonquin Forestry Authority Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Assignments and Preferences Act

294 Clause 28 (1.1) (c) of the *Assignments and Preferences Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Bailiffs Act

295 Subsection 13 (7) of the *Bailiffs Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Business Corporations Act

296 (1) Clause 2 (3) (d) of the *Business Corporations Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) Clause 188 (7.1) (c) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(3) Clause 227 (2) (c) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Business Regulation Reform Act, 1994

297 Clause 11 (2) (c) of the *Business Regulation Reform Act, 1994* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

City of Toronto Act, 2006

298 Clause 311 (3) (c) of the *City of Toronto Act, 2006* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Collection and Debt Settlement Services Act

299 Clause 2 (1) (g) of the *Collection and Debt Settlement Services Act* is amended by striking out “incorporated under the *Credit Unions and Caisses Populaires Act*” and substituting “within the meaning of the *Credit Unions and Caisses Populaires Act, 2020*”.

Commodity Futures Act

300 Clause 31 (a) of the *Commodity Futures Act* is amended by striking out “league to which the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “central to which the *Credit Unions and Caisses Populaires Act, 2020*”.

Condominium Act, 1998

301 (1) Clause 81 (4) (c) of the *Condominium Act, 1998* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) Clause 115 (3) (c) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Condominium Management Services Act, 2015

302 Clause 65 (4) (c) of the *Condominium Management Services Act, 2015* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Consumer Protection Act, 2002

303 (1) Clause 2 (2) (c) of the *Consumer Protection Act, 2002* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) The definition of “credit union” in section 85.1 of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(3) Subsection 110 (4) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Co-operative Corporations Act

304 (1) Section 3 of the *Co-operative Corporations Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” in the portion after clause (c) and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) Subsection 7 (4) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Corporations Act

305 (1) Clause 143 (5.1) (c) of the *Corporations Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) Clause 259 (1.1) (c) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Education Act

306 Paragraph 4 of subsection 257.38 (1) of the *Education Act* is amended by striking out “section 1 of the *Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “the *Credit Unions and Caisses Populaires Act, 2020*”.

Election Act

307 Clause 71 (2) (c) of the *Election Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Election Finances Act

308 Clause (c) of the definition of “financial institution” in subsection 1 (1) of the *Election Finances Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Escheats Act, 2015

309 Paragraph 3 of subsection 2 (2) of the *Escheats Act, 2015* is repealed and the following substituted:

3. Transferred unclaimed amounts held by the Financial Services Regulatory Authority under the *Credit Unions and Caisses Populaires Act, 2020*.

Family Responsibility and Support Arrears Enforcement Act, 1996

310 Clause (c) of the definition of “deposit account” in subsection 45 (9) of the *Family Responsibility and Support Arrears Enforcement Act, 1996* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Financial Administration Act

311 Subsection 2 (2) of the *Financial Administration Act* is amended by striking out “league” wherever it appears and substituting in each case “central”.

Financial Services Commission of Ontario Act, 1997

312 Clause (b) of the definition of “regulated sector” in section 1 of the *Financial Services Commission of Ontario Act, 1997* is repealed and the following substituted:

- (b) all credit unions and centrals to which the *Credit Unions and Caisses Populaires Act, 2020* applies,

Financial Services Regulatory Authority of Ontario Act, 2016

313 (1) The definition of “credit union” and “deposit” in subsection 1 (1) of the *Financial Services Regulatory Authority of Ontario Act, 2016* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) The definition of “DICO” in subsection 1 (1) of the Act is amended by adding “as it read before its repeal” at the end.

(3) Clause (a) of the definition of “regulated sector” in subsection 1 (1) of the Act is repealed and the following substituted:

- (a) the *Credit Unions and Caisses Populaires Act, 2020*,

(4) Subsection 19 (5) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Funeral, Burial and Cremation Services Act, 2002

314 Subsection 72 (3) of the *Funeral, Burial and Cremation Services Act, 2002* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Gaming Control Act, 1992

315 Subsection 27 (1) of the *Gaming Control Act, 1992* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Law Society Act

316 (1) Subsection 57 (1) of the *Law Society Act* is amended by striking out “league to which the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “central to which the *Credit Unions and Caisses Populaires Act, 2020*”.

(2) Subparagraph 12 iv of subsection 63 (1) of the Act is amended by striking out “league to which the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “central to which the *Credit Unions and Caisses Populaires Act, 2020*”.

Legal Aid Services Act, 2020

317 Clause 18 (4) (c) of the *Legal Aid Services Act, 2020* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Loan and Trust Corporations Act

318 (1) The definition of “loan corporation” in section 1 of the *Loan and Trust Corporations Act* is amended by striking out “caisse populaire or league under the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “or central under the *Credit Unions and Caisses Populaires Act, 2020*”.

(2) Clause 4 (a) of the Act is amended by striking out “or caisses populaires incorporated or registered under the *Credit Unions and Caisses Populaires Act*” and substituting “within the meaning of the *Credit Unions and Caisses Populaires Act, 2020*”.

(3) Subsection 213 (3.1) of the Act is amended by striking out “league, as defined by the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “central, as defined by the *Credit Unions and Caisses Populaires Act, 2020*”.

Metropolitan Toronto Convention Centre Corporation Act

319 Subclause 6 (2) (d) (iv) of the *Metropolitan Toronto Convention Centre Corporation Act* is amended by striking out “*Credit Unions and Caisses Populaires Act*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Ministry of Training, Colleges and Universities Act

320 The definition of “financial institution” in section 1 of the *Ministry of Training, Colleges and Universities Act* is amended by striking out “or *caisse populaire* to which the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “to which the *Credit Unions and Caisses Populaires Act, 2020*”.

Mortgage Brokerages, Lenders and Administrators Act, 2006

321 The definition of “financial institution” in section 1 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* is amended by striking out “or *caisse populaire* to which the *Credit Unions and Caisses Populaires Act, 1994* applies including a league” and substituting “to which the *Credit Unions and Caisses Populaires Act, 2020* applies including a central”.

Motor Vehicle Dealers Act, 2002

322 (1) Subsection 22 (3) of the *Motor Vehicle Dealers Act, 2002* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) Subclause 25 (a) (iii) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Municipal Act, 2001

323 Clause 346 (3) (c) of the *Municipal Act, 2001* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Municipal Affairs Act

324 Clause 35 (2) (c) of the *Municipal Affairs Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

New Home Construction Licensing Act, 2017

325 Subsection 65 (3) of the *New Home Construction Licensing Act, 2017* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Northern Ontario Heritage Fund Act

326 Clause 6 (3) (c.2) of the *Northern Ontario Heritage Fund Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Not-for-Profit Corporations Act, 2010

327 Clause 156 (1) (c) of the *Not-for-Profit Corporations Act, 2010* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Ontario Educational Communications Authority Act

328 Paragraph 3 of subsection 13.2 (1) of the *Ontario Educational Communications Authority Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Ontario Energy Board Act, 1998

329 Subsection 112.10 (4) of the *Ontario Energy Board Act, 1998* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Ontario Forest Tenure Modernization Act, 2011

330 Paragraph 3 of subsection 15 (2) of the *Ontario Forest Tenure Modernization Act, 2011* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Ontario French-language Educational Communications Authority Act, 2008

331 Paragraph 3 of subsection 15 (1) of the *Ontario French-language Educational Communications Authority Act, 2008* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Ottawa Convention Centre Corporation Act

332 Subclause 6 (2) (d) (iv) of the *Ottawa Convention Centre Corporation Act* is amended by striking out “*Credit Unions and Caisses Populaires Act*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Province of Ontario Savings Office Privatization Act, 2002

333 Section 11 of the *Province of Ontario Savings Office Privatization Act, 2002* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” wherever it appears and substituting in each case “*Credit Unions and Caisses Populaires Act, 2020*”.

Real Estate and Business Brokers Act, 2002

334 (1) Clause 5 (1.1) (c) of the *Real Estate and Business Brokers Act, 2002* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) Clause 25 (3.1) (c) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(3) Subclause 27 (1) (a) (iii) of the Act is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Retail Sales Tax Act

335 Subsection 2.1 (10) of the *Retail Sales Tax Act* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Securities Act

336 (1) Subclause (e) (ii) of the definition of “security” in subsection 1 (1) of the *Securities Act* is amended by striking out “league to which the *Credit Unions and Caisses Populaires Act, 1994*” and substituting “central to which the *Credit Unions and Caisses Populaires Act, 2020*”.

(2) Paragraph 3 of subsection 35.1 (1) of the Act is repealed and the following substituted:

3. A loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, financial services cooperative or credit union central or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be.

(3) Paragraph 3 of subsection 73.1 (1) of the Act is repealed and the following substituted:

3. A loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, financial services cooperative or credit union central or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be.

(4) Paragraphs 2, 3 and 4 of subsection 73.1 (6) of the Act are repealed and the following substituted:

2. Membership shares and patronage shares, within the meaning of the *Credit Unions and Caisses Populaires Act, 2020*, of a credit union.
3. Securities issued to its members by a credit union to which the *Credit Unions and Caisses Populaires Act, 2020* applies and for which an offering statement is sought under that Act.
4. Securities issued to its members or to the members of its member credit unions by a central to which the *Credit Unions and Caisses Populaires Act, 2020* applies and for which an offering statement is sought under that Act.

(5) The Act is amended by striking out “or caisse populaire” wherever it appears.

St. Lawrence Parks Commission Act

337 Clause 4 (2) (d) of the *St. Lawrence Parks Commission Act* is amended by striking out “*Credit Unions and Caisses Populaires Act*” at the end and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Travel Industry Act, 2002

338 Subsection 23 (3) of the *Travel Industry Act, 2002* is amended by striking out “*Credit Unions and Caisses Populaires Act, 1994*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

Wages Act

339 (1) Subsection 7 (8) of the *Wages Act* is amended by striking out “*Credit Unions and Caisses Populaires Act*” and substituting “*Credit Unions and Caisses Populaires Act, 2020*”.

(2) The French version of subsection 7 (8) of the Act is amended by striking out “à une credit union” and substituting “à une caisse populaire”.

COMMENCEMENT AND SHORT TITLE

Commencement

340 (1) Subject to subsections (2) to (6), this Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

(2) Subsection 301 (1) comes into force on the later of the day section 291 of this Schedule comes into force and the day section 72 of Schedule 1 to the *Protecting Condominium Owners Act, 2015* comes into force.

(3) Subsection 301 (2) comes into force on the later of the day section 291 of this Schedule comes into force and the day subsection 101 (3) of Schedule 1 to the *Protecting Condominium Owners Act, 2015* comes into force.

(4) Section 317 comes into force on the later of the day section 291 of this Schedule comes into force and the day subsection 18 (4) of the *Legal Aid Services Act, 2020* comes into force.

(5) Section 325 comes into force on the later of the day section 291 of this Schedule comes into force and the day subsection 65 (3) of Schedule 1 to the *Strengthening Protection for Ontario Consumers Act, 2017* comes into force.

(6) Section 327 comes into force on the later of the day section 291 of this Schedule comes into force and the day subsection 4 (1) of the *Not-for-Profit Corporations Act, 2010* comes into force.

Short title

341 The short title of the Act set out in this Schedule is the *Credit Unions and Caisses Populaires Act, 2020*.

**SCHEDULE 8
CROWN FOREST SUSTAINABILITY ACT, 1994**

1 Section 3 of the *Crown Forest Sustainability Act, 1994* is amended by adding the following definition:

“species at risk” means a species that is listed as extirpated, endangered or threatened on the Species at Risk in Ontario List established under the *Endangered Species Act, 2007*; (espèce en péril)

2 Subsections 11 (3), (3.1), (4) and (5) of the Act are repealed.

3 The Act is amended by adding the following section:

Endangered Species Act, 2007

47.1 (1) Clause 9 (1) (a) and subsection 10 (1) of the *Endangered Species Act, 2007* do not apply to a person who kills, harms, harasses, captures or takes a member of a species at risk, or damages or destroys the habitat of such a species, while the person is conducting forest operations,

- (a) in a Crown forest;
- (b) in accordance with an approved forest management plan; and
- (c) on behalf of the Crown or under the authority of a forest resource licence.

(2) Subclauses 9 (1) (b) (i) and (ii) of the *Endangered Species Act, 2007* do not apply to a person who transports or possesses a member of a species if, pursuant to subsection (1), clause 9 (1) (a) and subsection 10 (1) of that Act did not apply with respect to the member of the species.

(3) No order shall be issued under section 27.1 or 28 of the *Endangered Species Act, 2007* with respect to a person conducting forest operations in accordance with subsection (1).

4 (1) Paragraph 3.1 of subsection 69 (1) of the Act is repealed.

(2) Subsection 69 (1) of the Act is amended by adding the following clause:

- 16.2 respecting forest operations in a Crown forest that may impact species at risk, including requiring persons conducting forest operations to take or refrain from taking specified actions for the purpose of avoiding or minimizing impacts to a species at risk or assisting with the recovery of a species at risk;

Commencement

5 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 9
EARLY CHILDHOOD EDUCATORS ACT, 2007**

1 (1) Clause 29 (2.2) (a) of the *Early Childhood Educators Act, 2007* is amended by adding “other than any terms, conditions or limitations imposed by a decision or resolution ordered or adopted by the Discipline Committee” at the end.

(2) Paragraph 1 of subsection 29 (2.5) of the Act is repealed and the following substituted:

1. The information must not be a notation of a decision or resolution, or a link to the decision or resolution, ordered or adopted by the Discipline Committee that required a reprimand, an admonishment, counselling, a fine, or the imposition of a term, condition or limitation on a certificate of registration.

2 (1) Paragraph 5 of subsection 33 (4) of the Act is amended by adding “a prescribed sexual act” after “sexual abuse”.

(2) Paragraph 1 of subsection 33 (5) of the Act is amended by striking out “and, if considered warranted, directing that the fact of the reprimand, admonishment or counselling be recorded on the register for a specified period of more than three years” at the end.

3 The Act is amended by adding the following section:

Retroactive revocation

33.3 A member’s certificate of registration is deemed to be revoked as of the day this section comes into force if, before that day, an order was made by the Discipline Committee under subsection 33 (4) or (5) in which the member was found guilty of an act of professional misconduct consisting of or including sexual abuse of a child or a prohibited act involving child pornography and,

- (a) the Discipline Committee did not order a revocation of the member’s certificate of registration; or
- (b) the Discipline Committee ordered a revocation but the member’s certificate of registration was later reinstated under subsection 36 (6) or 37 (1).

4 (1) Subsection 36 (1) of the Act is amended by adding “Subject to subsection (1.1)” at the beginning.

(2) Section 36 of the Act is amended by adding the following subsection:

No application for reinstatement

(1.1) Subject to subsections (4.2) and (4.3), subsection (1) does not apply to a person who has had a certificate revoked pursuant to an order made under section 33 or deemed revoked pursuant to section 33.3 for committing an act of professional misconduct that consisted of or included any of the following:

1. Sexual abuse of a child as described in clause (a) or (b) of the definition of “sexual abuse” in subsection 1 (1).
2. A prohibited act involving child pornography.
3. A prescribed sexual act that involves a child.

(3) Subsection 36 (4.1) of the Act is amended by adding “or deemed revoked pursuant to section 33.3” immediately after “under section 33” in the portion before paragraph 1.

(4) Paragraphs 1 to 3 of subsection 36 (4.1) of the Act are repealed and the following substituted:

1. Sexual abuse of a child, as described in clause (c) of the definition of “sexual abuse” in subsection 1 (1).
2. Sexual misconduct.
3. A prescribed sexual act that does not involve a child.

(5) Section 36 of the Act is amended by adding the following subsections:

Reinstatement after conviction or pardon

(4.2) Despite anything in this section, if a person’s certificate of registration is revoked, suspended or made subject to terms, conditions or limitations in relation to a matter that led to a conviction under the *Criminal Code* (Canada) and the conviction is subsequently overturned on appeal, or the person has been granted a pardon under the *Criminal Code* (Canada), the person may make an application under subsection (1) or (2) at any time after the conviction was overturned or the pardon was granted.

Same

(4.3) With respect to a person referred to in subsection (4.2) whose certificate of registration was deemed revoked pursuant to section 33.3, if the conviction was overturned on appeal or the person was granted a pardon under the *Criminal Code* (Canada) before the day this section comes into force and the person makes an application under subsection (1) of this section within 60 days of the revocation under section 33.3 and provides proof that the conviction was overturned or the pardon was granted,

- (a) the Registrar shall issue a certificate to the applicant immediately upon receiving the application and proof; and

- (b) the member may hold the certificate until the Discipline Committee has made an order with respect to the application under subsection (6) of this section.

(6) Subsection 36 (6) of the Act is amended by adding the following paragraph:

7. Directing the Registrar to continue or to revoke a certificate issued under clause (4.3) (a).

5 (1) Subsection 45 (1) of the Act is amended by adding the following clauses:

- (c.3) requiring a member to report to the Registrar,
- (i) any findings of professional negligence made against the member,
 - (ii) any findings of professional misconduct or incompetence made against the member by another body that governs a profession inside or outside of Ontario, or
 - (iii) any other findings or decisions that relate to the member's suitability to practise;
- (c.4) governing reports required to be made to the Registrar for the purposes of this Act;

(2) Subsection 45 (1) of the Act is amended by adding the following clause:

- (d.1.1) governing the sexual abuse prevention program required under section 50.2, including prescribing other measures of the program for the purposes of clause 50.2 (3) (e);

(3) Clause 45 (1) (d.2) of the Act is amended by striking out "sexual abuse or a prohibited act involving child pornography" wherever it appears and substituting in each case "sexual abuse, a prescribed sexual act or a prohibited act involving child pornography".

6 Subsection 49 (7) of the Act is amended by striking out "shall" in the portion before clause (a) and substituting "may".

7 The Act is amended by adding the following section:

Sexual abuse prevention program

50.2 (1) The College shall have a sexual abuse prevention program.

Measures

- (2) The sexual abuse prevention program must include measures for preventing and dealing with sexual abuse of children.

Same

- (3) The measures for preventing and dealing with sexual abuse of children must include,
- (a) educational requirements for members;
 - (b) guidelines for the conduct of members with children;
 - (c) training for the College's staff;
 - (d) the provision of information to the public; and
 - (e) any other measures prescribed by regulation.

8 The Act is amended by adding the following sections:

Reporting by members re: offences

57.1 (1) A member shall file a report in writing with the Registrar if the member has been found guilty of an offence.

Timing of report

- (2) The report must be filed as soon as reasonably practicable after the member receives notice of the finding of guilt.

Contents of report

- (3) The report must contain,
- (a) the name of the member filing the report;
 - (b) the nature of, and a description of the offence;
 - (c) the date the member was found guilty of the offence;
 - (d) the name and location of the court that found the member guilty of the offence; and
 - (e) the status of any appeal initiated respecting the finding of guilt.

Publication ban

- (4) The report shall not contain any information that violates a publication ban.

Same

(5) No action shall be taken under this section which violates a publication ban and nothing in this section requires or authorizes the violation of a publication ban.

Additional reports

(6) A member who files a report under subsection (1) shall file an additional report if there is a change in status of the finding of guilt as the result of an appeal.

Reporting by members re: charges and bail conditions, etc.

57.2 (1) A member shall file a report in writing with the Registrar if the member has been charged with an offence, and the report shall include information about every bail condition or other restriction imposed on or agreed to by the member in connection with the charge.

Timing of report

(2) The report must be filed as soon as reasonably practicable after the member receives notice of the charge, bail condition or restriction.

Contents of report

(3) The report must contain,

- (a) the name of the member filing the report;
- (b) the nature of, and a description of the charge;
- (c) the date the charge was laid against the member;
- (d) the name and location of the court in which the charge was laid or in which the bail condition or restriction was imposed on or agreed to by the member;
- (e) every bail condition imposed on the member as a result of the charge;
- (f) any other restriction imposed on or agreed to by the member relating to the charge; and
- (g) the status of any proceedings with respect to the charge.

Publication ban

(4) The report shall not contain any information that violates a publication ban.

Same

(5) No action shall be taken under this section which violates a publication ban and nothing in this section requires or authorizes the violation of a publication ban.

Additional reports

(6) A member who files a report under subsection (1) shall file an additional report if there is a change in the status of the charge or bail conditions.

9 The Act is amended by adding the following section:**Transition, *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020***

59.1.1 Subsection 36 (1.1) applies to an act of professional misconduct that occurred before the day subsection 4 (2) of Schedule 9 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* came into force.

10 (1) Subsection 59.2 (1) of the Act is amended by adding “a prescribed sexual act” after “sexual abuse” in the portion before paragraph 1.

(2) Paragraph 1 of subsection 59.2 (1) of the Act is amended by striking out “or of a prohibited act involving child pornography” and substituting “a prescribed sexual act or a prohibited act involving child pornography”.

(3) Clause 59.2 (3) (a) of the Act is amended by striking out “or of a prohibited act involving child pornography and, in the opinion of the College, the child was, at the time of the alleged sexual abuse or prohibited act involving child pornography” and substituting “a prescribed sexual act or a prohibited act involving child pornography and, in the opinion of the College, the child was, at the time of the alleged sexual abuse, prescribed sexual act or prohibited act involving child pornography”.

(4) Subsection 59.2 (11) of the Act is amended by adding “prescribed sexual act” after “sexual abuse”.

(5) Clause 59.2 (13) (a) of the Act is amended by striking out “or a prohibited act of child pornography” and substituting “a prescribed sexual act or a prohibited act involving child pornography”.

(6) Clause 59.2 (13) (b) of the Act is amended by striking out “or the prohibited act involving child pornography” and substituting “prescribed sexual act or prohibited act involving child pornography”.

Commencement

11 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Subsection 5 (2) and section 7 come into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 10
EDUCATION ACT**

1 (1) Subsection 257.7 (3) of the *Education Act* is amended by striking out “subsection (4)” and substituting “subsections (4) and (5)”.

(2) Section 257.7 of the Act is amended by adding the following subsections:

Same, certain subclasses

(5) Subsection (3) does not apply to a subclass described in section 313.1 of the *Municipal Act, 2001* or section 278.1 of the *City of Toronto Act, 2006*, other than the small-scale on-farm business subclass and the creative enterprise subclass, unless the Minister of Finance, by regulation, provides that subsection (3) applies.

Same

(6) A regulation made under subsection (5) may prescribe a different reduction or manner of determining a different reduction of the tax rate for school purposes for the subclass.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 11
EMPLOYER HEALTH TAX ACT**

1 (1) The definition of “A” in subsection 2.1 (2) of the *Employer Health Tax Act* is repealed and the following substituted:

“A” is,

- (a) \$450,000 for a year in the five-year period consisting of 2014 to 2018,
- (b) \$490,000 for 2019,
- (c) \$1,000,000 for a year in the nine-year period consisting of 2020 to 2028, and
- (d) the adjusted amount determined under section 2.1.1 for a year in the five-year period consisting of 2029 to 2033 or a subsequent five-year period.

(2) Subsection 2.1 (2.1) of the Act is repealed.

2 (1) Subsection 2.1.1 (1) of the Act is repealed and the following substituted:

Adjustment of exemption amount

(1) For each five-year period beginning with the period consisting of the years 2029 to 2033, the amount of “A” that is referred to in subsection 2.1 (2) shall be adjusted to the amount calculated using the formula,

$$X + [X \times (Y/Z - 1)]$$

in which,

“X” is \$1,000,000 for a year in the five-year period consisting of the years 2029 to 2033 and, for a year in each succeeding five-year period, is the amount that would have been the amount of “A” used for the preceding five-year period if it was not rounded to the nearest ten-thousand under subsection (3),

“Y” is the Consumer Price Index for the 12-month period that ended on September 30 of the year immediately preceding the first year in the five-year period, and

“Z” is the Consumer Price Index for the 12-month period ending on September 30 that is five years preceding the 12-month period in the description of “Y”.

(2) Subsection 2.1.1 (1.1) of the Act is repealed.

3 (1) Paragraph 1 of subsection 3 (1) of the Act is repealed and the following substituted:

1. An employer who pays, for a year beginning after December 31, 1999 and ending before January 1, 2021, total Ontario remuneration for the year that exceeds \$600,000 shall pay monthly instalments to the Minister at the prescribed times.
2. An employer who pays, for a year beginning after December 31, 2020, total Ontario remuneration for the year that exceeds \$1,200,000 shall pay monthly instalments to the Minister at the prescribed times.

(2) Clause 3 (2) (a) of the Act is repealed and the following substituted:

- (a) for a year beginning after December 31, 1999 and ending before January 1, 2021, the employer pays total Ontario remuneration for the year of \$600,000 or less;
- (a.1) for a year beginning after December 31, 2020, the employer pays total Ontario remuneration for the year of \$1,200,000 or less; or

4 Subsection 7 (1.1) of the Act is repealed and the following substituted:

Exception, years before 2022

(1.1) The amount of interest payable under subsection (1) by an employer in respect of a particular year beginning before January 1, 2022 shall be calculated without regard to any amount the employer failed to pay as an instalment on account of the tax payable by the employer for the year, if the employer’s total Ontario remuneration for the prior year was not more than \$600,000.

Same, 2022 and subsequent years

(1.1.1) The amount of interest payable under subsection (1) by an employer in respect of a particular year ending after December 31, 2021 shall be calculated without regard to any amount the employer failed to pay as an instalment on account of the tax payable by the employer for the year, if the employer’s total Ontario remuneration for the prior year was not more than \$1,200,000.

Commencement

5 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures)*, 2020 receives Royal Assent.

**SCHEDULE 12
FILM CONTENT INFORMATION ACT, 2020**

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**PART I
APPLICATION AND INTERPRETATION**

Application

1 This Act applies to,

- (a) exhibiting films for the direct gain of the exhibitor;
- (b) selling or renting physical copies of video games;
- (c) exhibiting adult sex films; and
- (d) selling, renting or otherwise making available physical copies of adult sex films to persons.

Interpretation

2 In this Act,

“adult sex film” means a film that has, as its main object, the depiction of explicit sexual activity; (“film à caractère sexuel pour adultes”)

“exhibit” means to exhibit a film for viewing by the public; (“présenter”)

“exterior container” means the packaging that is designed or intended to contain a physical copy of a film for the purposes of display for sale or rental; (“jaquette”)

“film” means a moving image, other than a video game, that may be generated for viewing from anything including, but not limited to, videotapes, video discs, film or electronic files; (“film”)

“film trailer” means a film that is used for advertising purposes in connection with the exhibition of another film; (“bande-annonce de film”)

“investigator” means an investigator appointed under subsection 7 (1); (“enquêteur”)

“Minister” means the Minister of Government and Consumer Services or such other member of the Executive Council to whom responsibility for the administration for this Act is assigned under the *Executive Council Act*; (“ministre”)

“prescribed” means prescribed by the regulations; (“prescrit”)

“regulations” means the regulations made under this Act; (“règlements”)

“Software Board” means the Entertainment Software Rating Board or such other person or body as may be prescribed; (“Commission des logiciels de loisirs”)

“video game” means a moving image that provides an interactive game of skill, dexterity or knowledge where the player of the game varies the nature or sequence of the visual images by operating the device producing the images, which device may include a computer, a gaming system, a console or other technology. (“jeu vidéo”)

PART II DIRECTOR

Director and Deputy Directors

3 (1) The Deputy Minister shall appoint a Director for the purposes of this Act and may appoint Deputy Directors.

Duties of Deputy Director

(2) A Deputy Director shall perform such duties as are assigned by the Director and shall act as Director in the Director’s absence.

Same

(3) Only one Deputy Director may act as Director in the Director’s absence at any one time.

PART III PROHIBITIONS

Exhibition of films to public for direct gain

4 (1) Subject to subsections (3) and (4), no person shall exhibit a film for their own direct gain unless they display the following information at the place where they exhibit the film, or otherwise make the information available to the public in advance of exhibiting the film:

1. Information respecting the film and its content that the person exhibiting the film reasonably determines would be relevant to persons who may intend to view the film.
2. The name and contact information of an individual to whom questions or complaints respecting the information referred to in paragraph 1 may be directed.

Examples of relevant information

(2) For the purposes of paragraph 1 of subsection (1), examples of information respecting a film and its content that may be relevant to persons who may intend to view the film include the following:

1. The age of the intended audience of the film.
2. Whether the film contains,
 - i. nudity, sexual activity or adult themes,
 - ii. the graphic depiction of violence involving bloodletting, torture, mutilation or criminal activity,
 - iii. coarse language, sexual references or slurs, or
 - iv. the depiction of the use of an illegal substance, or the illegal or harmful use of alcohol, a tobacco product, a vapour product or cannabis.

Previous classification

(3) If a film was previously classified for exhibition in Ontario under the *Film Classification Act, 2005* or the *Theatres Act*, as they read before their repeal, the person exhibiting the film may display or otherwise make available the classification instead of displaying or otherwise making available the information referred to in paragraph 1 of subsection (1).

Exceptions

(4) Subsection (1) does not apply to films that,

- (a) are adult sex films;
- (b) are shown under the sponsorship of a public library or public art gallery;
- (c) are shown as part of a concert, a theatrical stage production or a live or pre-recorded cultural, sporting or athletic event;
- (d) are designed for the purpose of advertising, demonstrating or instructing in the use of products or services; or
- (e) are film trailers.

Adult sex films**Required review and approval**

5 (1) No person shall exhibit an adult sex film or sell, rent or otherwise make available a physical copy of an adult sex film unless the film has been reviewed and approved by an entity that is authorized to approve adult sex films under the laws of a province of Canada.

Notice must be affixed

(2) No person shall sell, rent or otherwise make available a physical copy of an adult sex film unless a notice is affixed to the exterior container of the film, or appears on the physical copy itself, indicating that the film has been approved in accordance with subsection (1).

Age restriction, exhibition

(3) No person shall exhibit an adult sex film to a person who is under 18 years of age.

Age restriction, sale, rental or making available

(4) No person shall sell, rent or otherwise make available a physical copy of an adult sex film to a person who is under 18 years of age.

Sale or rental of video games

6 (1) No person shall sell or rent a physical copy of a video game to a person who is under 18 years of age unless the Software Board has provided a rating for that video game.

Rating of “Adults Only”

(2) No person shall sell or rent a physical copy of a video game that the Software Board has rated as “Adults Only” to a person who is under 18 years of age.

Rating of “Mature”

(3) No person shall sell or rent a physical copy of a video game that the Software Board has rated as “Mature” to a person who is under 17 years of age.

Exception, arcade games

(4) For greater certainty, this section does not apply to a person who rents or sells the use of a payment-based video game device commonly known as an arcade game.

Regulations

(5) The regulations may modify the application of this section and may establish new or modified prohibitions on the sale or rental of physical copies of video games based on their rating by the Software Board.

PART IV INVESTIGATIONS

Appointment of investigators

7 (1) The Director may appoint persons to be investigators for the purpose of conducting investigations.

Identification

(2) An investigator shall produce, on request, evidence of their appointment as an investigator.

Search warrant

8 (1) On application made without notice by an investigator, a justice of the peace may issue a warrant if the justice of the peace is satisfied on information under oath that there is reasonable ground for believing that,

- (a) a person has contravened or is contravening this Act or the regulations or has committed an offence under this Act or the regulations; and
- (b) there is,
 - (i) in any building, dwelling, receptacle or place anything relating to the contravention of this Act or the regulations, or
 - (ii) information or evidence relating to the contravention of this Act or the regulations that may be obtained through the use of an investigative technique or procedure or the doing of anything described in the warrant.

Powers under warrant

- (2) Subject to any conditions contained in the warrant, a warrant issued under subsection (1) authorizes an investigator to,
- (a) enter or access the building, dwelling, receptacle or place specified in the warrant, and examine and seize anything described in the warrant;
 - (b) use any data storage, processing or retrieval device or system used in carrying on business in order to produce information or evidence described in the warrant, in any form;
 - (c) require a person to produce the information or evidence described in the warrant and to provide whatever assistance is reasonably necessary, including using any data storage, processing or retrieval device or system to produce, in any form, the information or evidence described in the warrant; and
 - (d) use any investigative technique or procedure described in the warrant or do anything described in the warrant.

Obligation to produce and assist

(3) A person who is required to do so by an investigator under clause (2) (c) shall produce information or evidence described in the warrant and shall provide whatever assistance is reasonably necessary to produce the information or evidence in any form.

Entry of dwelling

- (4) Despite subsection (2), an investigator shall not exercise the power under a warrant to enter a place, or part of a place, used as a dwelling unless,
- (a) the justice of the peace is informed that the warrant is being sought to authorize entry into a dwelling; and
 - (b) the justice of the peace authorizes the entry into the dwelling.

Conditions on warrant

(5) A warrant shall contain such conditions as the justice of the peace considers advisable to ensure that any search authorized by the warrant is reasonable in the circumstances.

Assistance

(6) A warrant may authorize persons who have special, expert or professional knowledge, and such other persons as may be necessary, to accompany and assist the investigator in respect of the execution of the warrant.

Time of execution

(7) An entry or access under a warrant shall be made between 6 a.m. and 9 p.m., unless the warrant specifies otherwise.

Expiry of warrant

(8) A warrant shall name a date of expiry, which shall be no later than 30 days after the warrant is issued, but a justice of the peace may, on application without notice by the investigator, extend the date of expiry for an additional period of no more than 30 days.

Use of force

(9) An investigator may call upon police officers for assistance in executing a warrant and the investigator may use whatever force is reasonably necessary to execute the warrant.

Obstruction

(10) No person shall obstruct an investigator executing a warrant or withhold from him or her or conceal, alter or destroy anything relevant to the investigation.

Seizure

(11) An investigator who is lawfully present in a place under a warrant may seize anything that is in plain view if the investigator believes on reasonable grounds that the thing will afford evidence of a contravention of this Act or the regulations.

Procedure

(12) An investigator who has seized a thing under subsection (11) shall comply with the requirements of section 158.2 of the *Provincial Offences Act*.

May make copies

(13) An investigator who seizes anything under this section may make a copy of it and shall return the original within a reasonable time.

Admissibility

(14) A copy of a document or record certified by an investigator as being a true copy of the original is admissible in evidence to the same extent as the original and has the same evidentiary value.

No warrant required in exigent circumstances

9 (1) Although a warrant issued under subsection 8 (1) would otherwise be required, an investigator may exercise any of the powers described in subsection 8 (2) without a warrant if the conditions for obtaining the warrant exist but because of exigent circumstances it would be impracticable to obtain the warrant.

Dwellings

(2) Subsection (1) does not apply to any part of a building that is being used as a dwelling.

Use of force

(3) An investigator may, in executing any authority given by this section, call upon police officers for assistance and use whatever force is reasonably necessary.

Application of other provisions

(4) Subsections 8 (6), (10), (11), (12), (13) and (14) apply, with necessary modifications, to the exercise of powers under this section.

Report to justice, things seized

10 (1) An investigator who seizes anything during an investigation under section 8 or 9 shall bring the thing seized before a justice or, if that is not reasonably possible, shall report the seizure to a justice.

Application of *Provincial Offences Act*

(2) Sections 159 and 160 of the *Provincial Offences Act* apply, with necessary modifications, in respect of a thing seized by an investigator during an investigation under section 8 or 9 of this Act.

Where no proceeding will commence

11 (1) This section applies when an investigator is in possession of a seized thing and,

- (a) a decision is made by a person with the authority to do so that no proceeding will be commenced under this Act or the regulations in respect of the seized thing; or
- (b) the time within which a proceeding may be commenced under this Act or the regulations has expired.

Notice of no proceeding

(2) When clause (1) (a) or (b) applies, the investigator in possession of the thing shall, within a reasonable time, notify in writing the person from whom the thing was seized that no proceeding will be commenced in respect of the thing.

Application for return of thing

(3) Within 10 days of notice being given under subsection (2), a person who claims an interest in the thing may apply to the Director for the release of the thing.

Hearing

(4) Subject to subsection (5), a person who applies for the release of the thing within the time permitted under subsection (3) is entitled to a hearing before the Director.

Director may refuse hearing

(5) The Director may refuse to hold a hearing if the person who applies for the release of the thing is not the person from whom the thing was seized and the Director is not satisfied that the person has an interest in the thing.

Director's determination

- (6) After a hearing, the Director may,
- (a) release the thing to the person if the Director determines that it was not exhibited, sold, rented or made available in contravention of this Act or the regulations; or
 - (b) direct that the thing be forfeited to the Crown if the Director determines that it was exhibited, sold, rented or made available in contravention of this Act or the regulations.

Forfeiture in other circumstances

- (7) The Director may direct that a thing is forfeited to the Crown if,
- (a) no person applies for the release of the thing within the time permitted under subsection (3);
 - (b) the Director refuses to hold a hearing under subsection (5); or
 - (c) the person who applied for the release of the thing does not appear at the hearing.

Decision final

- (8) Any determination or direction made by the Director under this section is final.

Required compliance

- (9) Every person shall comply with a direction to forfeit a thing made under this section.

**PART V
OFFENCES, PENALTIES AND EVIDENCE**

Offence

12 (1) A person is guilty of an offence if the person contravenes or fails to comply with any provision of this Act or the regulations.

Officers or directors

(2) An officer or director of a corporation is guilty of an offence if the officer or director fails to take reasonable care to prevent the corporation from committing an offence mentioned in subsection (1).

Limitation

(3) No proceeding under this section shall be commenced more than two years after the events on which the proceeding is based occurred.

Penalties**Individuals**

13 (1) Every individual convicted of an offence under this Act or the regulations is liable to a fine of not more than \$50,000, to imprisonment for a term of not more than two years less a day, or both.

Corporations

(2) Every corporation convicted of an offence under this Act or the regulations is liable to a fine of not more than \$250,000.

Forfeiture

(3) A court that convicts a person of an offence under this Act or the regulations may, in addition to any other penalty imposed by the court, if the conviction is in relation to an offence in connection with a film that has been lawfully seized under this Act, order that the film be forfeited to the Crown.

Same

(4) Subsection (3) applies, with necessary modifications, in respect of a person that a court finds guilty of an offence under this Act or the regulations.

Default in payment of fines

14 (1) If a fine payable as a result of a conviction for an offence under this Act or the regulations is in default for at least 60 days, the Director or a person designated by him or her may disclose to a consumer reporting agency within the meaning of the *Consumer Reporting Act* the name of the defaulter, the amount of the fine and the date the fine went into default.

If payment made

(2) Within 10 days after receiving notice that the fine has been paid in full, the Director or their designee shall inform the consumer reporting agency of the payment.

Certificate as evidence

15 For all purposes in any proceeding, a statement purporting to be certified by the Director is, without proof of the office or signature of the Director, admissible in evidence as proof in the absence of evidence to the contrary, of the facts stated in it in relation to the approval of an adult sex film.

Testimony

16 Except in a proceeding under this Act, no person shall be required to give testimony in a civil proceeding with regard to information obtained in the course of exercising a power or carrying out a duty related to the administration of this Act or the regulations.

PART VI REGULATIONS

Regulations

17 The Lieutenant Governor in Council may make regulations,

- (a) respecting anything that, in this Act, may or must be prescribed or done by regulation;
- (b) modifying the application of section 6, including by modifying the names of the ratings categories referred to in that section or by establishing new prohibitions that apply with respect to the sale or rental of physical copies of video games;
- (c) exempting any person or class of persons from any provision of this Act and attaching conditions to the exemption;
- (d) generally for carrying out the purposes and provisions of this Act.

PART VII TRANSITION

Dissolution of Ontario Film Review Board

18 The Ontario Film Review Board is dissolved and all its assets and liabilities are hereby transferred to and vested in the Crown in right of Ontario, without compensation.

Expiry of older licences

19 Every licence issued under the *Film Classification Act, 2005*, as it read before it was repealed, expires on the day this section comes into force.

PART VIII REPEAL, REVOCATIONS AND CONSEQUENTIAL AMENDMENTS

Film Classification Act, 2005

20 (1) The *Film Classification Act, 2005* is repealed.

(2) Ontario Regulation 452/05 made under the *Film Classification Act, 2005* is revoked.

Licence Appeal Tribunal Act, 1999

21 Subsection 11 (1) of the *Licence Appeal Tribunal Act, 1999* is amended by striking out “*Film Classification Act, 2005*”.

Safety and Consumer Statutes Administration Act, 1996

22 The Schedule to the *Safety and Consumer Statutes Administration Act, 1996* is amended by striking out “*Film Classification Act, 2005*”.

PART IX COMMENCEMENT AND SHORT TITLE

Commencement

23 The Act set out in this Schedule comes into force on the day that is six months after the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

Short title

24 The short title of the Act set out in this Schedule is the *Film Content Information Act, 2020*.

**SCHEDULE 13
FINANCIAL ADMINISTRATION ACT**

1 Subsection 1.0.10 (1) of the *Financial Administration Act* is amended by adding the following clause:

- (c.4) prescribing dates for the purposes of the definition of “corresponding recognition date” and prescribing liabilities for the purposes of the definition of “newly recognized liability” in subsection 11.9 (1);

2 Subsection 3 (1) of the Act is amended by striking out “and” at the end of clause (h) and by adding the following clause:

- (h.1) for the purposes of a proxy investment fund established under subsection 7.1 (1), securities, financial agreements, investments and evidences of indebtedness, subject to any terms, conditions or restrictions prescribed by the regulations made under this Act; and

3 The Act is amended by adding the following section:

Proxy investment funds

7.1 (1) The Minister of Finance may establish and maintain one or more proxy investment funds if he or she considers it advisable for the purposes of determining adjustments to be applied in respect of one or more special purpose accounts for one or more supplemental pension funds.

Money not received for a special purpose

(2) For greater certainty, money held in or paid out of a proxy investment fund established under subsection (1) is not money received by or on behalf of the Crown for a special purpose.

Rate of return

(3) The Minister of Finance shall determine the annual rate of return for a proxy investment fund, taking into account any investment costs or expenses.

Adjusting special purpose account

(4) The Minister of Finance may adjust a special purpose account in respect of which a proxy investment fund has been established under subsection (1) with an amount determined by applying the annual rate of return determined under subsection (3) to the special purpose account.

Same

(5) The following rules apply where an adjustment is made under subsection (4):

1. Any positive adjustment is a charge upon and payable out of the Consolidated Revenue Fund.
2. Any negative adjustment shall reduce the amount that may be charged upon and paid from the Consolidated Revenue Fund in respect of the special purpose account.
3. No interest may be paid by the Minister of Finance under subsection 7 (2) upon any money in the special purpose account in respect of a period of time for which an adjustment has been made to the special purpose account.

Owner of fund

(6) The Crown is the legal and beneficial owner of any proxy investment fund established under subsection (1).

Authorization to OFA

(7) The Minister of Finance may, in writing, authorize the Ontario Financing Authority to perform any of his or her powers and duties under this section and, for the purposes of establishing or maintaining a proxy investment fund under subsection (1), his or her powers referred to in subsections 3 (1), (2), (4) and (4.1).

Same

(8) Where the Ontario Financing Authority, pursuant to an authorization given under this section, performs any of the Minister of Finance’s powers referred to in subsections 3 (1), (2), (4) and (4.1), subsections 3 (2.1), (3), (5) and (6), as applicable, apply with necessary modifications.

Same

(9) An authorization under subsection (7) is subject to such limitations, conditions and requirements as are set out in it.

Powers of the OFA

(10) For the purposes of performing the powers and duties it has been authorized to carry out under subsection (7), the Ontario Financing Authority may execute all documents and do such other acts and things as it considers necessary or desirable, subject to any regulations prescribed for the purposes of clause 3 (1) (h.1) and any limitations, conditions or requirements set out in the authorization.

No action to be commenced

(11) No action or proceeding of any kind shall be commenced against the Ontario Financing Authority or against an employee, officer or director of the Ontario Financing Authority for any act, omission, neglect or default in good faith done or omitted to be done in connection with the performance of the powers and duties it has been authorized to perform under subsections (7) and (10).

Responsibility of OFA

(12) If the Ontario Financing Authority enters into an investment management agreement with the Investment Management Corporation of Ontario with respect to a proxy investment fund established or maintained by the Ontario Financing Authority pursuant to an authorization, the Ontario Financing Authority, and not the Minister of Finance, is responsible for investing the proxy investment fund for the purposes of section 9 of the *Investment Management Corporation of Ontario Act, 2015*.

4 Subsection 11.6 (1.1) of the Act is repealed and the following substituted:**Exception, certain liabilities**

(1.1) Despite clause (1) (b), the estimates shall not include,

- (a) expenditures to be made on or after April 1, 2003 in satisfaction of liabilities incurred by the Crown before that date;
- (b) expenditures to be made under section 11.8; and
- (c) expenditures to be made under section 11.9.

5 Subsection 11.8 (4) of the Act is repealed.**6 The Act is amended by adding the following section:****Payment re: newly recognized liabilities**

11.9 (1) In this section,

“corresponding recognition date” means a prescribed date on which, for the first time, ministries and specified public entities recognize a newly recognized liability as a result of a change in the relevant accounting standards; (“date de comptabilisation correspondante”)

“newly recognized liability” means a prescribed liability that, prior to the corresponding recognition date, ministries and specified public entities did not recognize under the relevant accounting standards; (“dette nouvellement comptabilisée”)

“relevant accounting standards” means the accounting standards referred to in the opinion the Auditor General provides under subsection 12 (3) of the *Auditor General Act*. (“normes comptables pertinentes”)

Application

(2) This section applies with respect to amounts in satisfaction of a newly recognized liability that were incurred by a ministry or specified public entity during a fiscal year that ended before the corresponding recognition date, if payment of the amounts is not otherwise authorized by an Act of the Legislature.

Appropriation

(3) Amounts in satisfaction of a newly recognized liability described in subsection (2) are a charge upon and payable out of the Consolidated Revenue Fund during a fiscal year that begins on or after the corresponding recognition date for the liability.

Restriction

(4) However, the aggregate amount authorized by subsection (3) in respect of newly recognized liabilities of a ministry or specified public entity shall not exceed the aggregate amount of those liabilities at the beginning of the fiscal year commencing on the corresponding recognition date, as stated in the Public Accounts of Ontario, the payment of which is not otherwise authorized by an Act of the Legislature.

7 (1) Section 29 of the Act is amended by adding “or electronically” before “reproduced”.**(2) Section 29 of the Act is amended by adding the following subsection:****Electronic seal**

(2) If the manner of executing security certificates provided for under subsection (1) requires the affixation of the seal for the Minister of Finance referred to in subsection 1.0.13 (1), the seal may be reproduced electronically and, when so reproduced, has the same force and effect as if manually affixed.

8 Subsection 38 (1) of the Act is amended by adding the following clause:

- (a.5) prescribing terms, conditions and restrictions for the purposes of clause 3 (1) (h.1);

Commencement

9 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Sections 2, 3 and 8 come into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 14
FINANCIAL SERVICES COMMISSION OF ONTARIO ACT, 1997**

Financial Services Commission of Ontario Act, 1997

1 The *Financial Services Commission of Ontario Act, 1997* is repealed.

O. Reg. 11/01

2 Ontario Regulation 11/01 (Assessment of Expenses and Expenditures) is revoked.

Building Ontario Up Act (Budget Measures), 2015

3 Section 1 of Schedule 17 to the *Building Ontario Up Act (Budget Measures), 2015* is repealed.

Compulsory Automobile Insurance Act

4 (1) The definition of “Superintendent” in subsection 1 (1) of the *Compulsory Automobile Insurance Act* is repealed.

(2) Section 15.1 of the Act is repealed.

Co-operative Corporations Act

5 (1) The definition of “Superintendent” in subsection 1 (1) of the *Co-operative Corporations Act* is repealed.

(2) Section 185.1 of the Act is amended by adding the following subsection:

Definition of Superintendent

(2) In subsection (1), “Superintendent” is a reference to the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*.

(3) Section 186 of the Act is amended by adding the following subsection:

Definition of Superintendent

(3) In subsection (2),

“Superintendent” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*.

Credit Unions and Caisses Populaires Act, 1994

6 (1) The definition of “Superintendent” in section 1 of the *Credit Unions and Caisses Populaires Act, 1994* is repealed.

(2) Subsection 321.0.3 (1) of the Act is amended by,

(a) repealing clause (a);

(b) striking out “this Act or” in clause (b); and

(c) striking out “the transfers described in clause (a) or” in clause (c).

(3) Section 321.0.3 of the Act is amended by adding the following subsection:

Definition of Superintendent

(4) In this section,

“Superintendent” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*.

(4) Clause 321.6 (a) of the Act is amended by striking out “or the Financial Services Commission of Ontario”.

Financial Services Tribunal Act, 2017

7 The definition of “regulated sector” in section 1 of the *Financial Services Tribunal Act, 2017* is repealed and the following substituted:

“regulated sector” has the same meaning as in the *Financial Services Regulatory Authority of Ontario Act, 2016*; (“secteur réglementé”)

Insurance Act

8 (1) The definitions of “Commission” and “Superintendent” in section 1 of the *Insurance Act* are repealed and the following substituted:

“Commission” means the former Financial Services Commission of Ontario that was established under the repealed *Financial Services Commission of Ontario Act, 1997*; (“Commission”)

“Superintendent” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*. (“surintendent”)

- (2) Section 121.1 of the Act is repealed.
- (3) Subclause 283 (1) (c) (ii) of the Act is repealed.

Loan and Trust Corporations Act

9 (1) The definition of “Superintendent” in section 1 of the *Loan and Trust Corporations Act* is repealed.

- (2) Section 223.0.1 of the Act is repealed.
- (3) Subsection 223.1 (2) of the Act is amended by striking out “or the Financial Services Commission of Ontario” at the end.
- (4) Clause 224 (a) of the Act is amended by striking out “or the Financial Services Commission of Ontario”.

Mortgage Brokerages, Lenders and Administrators Act, 2006

10 (1) The definition of “Superintendent” in section 1 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* is repealed.

- (2) Section 55.1 of the Act is repealed.

Motor Vehicle Accident Claims Act

11 The definition of “Superintendent” in subsection 1 (1) of the *Motor Vehicle Accident Claims Act* is repealed and the following substituted:

“Superintendent” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*; (“surintendent”)

Pension Benefits Act

12 (1) The definitions of “Commission” and “Superintendent” in subsection 1 (1) of the *Pension Benefits Act* are repealed and the following substituted:

“Commission” means the former Financial Services Commission of Ontario that was established under the repealed *Financial Services Commission of Ontario Act, 1997*; (“Commission”)

“Superintendent” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*; (“surintendent”)

- (2) Section 114 of the Act is amended by striking out “the *Financial Services Commission of Ontario Act, 1997* or”.

Pooled Registered Pension Plans Act, 2015

13 (1) The definitions of “Commission” and “Superintendent” in section 2 of the *Pooled Registered Pension Plans Act, 2015* are repealed.

- (2) Section 26.1 of the Act is amended by adding the following subsection:

Definitions of Commission, Superintendent

- (4) In this section,

“Commission” means the former Financial Services Commission of Ontario that was established under the repealed *Financial Services Commission of Ontario Act, 1997*; (“Commission”)

“Superintendent” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*. (“surintendent”)

Protecting What Matters Most Act (Budget Measures), 2019

14 Section 2 of Schedule 26 to the *Protecting What Matters Most Act (Budget Measures), 2019* is repealed.

Registered Insurance Brokers Act

15 (1) The definition of “Superintendent” in section 1 of the *Registered Insurance Brokers Act* is repealed.

- (2) Section 35.1 of the Act is repealed.

Commencement

16 (1) Subject to subsections (2) and (3), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

- (2) Subsection 6 (4) comes into force on the later of the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent and the day section 4 of Schedule 8 to the *Building Ontario Up Act (Budget Measures), 2015* comes into force.

(3) Subsection 9 (4) comes into force on the later of the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent and the day section 2 of Schedule 21 to the *Building Ontario Up Act (Budget Measures), 2015* comes into force.

SCHEDULE 15
FINANCIAL SERVICES REGULATORY AUTHORITY OF ONTARIO ACT, 2016

1 The definitions of “FSCO” and “Superintendent of Financial Services” in subsection 1 (1) of the *Financial Services Regulatory Authority of Ontario Act, 2016* are repealed and the following substituted:

“FSCO” means the former Financial Services Commission of Ontario that was established under the repealed *Financial Services Commission of Ontario Act, 1997*; (“CSFO”)

“Superintendent of Financial Services” means the former position of Superintendent of Financial Services under the repealed *Financial Services Commission of Ontario Act, 1997*. (“surintendent des services financiers”)

2 Section 5 of the Act is repealed.

3 Subsection 15 (1) of the Act is amended by striking out “The Lieutenant Governor in Council may assess the Authority annually” at the beginning and substituting “The Minister may assess the Authority from time to time”.

4 Subsection 17 (1) of the Act is amended by adding “and must include any other prescribed information” at the end.

5 Section 28 of the Act is amended by striking out “prescribing any matter mentioned in this Act as prescribed” at the end and substituting “respecting anything that may or must be prescribed or done by regulation under this Act”.

6 The Act is amended by adding the following section:

MATTERS RELATING TO THE FORMER FINANCIAL SERVICES COMMISSION OF ONTARIO

Immunity

32.1 (1) No action or other proceeding for damages shall be instituted against a person who occupied the position of Superintendent of Financial Services, any former member or employee of the FSCO or any person engaged by a person occupying the position of Superintendent of Financial Services for any act done in good faith in the execution or intended execution of the person’s powers or duties or for any neglect or default in the execution, in good faith, of the person’s powers or duties under the *Financial Services Commission of Ontario Act, 1997* or any other Act.

Crown liability

(2) Despite subsection 8 (3) of the *Crown Liability and Proceedings Act, 2019*, subsection (1) does not relieve the Crown of any liability to which it would otherwise be subject.

Testimony in civil proceedings

(3) A person who occupied the position of Superintendent of Financial Services shall not be required to testify in a civil proceeding, in a proceeding before the Chief Executive Officer or the Financial Services Tribunal or in a proceeding before any other tribunal respecting information obtained in the discharge of the Superintendent’s duties under the *Financial Services Commission of Ontario Act, 1997* or any other Act.

Same, employees

(4) Except with the consent of the Minister, no former employee of the FSCO or any person engaged by a person who occupied the position of Superintendent of Financial Services shall be required to testify in a civil proceeding, in a proceeding before the Chief Executive Officer or the Financial Services Tribunal or in a proceeding before any other tribunal respecting information obtained in the discharge of the person’s duties under the *Financial Services Commission of Ontario Act, 1997* or any other Act.

Transition re director of arbitrations

(5) Subsections (1), (2) and (3) apply, with necessary modifications, with respect to every person who held office as the director of arbitrations as that office existed immediately before the repeal of section 6 of the *Insurance Act* by section 2 of Schedule 3 to the *Fighting Fraud and Reducing Automobile Insurance Rates Act, 2014* and as that office was continued after that repeal by regulations under section 283 of the *Insurance Act*.

Commencement

7 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

SCHEDULE 16
FISCAL SUSTAINABILITY, TRANSPARENCY AND ACCOUNTABILITY ACT, 2019

1 Section 3 of the *Fiscal Sustainability, Transparency and Accountability Act, 2019* is amended by adding the following subsection:

Same, 2020-2021 fiscal year

(3) The requirement in paragraph 2 of subsection (2) does not apply for a budget in respect of the 2020-2021 fiscal year that is released on or after April 1, 2020.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 17
FUEL TAX ACT**

1 (1) Clause 18 (1) (a) of the *Fuel Tax Act* is repealed and the following substituted:

(a) audit or examine any books, records or anything else that relates or may relate to the tax imposed by this Act;

(2) Section 18 of the Act is amended by adding the following subsection:

Power to survey, etc.

(1.1) For clarity, any person authorized to examine anything under subsection (1) may, in person or remotely, survey, photograph or make any kind of record of it.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 18
GAMING CONTROL ACT, 1992**

1 (1) Subsection 1 (1) of the *Gaming Control Act, 1992* is amended by adding the following definition:

“lottery subsidiary” means the lottery subsidiary within the meaning of the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996*; (“filiale des loteries”)

(2) The definition of “lottery subsidiary” in subsection 1 (1) of the Act, as enacted by subsection (1), is amended by striking out “the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996*” at the end and substituting “the *Alcohol and Gaming Commission of Ontario Act, 2019*”.

2 Section 3.7 of the Act is amended by adding “or by the lottery subsidiary” after “the Ontario Lottery and Gaming Corporation”.

3 (1) Subsection 3.9 (1) of the Act is amended by adding “or the lottery subsidiary” after “the Ontario Lottery and Gaming Corporation” in the portion before clause (a).

(2) Subsection 3.9 (2) of the Act is repealed and the following substituted:

Employees, etc.

(2) If the Ontario Lottery and Gaming Corporation or the lottery subsidiary conducts and manages a lottery scheme, every employee or other person retained by the Corporation or the lottery subsidiary for the purpose of conducting and managing the lottery scheme shall comply with the standards and requirements prescribed by the regulations or established by the Registrar under section 3.8.

4 Subsection 4 (1.1) of the Act is repealed and the following substituted:

Same, lottery schemes

(1.1) Except as provided in this Act and the regulations, no person shall provide goods or services for a lottery scheme conducted and managed by the Ontario Lottery and Gaming Corporation or the lottery subsidiary or for any other business operated by, on behalf of, or under contract with the Corporation or the lottery subsidiary in conjunction with such a lottery scheme, unless,

- (a) the person is registered as a supplier; and
- (b) the person is providing those goods or services to the Corporation, the lottery subsidiary or a registered supplier.

5 (1) Clause 5 (1) (b) of the Act is repealed and the following substituted:

- (b) the person is supplying those services to the Ontario Lottery and Gaming Corporation, the lottery subsidiary or a registered supplier, as named in the gaming assistant’s registration.

(2) Clause 5 (4) (a) of the Act is repealed and the following substituted:

- (a) the person is the Ontario Lottery and Gaming Corporation, the lottery subsidiary or a registered supplier; and

6 The French version of section 8 of the Act is amended by striking out “par une autre personne” in the portion before clause (a) and substituting “à l’égard d’une autre personne”.

7 (1) The French version of subsection 9 (1) of the Act is amended by striking out “personnes intéressées par l’auteur” and substituting “personnes intéressées à l’égard de l’auteur”.

(2) Subsection 9 (1.1) of the Act is revoked and the following substituted:

Same

(1.1) The Registrar may make such inquiries and conduct such investigations into the character, financial history and competence of,

- (a) persons proposed to be members of the Board of the Ontario Lottery and Gaming Corporation or of the board of the lottery subsidiary; and
- (b) such employees of the Corporation or of the lottery subsidiary as the Registrar determines exercise significant decision-making authority with respect to the conduct, management or operation of lottery schemes.

8 (1) The French version of subclause 10 (a) (i) of the Act is amended by striking out “intéressées par lui” at the end and substituting “intéressées à son égard”.

(2) The French version of subclause 10 (a) (ii) of the Act is amended by striking out “intéressées par eux” and substituting “intéressées à leur égard”.

(3) The French version of subclause 10 (b) (i) of the Act is amended by striking out “intéressées par lui” at the end and substituting “intéressées à son égard”.

(4) The French version of subclause 10 (b) (ii) of the Act is amended by striking out “intéressées par eux” and substituting “intéressées à leur égard”.

9 The French version of clause 11 (a) of the Act is amended by striking out “intéressées par lui” at the end and substituting “intéressées à son égard”.

10 (1) Subsection 22 (1) of the Act is amended by adding “or by the lottery subsidiary” after “the Ontario Lottery and Gaming Corporation”.

**(2) Subsection 22 (2) of the Act is amended by striking out the portion before clause (a) and substituting the following:
Same, lottery schemes of OLG or lottery subsidiary**

(2) No registered supplier who provides services related to the operation of a gaming site maintained for playing a lottery scheme conducted and managed by the Ontario Lottery and Gaming Corporation or by the lottery subsidiary, and no registered gaming assistant who provides services to the Corporation, the lottery subsidiary or a registered supplier, shall permit the playing of a lottery scheme on the site except in accordance with,

11 Section 22.1 of the Act is amended by adding “or by the lottery subsidiary” after “the Ontario Lottery and Gaming Corporation”.

12 Section 30 of the Act is amended by adding the following subsection:

Lottery schemes of AGCO

(3) If an investigation under this Act relates to a lottery scheme conducted and managed by the lottery subsidiary, the Alcohol and Gaming Commission of Ontario, the lottery subsidiary and every employee or other person retained by the Commission or the lottery subsidiary shall facilitate the investigation.

Commencement

13 This Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 19
GASOLINE TAX ACT**

1 (1) Clause 16 (1) (a) of the *Gasoline Tax Act* is repealed and the following substituted:

(a) audit or examine any books, records or anything else that relates or may relate to the tax imposed by this Act;

(2) Section 16 of the Act is amended by adding the following subsection:

Power to survey, etc.

(1.0.1) For clarity, any person authorized to examine anything under subsection (1) may, in person or remotely, survey, photograph or make any kind of record of it.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 20
HIGHWAY TRAFFIC ACT**

1 The *Highway Traffic Act* is amended by adding the following section:

Personal information — authorized requester program

Other law not affected

4.2 (1) The authority to disclose information under this section is in addition to any other authority for the Registrar to disclose information under this Act, under the *Freedom of Information and Protection of Privacy Act* or under any other Act, and this section does not prohibit any disclosure of information that is not otherwise prohibited.

Permitted purposes and authorized requesters

- (2) The Registrar may disclose prescribed personal information obtained under this Act if,
- (a) the disclosure is for a purpose listed in Column 1 of the Table to this subsection;
 - (b) the disclosure is to,
 - (i) the authorized requester listed in Column 2 of the same item,
 - (ii) a re-seller engaged by the authorized requester to obtain the information on behalf of the authorized requester, or
 - (iii) a service provider engaged by the authorized requester to perform services that are consistent with the purpose and that are specified by the authorized requester; and
 - (c) the authorized requester and the Registrar have entered into an agreement with the Registrar for the Registrar to disclose information to the recipient.

Item	Column 1 Purpose of disclosure	Column 2 Authorized requester
1.	Delivery of statutorily mandated government programs or services, where the disclosure is necessary for the delivery of the program or service or for determining or verifying an individual's suitability or eligibility for a program or service.	i. The Crown in right of Canada or an agent of the Crown in right of Canada. ii. The Crown in right of Ontario or an agent of the Crown in right of Ontario.
2.	Verification of an individual's identity or of other information that relates to that individual, if the individual presented a Ministry-issued document, such as driver's licence, to identify themselves or provide other information about themselves in order to obtain a service or benefit.	i. The Crown in right of Canada or an agent of the Crown in right of Canada. ii. The Crown in right of Ontario or an agent of the Crown in right of Ontario. iii. The Crown in right of any other province of Canada or an agent of the Crown in right of that province. iv. The government of a territory of Canada or an agent of that government. v. A municipality in Canada. vi. A court in Canada. vii. A financial institution in Canada.
3.	Investigations for the purpose of enforcing applicable law.	Federal authorities, a provincial authority or a municipal authority in Ontario.
4.	Enforcement respecting the unlawful parking, standing or stopping of a vehicle.	Operators of public or private parking facilities.
5.	The following insurance-related purposes: i. Underwriting policies of insurance. ii. Investigating insurance claims. iii. Conducting insurance-related research. iv. Verifying driver records collected under this Act. v. Maintaining driver safety programs. vi. Other purposes related to persons who have policies of insurance with the insurer or broker.	Persons licensed under the law of any jurisdiction in Canada or the United States as insurers or as brokers.
6.	Verification of employee driving records and maintain driver safety programs, where the employee has consent to the employer obtaining this information from the Registrar.	Employers who require the information.
7.	Operation of the Key Tag Service of The War Amputations of Canada, except respecting an individual who requests under subsection (6) that the Registrar stop disclosing their personal information for this purpose.	The War Amputations of Canada.
8.	Safety recalls of motor vehicles.	Vehicle manufacturers.
9.	Use in litigation or contemplated litigation, or investigations in respect of such litigation.	Persons licensed under the law of any jurisdiction in Canada as, i. lawyers,

		ii. paralegals, or iii. private investigators.
10.	Use in connection with the service of documents for litigation or contemplated litigation.	Process servers.
11.	Debt collection for a failure to pay a debt owing to the following: i. The Crown in right of Canada or an agent of the Crown in right of Canada. ii. The Crown in right of Ontario or an agent of the Crown in right of Ontario. iii. The Crown in right of any other province of Canada or an agent of the Crown in right of that province. iv. The government of a territory of Canada or an agent of that government. v. A municipality in Canada. vi. A municipal or private parking authority in Canada. vii. A court in Canada. viii. A financial institution in Canada. ix. An entity that collects tolls in Ontario, including an entity that collects tolls for the Highway 407 or the Highway 407 East.	Collection agencies licensed under the law of any jurisdiction in Canada.
12.	Collection of road tolls owing to the recipient, if the toll is authorized under a statute and the recipient is authorized under statute to collect the toll.	Public or private road tolling authorities in Canada and the United States.
13.	Uses in connection with the repossession of assets.	Bailiffs or assistant bailiffs.
14.	Prescribed purposes.	Prescribed recipients.

Criteria for entering agreement

(3) The Registrar shall consider the prescribed criteria in determining whether to enter into an agreement.

Terms and conditions of agreement

(4) The agreement shall include the prescribed provisions and address the prescribed matters.

Compliance

(5) The authorized requester shall comply with the agreement and with all laws applicable to the requester respecting personal information.

Opt-out of Key Tag Service

(6) An individual may direct a request to the Registrar to stop disclosing their personal information for the purpose of the operation of the Key Tag Service of The War Amputations of Canada, and the Registrar shall comply with the direction in the prescribed manner.

Same, public information

(7) The Registrar shall make information regarding the process for making a direction under subsection (6) available to the public on a website of the Government of Ontario.

Public reports

(8) The Registrar shall make the following information available to the public on a website of the Government of Ontario no later than six months after the day section 1 of the *Highway Traffic Amendment Act, 2020* comes into force and update it no less than once every twelve months after that, and shall do so in accordance with the regulations, if any:

1. The name of each entity that has an agreement with the Registrar to be an authorized requester.
2. The type of information to be disclosed to the authorized requester under the agreement.
3. The purposes for which the information to be disclosed may be used under the agreement.
4. A comprehensive description of the program under which personal information is disclosed under this section.

No notice under privacy legislation

(9) Any collection, by an institution, of personal information disclosed to the institution under this section is exempt from the application of subsection 39 (2) of the *Freedom of Information and Protection of Privacy Act* and subsection 29 (1) of the *Municipal Freedom of Information and Protection of Privacy Act*.

Transition

(10) An agreement referred to in subsection (2) includes an agreement entered into before section 1 of the *Highway Traffic Amendment Act, 2020* came into force.

Regulations

(11) The Lieutenant Governor in Council may make regulations governing anything that, in this section, is required or permitted to be prescribed or that is required or permitted to be done by, or in accordance with, the regulations, or as authorized, specified or provided for in the regulations or respecting any matter necessary or advisable to carry out effectively the purpose of this section.

Same

(12) Despite subsection (11), a regulation prescribing personal information, purposes of disclosure or recipients of disclosed information for the purposes of subsection (2) may be made only if the Minister has,

- (a) sought written feedback from the Information and Privacy Commissioner on the personal information, purpose or recipient, as the case may be, proposed to be prescribed; and
- (b) responded in writing to written feedback from the Information and Privacy Commissioner, if the feedback was provided no later than 30 days after the day the feedback was sought.

Definitions

(13) In this section,

“assistant bailiff” has the same meaning as in the *Bailiffs Act*; (“huissier adjoint”)

“bailiff” has the same meaning as in the *Bailiffs Act*; (“huissier”)

“institution” means an institution within the meaning of either of the *Freedom of Information and Protection of Privacy Act* and the *Municipal Freedom of Information and Protection of Privacy Act*, except in the phrase “financial institution”; (“institution”)

“personal information” has the same meaning as in the *Freedom of Information and Protection of Privacy Act*. (“renseignements personnels”)

Commencement

2 This Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

SCHEDULE 21
INNOVATION CENTRE GOVERNANCE ACT, 2020

Interpretation

1 In this Act,

“Minister” means the Minister of Economic Development, Job Creation and Trade or such other member of the Executive Council as may be assigned the administration of this Act under the *Executive Council Act*.

Directors of Ontario Centres of Excellence Inc.

2 (1) The following apply with respect to the board of directors of Ontario Centres of Excellence Inc.:

1. The total number of directors shall not exceed 13.
2. The Minister may appoint up to six directors, subject to paragraph 3.
3. The Minister shall not appoint a director if the appointment would result in the number of directors appointed by the Minister being greater than or equal to the number of other directors.

Appointed directors have same rights and responsibilities

(2) Directors appointed by the Minister have the same rights and responsibilities as directors who are elected.

Corporations Act applies to appointed directors

(3) For greater certainty, the *Corporations Act* applies to a director appointed by the Minister in the same way as it applies to directors who are elected.

Amendment to this Act

3 Subsection 2 (3) of this Act is amended by striking out “*Corporations Act*” and substituting “*Not-for-Profit Corporations Act, 2010*”.

Commencement

4 (1) Subject to subsection (2), the Act set out in this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Section 3 comes into force on the later of the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent and the day subsection 4 (1) of the *Not-for-Profit Corporations Act, 2010* comes into force.

Short title

5 The short title of the Act set out in this Schedule is the *Innovation Centre Governance Act, 2020*.

**SCHEDULE 22
INSURANCE ACT**

1 The *Insurance Act* is amended by adding the following section:

Exemption orders

15.1 (1) The Chief Executive Officer may, on the application of a person or entity, and if in the Chief Executive Officer's opinion it would not be prejudicial to the public interest, make an order exempting the person or entity from any requirement under this Act that is prescribed by regulation, and may make the order subject to such conditions as are set out in the order.

Same

(2) An order under this section is subject to such limits and conditions as may be prescribed by regulation.

2 (1) Subsection 121 (1) of the Act is amended by adding the following paragraph:

4. prescribing requirements under this Act for the purposes of exemption orders under subsection 15.1 (1) and prescribing limits and conditions that an exemption order may be subject to for the purposes of subsection 15.1 (2);

(2) Subsection 121 (1) of the Act is amended by adding the following paragraph:

22.0.1 respecting elections under subsection 263 (2.2);

3 Section 15 of the Statutory Conditions set out in section 148 of the Act is repealed and the following substituted:

Notice

15 (1) Written notice may be given to the insurer in the following ways:

1. It may be personally delivered at the chief agency or head office of the insurer in the Province.
2. It may be sent by registered mail to the chief agency or head office of the insurer in the Province.
3. It may be delivered by electronic means.

(2) Written notice may be given to the insured named in the contract in the following ways:

1. It may be personally delivered.
2. It may be delivered by prepaid courier to the latest address of the insured on the records of the insurer if there is a record by the person who has delivered it that the notice has been sent.
3. It may be sent by registered mail to the latest address of the insured on the records of the insurer.
4. It may be delivered by electronic means, if the insured consents to delivery by electronic means.

(3) In this condition, the expression "registered" means registered in or outside Canada.

4 Subsection 171 (1) of the Act is amended by adding the following definitions:

"exempt policy" has the same meaning as in the *Income Tax Regulations* (Canada); ("police exonérée")

"side account" means an account associated with or part of a contract of life insurance that is intended to hold funds in excess of the maximum amount permitted to be held in an exempt policy; ("compte auxiliaire")

5 The Act is amended by adding the following section:

Limits on amounts held, tax exempt

201.2 (1) The maximum amount of funds held in a side account associated with an exempt policy shall not exceed the sum of,

- (a) the funds required to pay future costs of insurance, related premium taxes and administrative fees or charges; and
- (b) any additional funds that could, in the future, be eligible to be held in the exempt policy.

Exception

(2) If, on the day this section comes into force, a side account holds an amount of funds in excess of the maximum amount permitted under subsection (1), the following rules apply:

1. No amount is required to be refunded in respect of the funds held in excess.
2. No additional funds may be added to the account until the amount of funds held in the side account is below the maximum amount permitted under subsection (1).
3. Once the amount of funds held in the side account is below the maximum amount permitted under subsection (1), that limit applies in respect of the side account.

Limits on amounts held, not tax exempt

(3) The maximum amount of funds held in any account or side account associated with a life insurance contract that does not include an exempt policy shall not exceed the funds required to pay future costs of insurance, related premium taxes and administrative fees or charges.

Permitted amounts held, ceases to be tax exempt

(4) The maximum amount of funds held in a side account associated with a life insurance contract that ceases to include an exempt policy shall not exceed the sum of,

- (a) the funds required to pay future costs of insurance, related premium taxes and administrative fees or charges; and
- (b) any additional funds that, on the day before the policy ceased to be an exempt policy, could have, in the future, been eligible to be held in the exempt policy if the policy had not ceased to be exempt.

Determination of amounts

(5) The amounts described in clauses (1) (a) and (b), subsection (3) and clauses (4) (a) and (b) may be determined, from time to time, by the insurer on an actuarial basis based on the expected remaining lifetime of the persons insured under the contract.

Non-application to annuities and variable contracts

(6) This section does not apply to any annuity deemed to be life insurance under this Act or any variable insurance contract within the meaning of section 110.

6 The Act is amended by adding the following section:**Notice of termination**

235 An insurer may, by registered mail, personal delivery, prepaid courier or electronic means, give to an insured a notice of termination of a contract in accordance with the statutory conditions referred to in subsection 234 (1).

7 (1) Section 263 of the Act is amended by adding the following subsection:**Same, application of s. 233**

(2.1) Despite subsection (6), section 233 applies to claims made under subsection (2).

(2) Section 263 of the Act is amended by adding the following subsections:**Same, election to not recover**

(2.2) An insured may elect, in accordance with the regulations, not to recover damages from the insured's insurer under subsection (2).

Same

(2.3) Despite subsection (6), if an insured makes an election under subsection (2.2),

- (a) in addition to the restrictions set out in subsection (5), the insured has no right of action against the insured's insurer for damages to the insured's automobile or its contents, or for loss of use; and
- (b) the insured's insurer shall not issue or offer collision or upset coverage, as referred to in the standard policy forms approved by the Chief Executive Officer under subsection 227 (5), to the insured.

8 Clause 7 (1) (a) of the Statutory Conditions set out in section 300 of the Act is repealed and the following substituted:

- (a) give written notice of the claim to the insurer in one of the following ways, not later than 30 days from the date a claim arises under the contract on account of an accident, sickness or disability:
 - (i) by personal delivery or by sending it by registered mail to the head office or chief agency of the insurer in the Province,
 - (ii) by personal delivery to an authorized agent of the insurer in the Province, or
 - (iii) by delivery by electronic means;

Protecting What Matters Most Act (Budget Measures), 2019

9 (1) Subsection 5 (2) of Schedule 33 to the *Protecting What Matters Most Act (Budget Measures), 2019* is repealed.

(2) Subsection 8 (2) of Schedule 33 to the Act is repealed.

Commencement

10 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Sections 1 to 8 come into force on a day to be named by proclamation of the Lieutenant Governor.

SCHEDULE 23
INTERIM APPROPRIATION FOR 2021-2022 ACT, 2020

Interpretation

1 Expressions used in this Act have the same meaning as in the *Financial Administration Act* unless the context requires otherwise.

Expenses of the public service

2 Pending the voting of supply for the fiscal year ending on March 31, 2022, amounts not exceeding a total of \$158,060,445,000 may be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses to be applied to the expenses of the public service that are not otherwise provided for.

Investments of the public service

3 Pending the voting of supply for the fiscal year ending on March 31, 2022, amounts not exceeding a total of \$5,083,555,600 may be paid out of the Consolidated Revenue Fund or recognized as non-cash investments to be applied to the investments of the public service in capital assets, loans and other investments that are not otherwise provided for.

Expenses of the Legislative Offices

4 Pending the voting of supply for the fiscal year ending on March 31, 2022, amounts not exceeding a total of \$286,594,600 may be paid out of the Consolidated Revenue Fund to be applied to the expenses of the Legislative Offices that are not otherwise provided for.

Charge to proper appropriation

5 All expenditures made or recognized under this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2022.

Commencement

6 The Act set out in this Schedule comes into force on April 1, 2021.

Short title

7 The short title of the Act set out in this Schedule is the *Interim Appropriation for 2021-2022 Act, 2020*.

SCHEDULE 24
INVESTMENT MANAGEMENT CORPORATION OF ONTARIO ACT, 2015

1 Subparagraph 9 (1) 3 vi of the *Investment Management Corporation of Ontario Act, 2015* is amended by striking out “body” and substituting “person or entity”.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 25
LIMITATIONS ACT, 2002**

1 The Schedule to the *Limitations Act, 2002* is amended by adding the following:

Not-for-Profit Corporations Act, 2010	subsections 98 (3) and 187 (14) and (15)
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Commencement

2 This Schedule comes into force on the later of the day subsection 4 (1) of the *Not-for-Profit Corporations Act, 2010* comes into force and the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

SCHEDULE 26
LIQUOR LICENCE AND CONTROL ACT, 2019

1 (1) The definition of “beer” in subsection 1 (1) of the *Liquor Licence and Control Act, 2019* is amended by striking out ““beer” means” at the beginning and substituting ““beer”, subject to the regulations, means”.

(2) The definition of “retail store” in subsection 1 (1) of the Act is repealed and the following substituted:

“retail store” means a store for the sale of liquor to the public that is established by the LCBO or operated under the authority of a licence, including a store that operates online or through a means other than at a fixed location; (“magasin de vente au détail”)

(3) The definition of “spirits” in subsection 1 (1) of the Act is amended by striking out ““spirits” means” at the beginning and substituting ““spirits”, subject to the regulations, means”.

(4) The definition of “wine” in subsection 1 (1) of the Act is amended by striking out ““wine” means” at the beginning and substituting ““wine”, subject to the regulations, means”.

2 Section 3 of the Act is amended by adding the following subsections:

Same

(3.1) If the Registrar proposes to refuse to grant an endorsement that is of a class of endorsement prescribed for the purposes of this subsection, the Registrar shall issue a proposal to refuse to grant the endorsement.

Same

(3.2) The Registrar shall grant an endorsement if the Tribunal directs the Registrar to grant the endorsement.

3 Subsection 16 (1) of the Act is repealed and the following substituted:

Permits

(1) A person may apply to the Registrar for a permit authorizing the sale, service or consumption of liquor,

- (a) on a prescribed special occasion; or
- (b) for any other prescribed event or temporary activity, which may include an event or activity that takes place wholly or partly online.

4 Subsection 17 (1) of the Act is amended by striking out “grant” in the portion before clause (a) and substituting “issue”.

5 Subsection 25 (1) of the Act is amended by adding the following paragraph:

2.1 Refuse to grant an endorsement to which subsection 3 (3.1) applies.

6 Subsection 26 (4) of the Act is amended by adding “or to grant an endorsement” after “to approve an application”.

7 Subsection 41 (2) of the Act is repealed and the following substituted:

Exception

(2) Subsection (1) does not apply to the possession of liquor that is in a closed container or to samples of liquor provided by a retail store.

8 Section 55 of the Act is amended by adding the following subsection:

Evidence of a person’s age

(6.1) If an inspector believes that a person on a premises in respect of which a licence or permit is issued may be less than 19 years of age, the inspector may direct the licensee, an employee of the licensee or the permit holder, as the case may be, to request that the person provide for inspection a document specified by the regulations as evidence of the person’s age.

9 (1) Paragraphs 2, 6 and 11 of subsection 78 (1) of the Act are repealed and the following substituted:

- 2. exempting any person, place or thing from any provision of this Act or providing that this Act or any provision of this Act does not apply in respect of any person, place, thing or circumstance, and specifying conditions or restrictions for any such exemption or non-application;
- 6. providing for and governing waste-management programs applicable to licensees, the LCBO or retail stores operated by agents of the LCBO, including,
 - i. providing for the administration of a waste-management program by the LCBO or any other person, and prescribing their powers and duties,
 - ii. requiring participation in waste-management programs and governing compliance with the programs;

11. governing licences and permits and their issuance, including,
- i. establishing classes within categories of licences or classes of permit, and
 - ii. providing that, despite a person's eligibility for the issuance of a licence or permit under this Act, licences, permits or any classes of them shall not be issued in prescribed circumstances, or that they are issuable only to the prescribed extent and governing their allocation;

(2) Subsection 78 (1) of the Act is amended by adding the following paragraphs:

- 12.1 governing endorsements and the granting of endorsements under section 3, including providing that any provision of this Act or of the regulations made under this section relating to any category or class of category of licence applies with respect to endorsements or any prescribed endorsement, and specifying modifications, if any, to the application of the provision for the purpose;

- 17.1 clarifying the meaning of "beer", "spirits" and "wine" as defined in subsection 1 (1), including providing that a specified type or combination or mixture of types of liquor shall be considered to be a beer, spirit or wine for the purposes of the applicable definition;

(3) Section 78 of the Act is amended by adding the following subsection:

Subdelegation

- (4) A regulation may authorize the Registrar or the LCBO to require, authorize or otherwise determine any matter that may be required, authorized or otherwise determined by the Lieutenant Governor in Council by regulation under this section.

10 Subsection 82 (1) of the Act is repealed and the following substituted:

Prohibited areas

- (1) A prohibition on the issuance of a licence to sell liquor in a municipality or part of a municipality under the *Liquor Licence Act*, as it read immediately before it was repealed, continues as a prohibition on the issuance of a licence to operate a liquor consumption premises in the municipality or part of a municipality until the prohibition is lifted.

Same

- (1.1) A prohibition on the establishment of a government store in a municipality or part of a municipality under the *Liquor Licence Act*, as it read immediately before it was repealed, continues as a prohibition on the operation of a retail store at a premises in the municipality or part of a municipality until the prohibition is lifted.

City of Toronto Act, 2006

11 Clause 97 (3) (a.1) of the City of Toronto Act, 2006 is repealed and the following substituted:

- (a.1) liquor, other than liquor sold at a retail store as defined in the *Liquor Licence and Control Act, 2019*; and

Municipal Act, 2001

12 Clause 148 (4) (b) of the Municipal Act, 2001 is repealed and the following substituted:

- (b) liquor, other than liquor sold at a retail store as defined in the *Liquor Licence and Control Act, 2019*; and

Plan to Build Ontario Together Act, 2019

13 Subsection 90 (1) and sections 99 and 102 of Schedule 22 to the Plan to Build Ontario Together Act, 2019 are repealed.

Retail Business Holidays Act

14 Subsection 3 (5) of the Retail Business Holidays Act is repealed and the following substituted:

Exemptions, liquor

- (5) Section 2 does not apply in respect of the sale or offering for sale of liquor, other than liquor sold at a retail store as defined in the *Liquor Licence and Control Act, 2019*.

Commencement

- 15 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.**

- (2) Sections 1 to 12 and 14 come into force on a day to be named by proclamation of the Lieutenant Governor.**

SCHEDULE 27
MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS ACT

1 (1) Section 6.2 of the *Ministry of Agriculture, Food and Rural Affairs Act* is amended by adding the following subsection:

Management of fund

(5.1) In an order establishing or continuing the program known as the Risk Management Program, the Minister may designate a person to manage a fund in connection with the program, regardless of whether the person is a person described in subsection (4) or in subsection 5 (1).

(2) Section 6.2 of the Act is amended by adding the following subsection:

Risk management program, non-application of *Insurance Act*

(5.2) The *Insurance Act* does not apply with respect to the program known as the Risk Management Program.

Commencement

2 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Subsection 1 (2) comes into force on January 1, 2021.

SCHEDULE 28
MINISTRY OF REVENUE ACT

1 Section 11.2 of the *Ministry of Revenue Act* is amended by adding the following subsection:

Certified copies

(2) The Minister shall provide a certified copy of a notice of calculation given under subsection 39 (7) of the *Family Law Act* to a parent or to the designated authority in Ontario under the *Interjurisdictional Support Orders Act, 2002* at the request of the parent or authority.

2 Section 11.3 of the Act is amended by adding the following subsection:

Certified copies

(2) The Minister shall provide a certified copy of a notice of recalculation given under subsection 39.1 (7) of the *Family Law Act* to a party or to the designated authority in Ontario under the *Interjurisdictional Support Orders Act, 2002* at the request of the party or authority.

3 The Act is amended by adding the following section:

Grant program re the outbreak of the coronavirus (COVID-19)

11.4.1 (1) This section applies to a program specified in the regulations that is established by the Government of Ontario to provide financial assistance by way of grant to any businesses in connection with the outbreak of the coronavirus (COVID-19).

Request for information

(2) For the purpose of verifying the amount of a grant received under the program, the Minister, or a person or entity designated by the Minister, may, by letter sent by mail, served personally or delivered by courier, require a person who received a grant to provide any relevant information or produce any relevant records, within such reasonable time as is set out in the letter.

Return of information

(3) A person who receives a letter under subsection (2) shall, within the time set out in the letter, provide all the information that is within the person's knowledge and produce all of the records required that are within the person's possession or control to the Minister, or the person or entity designated by the Minister.

Overpayment

(4) Any amount paid to a person under the program for which they were not entitled is a debt due to the Crown and the Crown may recover the debt by action or by any other remedy or procedure available by law to the Crown for the collection of debts owed to the Crown.

Offence

(5) A person who knowingly makes a false or deceptive statement in an application to obtain a grant under the program is guilty of an offence and is liable on conviction of a fine of not more than an amount that is twice the amount of the grant obtained or sought to be obtained by the false or deceptive statement except that the fine shall not be less than \$500.

Regulations

(6) The Minister may make regulations,

- (a) specifying the program for the purposes of subsection (1);
- (b) governing the administration of the program, including requiring a municipality to administer the program on the Government's behalf in respect of businesses located in the municipality.

Commencement

4 (1) Subject to subsection (2), this Schedule comes into force on the day *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Sections 1 and 2 come into force on a day to be named by proclamation of the Lieutenant Governor.

SCHEDULE 29
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006

1 The *Mortgage Brokerages, Lenders and Administrators Act, 2006* is amended by adding the following sections:

REGISTRATION REQUIREMENT — PRESCRIBED PERSONS AND ENTITIES

Registration

22.1 (1) The prescribed persons or entities shall register with the Chief Executive Officer by providing the prescribed information in the prescribed form.

Application to licensees

(2) Unless otherwise prescribed, the requirement to register applies even if the prescribed person or entity is also a licensee.

Duration

(3) A registration under this section shall be in place for the length of time set out in the regulations.

Fee

(4) A registration under this section shall be accompanied by the prescribed fee, if any.

Voluntary registration

22.2 (1) A person or entity, other than a person or entity who is required to register under the regulations made under subsection 22.1 (1), may register with the Chief Executive Officer by providing the prescribed information in the prescribed form.

Duration

(2) A registration under this section shall be in place for the length of time set out in the regulations.

Fee

(3) A registration under this section shall be accompanied by the prescribed fee, if any.

2 Section 28 of the Act is repealed and the following substituted:

Register of licensees, registered persons and entities

28 (1) The Chief Executive Officer shall maintain one or more registers containing such information as may be prescribed about licensees, former licensees, registered persons and entities and persons and entities who were formerly registered.

Same

(2) The Chief Executive Officer may make the information in a register available for inspection by the public.

Same

(3) If the Chief Executive Officer determines that information in a register is to be available for inspection by the public, the information shall be made available without charge and in accordance with the prescribed requirements.

3 (1) Subsection 29 (1) of the Act is amended by adding “and every registered person or entity” after “licensee”.

(2) Subsection 29 (2) of the Act is amended by adding “or registered person or entity” after “licensee”.

4 (1) Subsection 30 (1) of the Act is amended by striking out “activities of each licensee to ensure that the licensee is complying” and substituting “activities of each licensee and each registered person or entity to ensure that the licensee or registered person or entity is complying”.

(2) Subsection 30 (2) of the Act is amended by adding “or a person or entity who is or was required to register has failed to register” after “was required to have a licence”.

5 (1) Paragraph 1 of section 41 of the Act is amended by striking out “\$25,000” and substituting “\$500,000”.

(2) Paragraph 2 of section 41 of the Act is amended by striking out “\$10,000” and substituting “\$100,000”.

(3) Paragraph 3 of section 41 of the Act is amended by striking out “\$25,000” and substituting “\$500,000”.

6 (1) Subsection 49 (1) of the Act is amended by striking out “\$100,000” and substituting “\$500,000”.

(2) Subsection 49 (2) of the Act is amended by striking out “\$200,000” at the end and substituting “\$1,000,000”.

7 Section 52 of the Act is amended by adding the following subsections:

Same, registration

(3) If a partnership is required to register, the partners are jointly and severally liable to comply with any requirement under this Act applicable to the partnership.

Same

(4) If an entity other than a partnership is required to register, the members of the directing body of the entity are jointly and severally liable to comply with any requirement established under this Act applicable to the entity.

8 (1) Paragraph 2 of subsection 55 (1) of the Act is amended by striking out “of licensees and former licensees” at the end.

(2) Paragraph 16 of subsection 55 (1) of the Act is amended by striking out “the information about licensees and former licensees to be contained in a public register of licensees” at the end and substituting “the information to be contained in a public register”.

(3) Paragraph 17 of subsection 55 (1) of the Act is amended by striking out “of licensees”.

(4) Paragraph 18 of subsection 55 (1) of the Act is amended by adding “or registered persons or entities” after “licensees”.

(5) Subsection 55 (5) of the Act is amended by striking out “in such circumstances as may be prescribed” wherever it appears and substituting in each case “in such circumstances as may be prescribed and subject to such conditions as may be prescribed”.

Commencement

9 This Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 30
MUNICIPAL ACT, 2001**

1 (1) Subsection 313 (1.1) of the *Municipal Act, 2001* is repealed and the following substituted:

Municipal option

(1.1) Despite subsection (1), a municipality, other than a lower-tier municipality, may pass a by-law providing that instead of the percentages described in paragraph 2, 3, 4 or 5 of subsection (1), the tax rates shall be reduced by the percentages set out in the by-law.

Same, maximum percentage

(1.1.1) A by-law described in subsection (1.1) shall not provide for a percentage greater than 35 per cent for any subclass.

(2) Subsection 313 (1.2) of the Act is amended by striking out “paragraph 1, 2, 3 4 or 5 of subsection (1), as the case may be” at the end and substituting “paragraph 1 of subsection (1)”.

(3) Subsection 313 (1.3) of the Act is repealed and the following substituted:

Municipal option, specified tax rate reductions

(1.3) Despite subsection (1), a municipality, other than a lower-tier municipality,

- (a) may pass a by-law providing that a tax rate reduction in paragraph 2, 3, 4 or 5 of subsection (1) does not apply; and
- (b) may, if authorized by the regulations, pass a by-law providing that a tax rate reduction in paragraph 1 of subsection (1) does not apply.

2 (1) Subsection 364 (1) of the Act is amended by striking out “Except as prescribed” at the beginning.

(2) Section 364 of the Act is amended by adding the following subsection:

Municipal option

(1.1) Despite subsection (1), a local municipality is not required to have a program to provide tax rebates to owners of property that has vacant portions if the local municipality passes a by-law providing that subsection (1) does not apply in the municipality.

(3) Paragraph 1 of subsection 364 (2) of the Act is amended by adding “and as set out in a by-law passed under subsection (2.1)” at the end.

(4) Paragraph 2 of subsection 364 (2) of the Act is amended by adding “or a by-law passed under subsection (2.1)” after “in accordance with the regulations”.

(5) Paragraph 3 of subsection 364 (2) of the Act is amended by adding “or a by-law passed under subsection (2.1)” after “in accordance with the regulations”.

(6) Paragraph 3.1 of subsection 364 (2) of the Act is amended by adding “or a by-law passed under subsection (2.1)” after “in accordance with the regulations” at the end.

(7) Subsection 364 (2.1) of the Act is repealed and the following substituted:

Options for municipal by-law

(2.1) A local municipality that has a tax rebate program may, by by-law,

- (a) provide for requirements for the program in addition to the requirements under this section, including additional requirements or criteria for a property or portion of a property to be eligible property;
- (b) specify circumstances under which no rebate is payable in respect of a property that would otherwise be eligible property; and
- (c) specify, for each class in respect of which the rebate applies, a percentage for the rebate for eligible property of up to 35 per cent.

(8) Subsection 364 (4) of the Act is repealed.

(9) Clause 364 (12) (d.2) of the Act is amended by striking out “subsections (2.1) and (2.2)” and substituting “subsection (2.2)”.

(10) Section 364 of the Act is amended by adding the following subsection:

Conflict

(12.1) In the event of a conflict between a by-law described in subsection (1.1) or (2.1) and any provision of a regulation made under this section, the by-law prevails.

Commencement

3 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

SCHEDULE 31
MUNICIPAL PROPERTY ASSESSMENT CORPORATION ACT, 1997

1 Subsections 15 (1) and (2) of the *Municipal Property Assessment Corporation Act, 1997* are repealed and the following substituted:

Disclosure of information

(1) The Corporation shall give such information and documents to the following persons as the Minister may request and shall do so without charge:

1. An employee of the Government of Ontario who is designated by the Minister.
2. A person who is designated by the Minister and who provides a service to or for the Government of Ontario.

Same

(2) Information and documents provided under subsection (1) are for use by the Government of Ontario or for the provision of a service to or for the Government of Ontario and are not for resale.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

SCHEDULE 32
ONTARIO CANNABIS RETAIL CORPORATION ACT, 2017

1 Subsection 9 (1) of the *Ontario Cannabis Retail Corporation Act, 2017* is amended by striking out “seven” and substituting “nine”.

2 The French version of section 26 of the Act is amended by striking out “que demande celle-ci” at the end and substituting “qu’il demande”.

3 The French version of the definition of “reserve” in subsection 28 (1) of the Act is amended by striking out “habitants” and substituting “habitants indiens”.

Commencement

4 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 33
ONTARIO COLLEGE OF TEACHERS ACT, 1996**

1 (1) Subsection 1 (1) of the *Ontario College of Teachers Act, 1996* is amended by adding the following definitions:

“committee” includes a subcommittee; (“comité”)

“regulatory committee” means the Accreditation Committee, the Accreditation Appeal Committee, the Standards of Practice and Education Committee or any other committee established by the Council by regulation; (“comité de réglementation”)

“statutory committee” means the Investigation Committee, the Discipline Committee, the Fitness to Practise Committee, the Registration Appeals Committee or the Adjudicative Body of Chairs. (“comité prévu par la Loi”)

(2) Subsection 1 (3) of the Act is amended by adding the following paragraphs:

4.2 Section 30.3.

4.3 Subsections 33 (1.1) and (4.1).

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9. Subsections 47.2 (2) and (3).

2 Section 2 of the Act is amended by adding the following subsection:

Not a Crown agency

(4) The College is not an agent of the Crown.

3 Subsection 4 (2) of the Act is repealed and the following substituted:

Composition of Council

(2) The Council shall be composed of,

- (a) nine persons who are members of the College and who are appointed by the Council in accordance with the regulations from among the list of nominees prepared under clause 15.2 (4) (a) by the Selection and Nominating Subcommittee; and
- (b) nine persons who are not members of the College and who are appointed by the Lieutenant Governor in Council in accordance with the regulations.

Same

(2.1) In appointing persons under clause (2) (b), the Lieutenant Governor in Council may consider the persons on the list of nominees prepared under clause 15.2 (4) (b) by the Selection and Nominating Subcommittee.

Chair of Council

(2.2) The Chair of the Council shall be appointed in accordance with the regulations.

4 Section 4.1 of the Act is repealed.

5 Section 4.2 of the Act is amended by adding the following subsection:

Oath

(2) Before taking up their duties, every person appointed to the Council shall swear an oath or affirm in the manner and form and within the time period that is prescribed by the regulations.

6 Subsection 5 (2) of the Act is repealed and the following substituted:

Deemed reappointment for LGIC appointments

(2) Despite subsection (1), on the expiry of the term of a person appointed under clause 4 (2) (b), and upon the person’s agreement to continue serving as a member of Council for an additional agreed upon period of time, the term may be extended for a further period not exceeding six months or until the appointment is revoked by the Lieutenant Governor in Council, whichever is earlier.

Multiple terms

(3) Subject to subsections (4) and (5), a person may be a member of the Council for more than one term.

Membership on Council and committee

(4) Subject to subsection (5), a person appointed to the Council may be a member of the Council, a member of a committee established under subsection 15 (1), or a combination, for a total of no more than six consecutive years and subsequently may not be a member of the Council or a member of such a committee until three years have elapsed since the end of the member’s last term on the Council or such a committee.

Same

(5) A person whose appointment is extended under subsection (2) may be a member of the Council, a member of a committee established under subsection 15 (1), or a combination, for a total of no more than seven consecutive years and subsequently may not be a member of the Council or a member of such a committee until three years have elapsed since the end of the member's last term on the Council or such a committee.

7 Section 6 of the Act is repealed.**8 Subsection 12 (3) of the Act is repealed and the following substituted:****Regulation**

(3) If the Minister requires the Council to make, amend or revoke a regulation under clause (1) (c) and the Council does not do so within the time and in the manner specified by the Minister, the Lieutenant Governor in Council may, by regulation, make, amend or revoke the regulation.

9 Sections 15, 16 and 17 of the Act are repealed and the following substituted:**Committees**

15 (1) The following committees are established:

1. Investigation Committee.
2. Discipline Committee.
3. Registration Appeals Committee.
4. Fitness to Practise Committee.

Composition

(2) Each committee established under subsection (1) shall be composed of persons appointed by the Council in accordance with the regulations from among the list of nominees prepared by the Selection and Nominating Subcommittee under clause 15.2 (4) (c), provided that the Council appoints equal numbers of members of the College and non-members.

Eligibility

(3) A member of the Council is ineligible to be concurrently appointed as a member of a committee established under subsection (1).

Term of committee members

(4) No term of a member of a committee established under subsection (1) shall exceed three years, except as permitted by regulation.

Multiple terms

(5) Subject to subsections 5 (4) and (5), a person may be a member of a committee established under subsection (1) of this section for more than one term.

Chair

(6) The Chair and Vice-Chair of a committee established under subsection (1) shall be appointed in accordance with the regulations.

Other regulatory committees

(7) The Council may, by regulation, establish other committees as the Council, from time to time, considers necessary.

Eligibility for regulatory committees

(8) A member of the Council is ineligible to be concurrently appointed as a member of a regulatory committee.

Adjudicative Body of Chairs

15.1 (1) The Adjudicative Body of Chairs is established and shall be composed of the following members:

1. The Chairs of the committees established under subsection 15 (1).
2. The Vice-Chairs of the committees established under subsection 15 (1).
3. Any additional persons who are appointed in accordance with the regulations to be on the Adjudicative Body of Chairs under subsection (2).

Composition

(2) If, among the persons referred to in paragraphs 1 and 2 of subsection (1), the number of members of the College is not equal to the number of non-members, the Council shall appoint additional members of the statutory committees to be on the Adjudicative Body of Chairs until the number of members of the College and non-members is equal.

Chair

(3) The Chair of the Adjudicative Body of Chairs shall be appointed in accordance with the regulations.

Same

(4) For greater certainty, the Adjudicative Body of Chairs is a committee established under this Act.

Selection and Nominating Subcommittee

15.2 (1) The Selection and Nominating Subcommittee is established.

Composition

(2) The Selection and Nominating Subcommittee shall be composed of members of the Council appointed by the Council in accordance with the regulations, provided that the number of members appointed by the Lieutenant Governor in Council under clause 4 (2) (b) who are on the subcommittee is one greater than the number of other members.

Chair of Selection and Nominating Subcommittee

(3) The Chair of the Selection and Nominating Subcommittee shall be appointed in accordance with the regulations.

Duties of Selection and Nominating Subcommittee

(4) The Selection and Nominating Subcommittee shall,

- (a) review and assess applications of persons who have applied to be appointed to the Council under clause 4 (2) (a), and based on the review and assessment, prepare a list of nominees who may be appointed to the Council under that clause;
- (b) review and assess applications of persons who have applied to be appointed to the Council under clause 4 (2) (b), and based on the review and assessment, prepare a list of nominees for the Lieutenant Governor in Council to consider for appointment to the Council under that clause;
- (c) review and assess applications of persons who have applied to be appointed to a statutory committee or regulatory committee, and based on the review and assessment, prepare a list of nominees who may be appointed to such a committee;
- (d) recommend persons for the positions of Chair of Council and of each regulatory committee, and for Chair and Vice Chair of each statutory committee;
- (e) review and assess applications of persons who have applied to be appointed to the roster of eligible panellists under clause 17 (4) (a), and based on the review and assessment, prepare a list of nominees who may be on the roster; and
- (f) carry out any other duty prescribed by the regulations.

Consideration and Assessment

(5) In carrying out its duties under subsection (4), the Selection and Nominating Subcommittee shall consider any criteria prescribed by the regulations.

Audit and Finance Subcommittee, Human Resources Subcommittee

15.3 (1) The Audit and Finance Subcommittee and the Human Resources Subcommittee are established.

Composition

(2) The Audit and Finance Subcommittee and the Human Resources Subcommittee shall each be composed of members of the Council appointed by the Council in accordance with the by-laws, provided that the number of members appointed by the Lieutenant Governor in Council under clause 4 (2) (b) who are on the subcommittee is one greater than the number of other members.

Other subcommittees

(3) The Council may, by by-law, establish other subcommittees composed of Council members as the Council, from time to time, considers necessary.

Duties of committee members

16 (1) Every member of a committee established under this Act shall, in carrying out their duties,

- (a) serve and protect the public interest; and
- (b) act in accordance with such conflict of interest rules as may be prescribed by the regulations.

Oath

(2) Before taking up their duties, every member of a committee established under this Act shall swear an oath or affirm in the manner and form and within the time period that is prescribed by the regulations.

Committee panels

17 (1) The powers and duties of a committee established under subsection 15 (1) may be exercised by a panel that satisfies the following rules and any requirements set out in the regulations:

1. The panel must consist of at least three persons, at least one of whom must be selected from the roster of eligible panellists for the committee established under subsection (4) and the rest of whom must be members of the committee.
2. A majority of the persons on the panel must be members of the committee.
3. Among the persons who are members of the committee, there must be an equal number of members of the College and non-members.

Principals and vice-principals

(2) The powers and duties of a committee established under subsection 15 (1) to hear or review a matter relating to the conduct or actions of a person who, at the time the conduct or actions occurred, was employed as a principal or vice-principal may be exercised by a panel described in subsection (1) of this section that includes at least one person who is employed as a principal or vice-principal or who was previously employed as a principal or vice-principal and is still a member of the College.

Complaint resolution processes

(3) Subsections (1) and (2) apply for the purposes of sections 26.1 and 30.1 but, for greater certainty, do not apply if a single member of the Investigation Committee is acting on the Committee's behalf in accordance with subsection 26.1 (12).

Roster of eligible panellists

- (4) The Council shall establish a roster of eligible panellists for a committee established under subsection 15 (1) consisting of,
- (a) such persons as the Council considers qualified to serve as members of a panel of the committee who are appointed by the Council in accordance with the regulations from among the list of nominees prepared under clause 15.2 (4) (e) by the Selection and Nominating Subcommittee; and
 - (b) such persons as the Lieutenant Governor in Council considers appropriate who are appointed by the Lieutenant Governor in Council in accordance with the regulations, if any.

Same, requirements and restrictions

(5) The inclusion of any person on a roster of panellists for a committee is subject to any requirements that may be prescribed by the regulations.

Eligibility for roster

(6) A member of the Council is ineligible to be concurrently appointed as a member of the roster.

Not member of committee

(7) A person included on a roster of panellists for a committee is not a member of the committee by reason of their inclusion on the roster or their service on a panel of the committee.

Decision of committee

(8) A decision, finding, order, opinion or action of a panel of a committee is deemed to be the decision, finding, order, opinion or action of the committee.

10 (1) Clause 23 (2) (d) of the Act is amended by striking out “a committee required by this Act” and substituting “a statutory committee”.

(2) Clause 23 (2.5) (a) of the Act is amended by adding “other than any terms, conditions or limitations imposed by a decision or resolution ordered or adopted by the Discipline Committee” at the end.

(3) Paragraph 1 of subsection 23 (2.8) of the Act is repealed and the following substituted:

1. The information must not be a notation of a decision or resolution, or a link to a decision or resolution, ordered or adopted by the Discipline Committee that required a reprimand, an admonishment, counselling, a fine or the imposition of a term, condition or limitation on a certificate of qualification and registration.

11 Subsections 25 (1) and (2) of the Act are repealed.

12 (1) Subsection 26 (1.2.1) of the Act is amended by striking out “the Council or the Executive Committee” and substituting “the Adjudicative Body of Chairs”.

(2) Subsection 26 (1.2.2) of the Act is amended by striking “the Council or the Executive Committee” and substituting “the Adjudicative Body of Chairs”.

(3) Clause 26 (4.9) (a) of the Act is amended by striking out “Executive Committee” and substituting “Adjudicative Body of Chairs”.

13 Sections 27 and 28 of the Act are repealed.

14 (1) Subsections 29 (1), (2) and (3) of the Act are amended by striking out “Council or the Executive Committee” wherever it appears and substituting in each case “Adjudicative Body of Chairs”.

(2) Subsection 29 (4) of the Act is repealed and the following substituted:

Restriction

(4) No order shall be made under subsection (3) unless the member has been given,

- (a) notice of the Adjudicative Body of Chairs’ intention to make the order; and
- (b) at least 14 days to make written submissions to the Adjudicative Body of Chairs.

(3) Subsections 29 (5) and (6) of the Act are amended by striking out “Executive Committee or the Council” wherever it appears and substituting in each case “Adjudicative Body of Chairs”.

15 Subsections 29.1 (2) and (3) of the Act are amended by striking out “Executive Committee” wherever it appears and substituting in each case “Adjudicative Body of Chairs”.

16 (1) Subsection 29.2 (1) of the Act is amended by striking out “Council or the Executive Committee” wherever it appears and substituting in each case “Adjudicative Body of Chairs”.

(2) Subsection 29.2 (2) of the Act is repealed and the following substituted:

Restriction

(2) No order shall be made under subsection (1) unless the member has been given,

- (a) notice of the Adjudicative Body of Chairs’ intention to make the order; and
- (b) at least 14 days to make written submissions to the Adjudicative Body of Chairs.

(3) Subsections 29.2 (3) and (4) of the Act are amended by striking out “Executive Committee or the Council” wherever it appears and substituting in each case “Adjudicative Body of Chairs”.

17 (1) Clause 30 (1) (b) of the Act is amended by striking out “assigned to it by the Council” at the end and substituting “prescribed by the regulations”.

(2) Paragraph 5 of subsection 30 (4) of the Act is amended by adding “a prescribed sexual act” after “sexual abuse”.

(3) Paragraph 1 of subsection 30 (5) of the Act is amended by striking out “and, if considered warranted, directing that the fact of the reprimand, admonishment or counselling be recorded on the register for a specified period of more than three years” at the end.

18 The Act is amended by adding the following section:

Retroactive revocation

30.3 A member’s certificate of qualification and registration is deemed to be revoked as of the day this section comes into force if, before that day, an order was made by the Discipline Committee under subsection 30 (4) or (5) in which the member was found guilty of an act of professional misconduct consisting of or including sexual abuse of a student or a prohibited act involving child pornography and,

- (a) the Discipline Committee did not order a revocation of the member’s certificate of qualification and registration; or
- (b) the Discipline Committee ordered a revocation but the member’s certificate of qualification and registration was later reinstated under subsection 33 (6) or 34 (1).

19 Clause 31 (1) (b) of the Act is amended by striking out “assigned to it by the Council” at the end and substituting “prescribed by the regulations”.

20 (1) Subsection 32 (4) of the Act is amended by striking out “Council or Executive Committee” and substituting “Adjudicative Body of Chairs”.

(2) Subclause 32 (13) (b) (ii) of the Act is amended by striking out “Council or Executive Committee” and substituting “Adjudicative Body of Chairs”.

21 (1) Subsection 33 (1) of the Act is amended by adding “Subject to subsection (1.1)” at the beginning.

(2) Section 33 of the Act is amended by adding the following subsection:

No application for reinstatement

(1.1) Subject to subsections (4.2) and (4.3), subsection (1) does not apply to a person who has had a certificate revoked pursuant to an order made under section 30 or deemed revoked pursuant to section 30.3 for committing an act of professional misconduct that consisted of or included any of the following:

1. Sexual abuse of a student as described in clause (a) or (b) of the definition of “sexual abuse” in subsection 1 (1).
2. A prohibited act involving child pornography.
3. A prescribed sexual act that involves a student.

(3) Subsection 33 (4.1) of the Act is amended by adding “or deemed revoked pursuant to section 30.3” immediately after “under section 30” in the portion before paragraph 1.

(4) Paragraphs 1 to 3 of subsection 33 (4.1) of the Act are repealed and the following substituted:

1. Sexual abuse of a student, as described in clause (c) of the definition of “sexual abuse” in subsection 1 (1).
2. Sexual misconduct.
3. A prescribed sexual act that does not involve a student.

(5) Section 33 of the Act is amended by adding the following subsections:

Reinstatement after conviction or pardon

(4.2) Despite anything in this section, if a person’s certificate of qualification and registration is revoked, suspended or made subject to terms, conditions or limitations in relation to a matter that led to a conviction under the *Criminal Code* (Canada) and the conviction is subsequently overturned on appeal, or the person has been granted a pardon under the *Criminal Code* (Canada), the person may make an application under subsection (1) or (2) at any time after the conviction was overturned or the pardon was granted.

Same

(4.3) With respect to a person referred to in subsection (4.2) whose certificate of qualification and registration was deemed revoked pursuant to section 30.3, if the conviction was overturned on appeal or the person was granted a pardon under the *Criminal Code* (Canada) before the day this section comes into force and the person makes an application under subsection (1) of this section within 60 days of the revocation under section 30.3 and provides proof that the conviction was overturned or the pardon was granted,

- (a) the Registrar shall issue a certificate to the applicant immediately upon receiving the application and proof; and
- (b) the member may hold the certificate until the Discipline Committee has made an order with respect to the application under subsection (6) of this section.

(6) Subsection 33 (6) of the Act is amended by adding the following paragraph:

7. Directing the Registrar to continue or to revoke a certificate issued under clause (4.3) (a).

22 Subsection 34 (1) of the Act is amended by striking out “Council or Executive Committee” in the portion before paragraph 1 and substituting “Adjudicative Body of Chairs”.

23 Section 36 of the Act is amended by striking out “Executive Committee” wherever it appears and substituting in each case “Adjudicative Body of Chairs”.

24 Section 39 of the Act is amended by striking out “Executive Committee” and substituting “Adjudicative Body of Chairs”.

25 (1) Paragraphs 2, 3, 4 and 4.1 of subsection 40 (1) of the Act are repealed and the following substituted:

4. governing the composition of, and appointment of persons to, the Council under clause 4 (2) (a) and governing the qualifications of such persons and related application and nomination procedures;

(2) Paragraph 4.2 of subsection 40 (1) of the Act is repealed and the following substituted:

- 4.2 prescribing the form of any oath or affirmation required under this Act or a regulation made under this Act, the manner in which it shall be made and the time period within which it shall be made;

(3) Paragraph 4.3 of subsection 40 (1) of the Act is amended by striking out “4.1” and substituting “4.2”.

(4) Paragraph 5 of subsection 40 (1) of the Act is amended by striking out “elected”.

(5) Paragraphs 6 and 7 of subsection 40 (1) of the Act are repealed and the following substituted:

6. governing the filling of vacancies on the Council by the departure of members of the Council appointed under clause 4 (2) (a);
7. governing terms of office of members of the Council who are appointed under clause 4 (2) (a) and extending such terms by up to six months;

(6) Paragraphs 9 to 14.2 of subsection 40 (1) of the Act are repealed and the following substituted:

9. establishing regulatory committees;

- 9.1 governing the composition of, and appointment of persons to, statutory committees, regulatory committees and the Selection and Nominating Subcommittee, the appointment of the Chair and Vice Chair and the qualifications of such persons and related application and nomination procedures;
- 9.2 prescribing powers and duties of statutory committees, regulatory committees and the Selection and Nominating Subcommittee;
- 9.3 prescribing the conditions for disqualifying members from sitting on statutory committees, regulatory committees or the Selection and Nominating Subcommittee, for suspending a person from their office as a member of such a committee or subcommittee and governing the removal of suspended or disqualified members of such a committee or subcommittee;
- 10. governing the filling of vacancies on statutory committees, regulatory committees and the Selection and Nominating Subcommittee;
- 11. governing terms of office of members of statutory committees, regulatory committees and the Selection and Nominating Subcommittee;
- 12. respecting practice and procedure of statutory committees, regulatory committees and the Selection and Nominating Subcommittee;
- 13. prescribing the quorums of statutory committees, regulatory committees and the Selection and Nominating Subcommittee;
- 14. governing the establishment, composition, powers and duties of panels of statutory committees and regulatory committees;
- 14.1 prescribing the criteria that the Selection and Nominating Subcommittee shall consider in assessing and reviewing applications of persons under subsection 15.2 (4);
- 14.2 respecting the establishment of a roster of eligible panellists under subsection 17 (4), including prescribing requirements and restrictions that apply for the purpose of including persons on the roster, prescribing qualifications of eligible panellists and requiring persons on the roster to take an oath or affirmation;
- 14.2.1 governing terms of office of members of the roster of eligible panellists;

(7) Subsection 40 (4) of the Act is amended by striking out “and required committees” and substituting “statutory committees, regulatory committees and the Selection and Nominating Subcommittee”.

26 (1) Paragraph 8 of subsection 41 (1) of the Act is repealed and the following substituted:

- 8. providing for the remuneration of members of the Council and committees, other than persons appointed by the Lieutenant Governor in Council, and of the Transition Supervisory Officer, and for the payment of the expenses of the Council, committees and the Transition Supervisory Officer in the conduct of their business;
- 8.1 respecting the application and nomination procedures for persons seeking to be considered by the Selection and Nominating Subcommittee for positions other than the positions on Council;

(2) Paragraphs 17, 17.1, 18, 19 and 20 of subsection 41 (1) of the Act are repealed and the following substituted:

- 16.1 establishing subcommittees composed of members of the Council appointed by the Council;
- 16.2 respecting practices and procedures of the Council and subcommittees other than the Selection and Nominating Subcommittee;
- 17. governing the composition, election or appointment, powers, duties and quorums of subcommittees other than the Selection and Nominating Subcommittee;
- 17.1 respecting the training of eligible panellists on the roster established under subsection 17 (4);
- 17.2 respecting the practices and procedures of the roster of eligible panellists established under subsection 17 (4) and other administrative matters;
- 18. prescribing terms of office of members of subcommittees other than the Selection and Nominating Subcommittee;
- 19. prescribing the conditions for disqualifying members of the Council from sitting on subcommittees other than the Selection and Nominating Subcommittee, for suspending a person from their office as a member of the subcommittee and governing the removal of suspended or disqualified members of the subcommittee;
- 20. governing the filling of vacancies on subcommittees other than the Selection and Nominating Subcommittee;

27 (1) Clauses 42 (1) (b) and (b.1) of the Act are repealed and the following substituted:

- (b) governing the composition of, and appointment of persons to, the Council under clause 4 (2) (b), including their terms of office, governing the qualifications of such persons and related application and nomination procedures and specifying how different interests are to be represented on the Council;

- (b.1) governing the appointment of the Chair of the Council;
- (b.2) governing duties of the Chair of the Council, in addition to any duties that may be set out in a by-law made by the Council under paragraph 7 of subsection 41 (1);

(2) Subsection 42 (1) of the Act is amended by adding the following clauses:

- (c.2) requiring a member to report to the Registrar,
 - (i) any findings of professional negligence made against the member,
 - (ii) any findings of professional misconduct or incompetence made against the member by another body that governs a profession inside or outside of Ontario, or
 - (iii) any other findings or decisions that relate to the member's suitability to practise;
- (c.3) governing reports required to be made to the Registrar for the purposes of this Act;

(3) Clause 42 (1) (d.0.1) of the Act is amended by striking out "sexual abuse or a prohibited act involving child pornography" wherever it appears and substituting in each case "sexual abuse, a prescribed sexual act or a prohibited act involving child pornography."

(4) Subsection 42 (1) of the Act is amended by adding the following clause:

- (d.1.1) governing the sexual abuse prevention program required under section 47.2, including prescribing other measures of the program for the purposes of clause 47.2 (3) (e);

(5) Subsection 42 (1) of the Act is amended by adding the following clause:

- (d.3) providing for any transitional matters the Lieutenant Governor in Council considers necessary or advisable in connection with the amendments to this Act made by Schedule 33 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020*, other than matters referred to in subsection 66 (3), including,
 - (i) prescribing the day on which the transition period ends, and
 - (ii) prescribing any additional duties of the Transition Supervisory Officer;

(6) Section 42 of the Act is amended by adding the following subsection:

Same

- (3.1) A regulation made under clause (1) (d.3) may provide that it applies despite this Act and any by-laws or other regulations made under this Act.

28 Section 43.3.1 of the Act is amended by striking out "to the Council or a committee of Council" in the portion before clause (a) and substituting "to the Adjudicative Body of Chairs or a committee".

29 Subsection 45.1 (7) of the Act is amended by striking out "shall" in the portion before clause (a) and substituting "may".

30 The Act is amended by adding the following section:

Sexual abuse prevention program

- 47.2 (1)** The College shall have a sexual abuse prevention program.

Measures

- (2) The sexual abuse prevention program must include measures for preventing and dealing with sexual abuse of students.

Same

- (3) The measures for preventing and dealing with sexual abuse of students must include,
 - (a) educational requirements for members;
 - (b) guidelines for the conduct of members with students;
 - (c) training for the College's staff;
 - (d) the provision of information to the public; and
 - (e) any other measures prescribed by regulation.

31 The Act is amended by adding the following sections:

Reporting by members re: offences

- 51.1 (1)** A member shall file a report in writing with the Registrar if the member has been found guilty of an offence.

Timing of report

(2) The report must be filed as soon as reasonably practicable after the member receives notice of the finding of guilt.

Contents of report

(3) The report must contain,

- (a) the name of the member filing the report;
- (b) the nature of, and a description of the offence;
- (c) the date the member was found guilty of the offence;
- (d) the name and location of the court that found the member guilty of the offence; and
- (e) the status of any appeal initiated respecting the finding of guilt.

Publication ban

(4) The report shall not contain any information that violates a publication ban.

Same

(5) No action shall be taken under this section which violates a publication ban and nothing in this section requires or authorizes the violation of a publication ban.

Additional reports

(6) A member who files a report under subsection (1) shall file an additional report if there is a change in status of the finding of guilt as the result of an appeal.

Reporting by members re: charges and bail conditions, etc.

51.2 (1) A member shall file a report in writing with the Registrar if the member has been charged with an offence, and the report shall include information about every bail condition or other restriction imposed on, or agreed to, by the member in connection with the charge.

Timing of report

(2) The report must be filed as soon as reasonably practicable after the member receives notice of the charge, bail condition or restriction.

Contents of report

(3) The report must contain,

- (a) the name of the member filing the report;
- (b) the nature of, and a description of, the charge;
- (c) the date the charge was laid against the member;
- (d) the name and location of the court in which the charge was laid or in which the bail condition or restriction was imposed on or agreed to by the member;
- (e) every bail condition imposed on the member as a result of the charge;
- (f) any other restriction imposed on or agreed to by the member relating to the charge; and
- (g) the status of any proceedings with respect to the charge.

Publication ban

(4) The report shall not contain any information that violates a publication ban.

Same

(5) No action shall be taken under this section which violates a publication ban and nothing in this section requires or authorizes the violation of a publication ban.

Additional reports

(6) A member who files a report under subsection (1) shall file an additional report if there is a change in the status of the charge or bail conditions.

32 Subsection 58 (2) of the Act is repealed and the following substituted:

Same

(2) If the Minister requires the board of governors of The Ontario Teachers' Federation to amend or revoke a regulation under subsection (1) and the board of governors does not do so within the time and in the manner specified by the Minister, the Lieutenant Governor in Council may, by regulation, amend or revoke the regulation.

33 (1) Subsection 58.1 (1) of the Act is amended by adding “a prescribed sexual act” after “sexual abuse” in the portion before paragraph 1.

(2) Paragraph 1 of subsection 58.1 (1) of the Act is amended by striking out “or of a prohibited act involving child pornography” and substituting “a prescribed sexual act or a prohibited act involving child pornography”.

(3) Clause 58.1 (3) (a) of the Act is amended by striking out “or of a prohibited act involving child pornography and, in the opinion of the College, the student was, at the time of the alleged sexual abuse or prohibited act involving child pornography” and substituting “a prescribed sexual act or a prohibited act involving child pornography and, in the opinion of the College, the student was, at the time of the alleged sexual abuse, prescribed sexual act or prohibited act involving child pornography”.

(4) Subsection 58.1 (11) of the Act is amended by adding “prescribed sexual act” after “sexual abuse”.

(5) Clause 58.1 (13) (a) of the Act is amended by striking out “or a prohibited act of child pornography” and substituting “a prescribed sexual act or a prohibited act involving child pornography”.

(6) Clause 58.1 (13) (b) of the Act is amended by striking out “or the prohibited act involving child pornography” and substituting “prescribed sexual act or prohibited act involving child pornography”.

34 Paragraph 1 of subsection 63.1 (2) of the Act is repealed and the following substituted:

1. Subsection 17 (2.1), as it read on the day before section 9 of Schedule 33 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* came into force, applies to the matter, in the case of a committee to which the matter was referred on or after the commencement date but before the day section 9 of Schedule 33 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force.

- 1.1 Subsection 17 (2) applies to the matter, except in the case of a committee to which the matter was referred before the commencement date.

35 The Act is amended by adding the following section:

Transition, *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020*

63.3 Subsection 33 (1.1) applies to an act of professional misconduct that occurred before the day subsection 21 (2) of Schedule 33 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* came into force.

36 Sections 64 and 65 of the Act are repealed and the following substituted:

**PART XII
TRANSITIONAL PROVISIONS: PROTECT, SUPPORT AND RECOVER FROM COVID-19 ACT (BUDGET
MEASURES), 2020**

Definitions

64 In this Part,

“transition date” means the day section 37 of Schedule 33 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force; (“date de transition”)

“transition period” means the period that begins on the transition date and ends on the day prescribed by the regulations. (“période de transition”)

Appointment

65 (1) The Lieutenant Governor in Council may appoint an individual to act as the Transition Supervisory Officer.

Duties of Transition Supervisory Officer

(2) The Transition Supervisory Officer shall,

- (a) before, during and after the transition period, advise the Registrar and the Minister on matters related to the amendments made by Schedule 33 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020*;
- (b) make such appointments to the Council and to statutory committees, regulatory committees and the roster of eligible panellists as required under this Part; and
- (c) perform any other duty set out in this Act or prescribed by the regulations.

Restriction re appointments

(3) A person shall not be appointed to the Council, a statutory committee or regulatory committee if they previously have been a member of the Council for six or more consecutive years, unless three years have elapsed since the end of the person's most recent term on the Council.

Same

(4) A person who was a member of the Council immediately before the transition date shall not be appointed to a term on the Council, a statutory committee or regulatory committee that exceeds the difference between six years and the number of consecutive years they served on the Council immediately before the transition date.

Same

(5) The Transition Supervisory Officer may direct the Registrar and other employees of the College to perform any of the Transition Supervisory Officer's responsibilities during the transition period.

Remuneration

(6) The expenses and remuneration of the Transition Supervisory Officer shall be paid by the College.

Immunity

(7) Section 55 applies with necessary modifications to the Transition Supervisory Officer.

37 Sections 66 to 68 of the Act are repealed and the following substituted:**Dissolution of Council**

66 (1) On the transition date, the Council in place immediately before the transition date is dissolved.

Duties and powers of Council during transition

(2) During the transition period,

- (a) the Transition Supervisory Officer shall have the duties and powers that the Council and the Executive Committee had under this Act before they were dissolved, including the power to make regulations pursuant to the authority under subsection 40 (1); and
- (b) any reference in this Act or the regulations to the Council or the Adjudicative Body of Chairs shall be read as a reference to the Transition Supervisory Officer, with necessary modifications.

Regulations

(3) For greater certainty, the Transition Supervisory Officer may make regulations under subsection 40 (1) relating to the establishment, under this Part, of the Council and its subcommittees, statutory committees, regulatory committees, roster and panels, including making regulations respecting the appointment of persons, their terms of office and practices and procedures of committees and subcommittees.

First Council established during transition period

(4) During the transition period, a Council shall be established in accordance with this Act and the regulations.

Same

(5) The Council established under subsection (4) shall be the first Council after the transition period and shall be composed of,

- (a) nine persons who are members of the College and who are appointed by the Transition Supervisory Officer in accordance with the regulations; and
- (b) nine persons who are not members of the College and who are appointed by the Lieutenant Governor in Council in accordance with the regulations.

Duties and powers of Council during transition period

(6) Despite subsection (2), during the transition period, the Council established under subsection (4) may,

- (a) establish subcommittees and appoint its members to such subcommittees in accordance with this Act, the regulations or by-laws, as the case may be;
- (b) appoint a Chair in accordance with the regulations;
- (c) make by-laws respecting the practices and procedures of Council and its subcommittees, implement practices and procedures and engage in other administrative tasks to set up the Council or subcommittees; and
- (d) implement practices and procedures set out in the regulations as are applicable to the Selection and Nominating Subcommittee and engage in other administrative tasks to set up that subcommittee.

Duties and powers of Council after transition period

- (7) Starting on the day immediately following the end of the transition period,
- (a) the Council established under subsection (4) shall have the duties and powers of the Council under this Act; and
 - (b) any reference in this Act or the regulations to a person appointed under clause 4 (2) (a) or (b) shall be read to also include a person appointed under clause (5) (a) or (b) of this section, respectively.

Dissolution of committees

67 (1) On the transition date, every committee established under this Act that was in place immediately before the transition date, and every panel of such a committee, is dissolved.

If matter not complete before transition date

(2) Despite subsection (1) and subsection 68 (1), the Accreditation Appeal Committee or a panel of a committee established under subsection 15 (1) or of the Accreditation Committee shall continue to deal with any matter before it on the transition date until the matter is disposed of.

First statutory committees during transition period

(3) During the transition period, all of the statutory committees shall be established in accordance with this Act and the regulations.

Same

(4) The statutory committees established under subsection (3) shall be the first statutory committees after the transition period and shall each be composed of both members of the College and non-members who are appointed by the Transition Supervisory Officer in accordance with this Act and the regulations.

Duties and powers of statutory committees during transition period

- (5) During the transition period, the statutory committees established under subsection (3) may,
- (a) appoint a Chair and Vice Chair in accordance with the regulations; and
 - (b) implement such practices and procedures set out in the regulations as are applicable to the committees and engage in other administrative tasks to set up the committee.

Duties and powers of committees after transition period

(6) Starting on the day immediately following the end of the transition period, the statutory committees established under subsection (3) shall have the duties and powers of the statutory committees under this Act.

First other committees

(7) The Transition Supervisory Officer may establish regulatory committees during the transition period in accordance with the regulations.

Dissolution of roster

68 (1) On the transition date, the roster of eligible panellists established under subsection 17 (4) that was in place immediately before the transition date is dissolved.

Roster during transition

- (2) During the transition period,
- (a) a roster of eligible panellists shall be established in accordance with the regulations;
 - (b) the Transition Supervisory Officer and the Lieutenant Governor in Council may appoint persons to be on the roster of eligible panellists, and the Transition Supervisory Officer shall ensure that a sufficient number of persons are appointed to the roster for the purposes of establishing panels under clause (c); and
 - (c) the Transition Supervisory Officer may direct the Registrar to establish a panel, in accordance with this Act and any regulations, from among the persons appointed to the roster of eligible panellists, to exercise the powers and duties of the Accreditation Committee, Accreditation Appeal Committee or a statutory committee, other than the Adjudicative Body of Chairs.

Panels during transition

(3) During the transition period, any reference in this Act or the regulations to a committee established under subsection 15 (1), the Accreditation Committee or the Accreditation Appeal Committee, shall be read as a reference to the corresponding panel established under clause (2) (c) of this section, with necessary modifications.

If matter not complete at end of transition period

(4) A panel established under clause (2) (c) shall continue to deal with any matter before it on the last day of the transition period until the matter is disposed of.

First roster after transition period

(5) Starting on the day immediately following the end of the transition period, the roster established under subclause (2) (a) shall be the roster for the purposes of subsection 17 (4).

If matter not complete at end of transition period

(6) The Transition Supervisory Officer shall continue to deal with a matter that is before them on the last day of the transition period until the matter is disposed of, if it is a matter that would otherwise be dealt with by the Adjudicative Body of Chairs.

38 Part XII of the Act, as enacted by section 36, is repealed.

39 Sections 2, 4, 5, 8, 11 and 12 and subsections 18 (3) and (8), 20 (1), (2) and (3) and 21 (1) of Schedule 3 to the *Safe and Supportive Classrooms Act, 2019* are repealed.

Commencement

40 (1) Subject to subsections (2) to (4), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Subsection 27 (4) and sections 30 and 38 come into force on a day to be named by proclamation of the Lieutenant Governor.

(3) Subsection 1 (1), sections 2 to 9, subsection 10 (1), section 11, subsections 12 (1) and (2), sections 13 to 16, subsection 17 (1), sections 19, 20, 22 to 26, subsection 27 (1) and sections 28, 32, 34 and 37 come into force on the earlier of April 1, 2021 and a day to be named by proclamation of the Lieutenant Governor.

(4) Subsection 12 (3) comes into force on the later of the day subsection 3 (3) of Schedule 19 to the *Plan for Care and Opportunity Act (Budget Measures), 2018* comes into force and the day section 9 of this Schedule comes into force.

SCHEDULE 34
ONTARIO ENERGY BOARD ACT, 1998

1 Paragraphs 4 and 5 of subsection 1 (1) of the *Ontario Energy Board Act, 1998* are repealed and the following substituted:

4. To facilitate innovation in the electricity sector.

2 Subsection 4.1 (3) of the Act is amended by striking out “who is in a class of persons” and substituting “who is a person or in a class of persons”.

3 Subsection 4.2 (3) of the Act is amended by striking out “who is in a class of persons” and substituting “who is a person or in a class of persons”.

4 Subsection 4.3 (2) of the Act is repealed and the following substituted:

Restriction on appointment

(2) The following persons are not eligible to be appointed as a commissioner:

1. A person who has any material interest in or is a director, officer, employee or agent of,
 - i. a market participant,
 - ii. a generator, distributor, gas distributor, transmitter, gas transmitter, storage company, gas marketer or retailer,
 - iii. a unit sub-meter provider,
 - iv. the Smart Metering Entity,
 - v. a person who sells electricity or ancillary services through the IESO-administered markets or directly to another person who is not a consumer,
 - vi. an industry association that represents a person referred to in subparagraph i, ii, iii, iv or v,
 - vii. the IESO, or
 - viii. an affiliate of a person listed in subparagraph i, ii, iii, iv, v or vii.
2. Any person or class of persons prescribed by the regulations.

5 Subsection 28.6 (4) of the Act is repealed.

6 (1) Subsections 98 (1.1) and (2) of the Act are repealed and the following substituted:

Order, hydrocarbon line

(2) The Board may, on application, issue an order authorizing a person and the officers, employees and agents of that person to enter on land at the intended location of any part of a proposed hydrocarbon line and to make such surveys and examinations as are necessary for fixing the site of the hydrocarbon line and as are specified in the order if,

- (a) the person has applied for leave under section 90 and has complied with section 94; or
- (b) the person has applied to the Board for an exemption from the requirements of section 90 under section 95.

Order, other works

(3) Subject to subsection (4), the Board may, on application, issue an order authorizing a person and the officers, employees and agents of that person to enter on land intended for the proposed construction, expansion or reinforcement of an electricity distribution line or electricity transmission line or making of an interconnection, or for the development of any such proposed work, for any of the following purposes:

1. To gather field data and conduct tests to facilitate the preparation of an environmental assessment under the *Environmental Assessment Act* in relation to the proposed work, or to facilitate the preparation of an application for any other permit or approval required for the proposed work.
2. To determine the land required for the proposed construction, expansion, reinforcement or making of the work.

Same

(4) Subsection (3) applies if,

- (a) either of the following applies with respect to the proposed work:
 - (i) proposed terms of reference for the preparation of an environmental assessment for the proposed work have been approved under subsection 6 (4) of the *Environmental Assessment Act*, or

(ii) the applicant has issued an initial notification respecting the proposed work in accordance with the requirements of the document titled “Class Environmental Assessment for Minor Transmission Facilities”, as it is amended from time to time, that is published by and available from Hydro One Inc.; and

(b) any other requirements that are prescribed by the regulations have been met.

Factors

(5) In an application under subsection (3), the Board shall consider,

(a) whether, before applying, the applicant made reasonable efforts to obtain consent for entry onto the land from the owner of the land; and

(b) whether entry onto the land is needed for a purpose listed in subsection (3).

Damages

(6) Any damages resulting from an entry onto land carried out under subsection (1) or under an order made under subsection (2) or (3) shall be determined by agreement or, failing agreement, in the manner set out in section 100.

(2) Subclause 98 (4) (a) (i) of the Act, as enacted by subsection (1), is amended by striking out “subsection 6 (4)” and substituting “subsection 17.4 (10)”.

(3) Subclause 98 (4) (a) (ii) of the Act, as enacted by subsection (1), is repealed and the following substituted:

(ii) the applicant has commenced, in accordance with the requirements of Part II.4 of the *Environmental Assessment Act*, the process for completing an environmental assessment under that Part; and

Commencement

7 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Subsections 6 (2) and (3) come into force on a day to be named by proclamation of the Lieutenant Governor.

SCHEDULE 35
ONTARIO LOAN ACT, 2020 (NO. 2)

Borrowing authorized

1 (1) The Lieutenant Governor in Council may borrow in any manner provided by the *Financial Administration Act* such sums, not exceeding a total aggregate amount of \$18 billion, as are considered necessary to discharge any indebtedness or obligation of Ontario or to make any payment authorized or required by any Act to be made out of the Consolidated Revenue Fund.

Other Acts

(2) The authority to borrow conferred by this Act is in addition to that conferred by any other Act.

Expiry

2 (1) No order in council authorizing borrowing authorized under this Act shall be made after December 31, 2022.

Same

(2) The Crown shall not borrow money after December 31, 2023 under the authority of an order in council that authorizes borrowing under this Act unless, on or before December 31, 2023,

- (a) the Crown has entered into an agreement to borrow the money under the order in council; or
- (b) the Crown has entered into an agreement respecting a borrowing program and the agreement enables the Crown to borrow up to a specified limit under the order in council.

Commencement

3 The Act set out in this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

Short title

4 The short title of the Act set out in this Schedule is the *Ontario Loan Act, 2020 (No. 2)*.

**SCHEDULE 36
ONTARIO NORTHLAND TRANSPORTATION COMMISSION ACT**

1 The definition of “Minister” in section 1 of the *Ontario Northland Transportation Commission Act* is amended by striking out “Minister of Northern Development and Mines” and substituting “Minister of Transportation”.

2 Subsection 2 (2) of the Act is amended by adding “on the recommendation of the Minister” at the end.

3 The Act is amended by adding the following section:

Crown agency

2.2 The Commission is a Crown agency within the meaning of the *Crown Agency Act*.

4 Section 4 of the Act is amended by striking out “may from time to time designate” and substituting “may from time to time, on the recommendation of the Minister, designate”.

5 Subsection 7 (2) of the Act is amended by striking out “Lieutenant Governor in Council” in the portion before clause (a) and substituting “Minister”.

6 The Act is amended by adding the following section:

Ministerial directives

7.1 (1) The Minister may issue directives in writing to the Commission in respect of any matter under this Act.

Implementation

(2) The Commission shall ensure that the directives are implemented promptly and efficiently.

Not regulations

(3) Part III (Regulations) of the *Legislation Act, 2006* does not apply to the directives.

7 Section 9 of the Act is amended by striking out “upon the Commission” in the portion before paragraph 1 and substituting “on the Commission or a person providing passenger transportation services on behalf of the Commission”.

8 Section 11 of the Act is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

9 Section 12 of the Act is amended by striking out “Lieutenant Governor in Council” at the end and substituting “Minister”.

10 Subsection 13 (2) of the Act is amended by striking out “Lieutenant Governor in Council” at the end and substituting “Minister”.

11 (1) Section 14 of the Act is amended by striking out “Lieutenant Governor in Council” wherever it appears and substituting in each case “Minister”.

(2) Subsection 14 (2) of the Act is amended by striking out “but no lease by the Commission of any spur, branch or portion of the line exceeding twenty miles in any one place has effect until approved by resolution of the Assembly” at the end.

12 Section 19 of the Act is amended by striking out “Lieutenant Governor in Council” and substituting “Minister”.

13 Section 25 of the Act is amended by,

(a) adding “or Minister” before “is made a condition”; and

(b) striking out “Lieutenant Governor in Council is obtained” at the end and substituting “Lieutenant Governor in Council or Minister, as the case may be, is obtained”.

14 Section 27 of the Act is repealed.

15 Subsection 34 (3) of the Act is amended by striking out “Treasurer of Ontario” and substituting “Minister of Finance”.

16 Section 35 of the Act is amended by striking out “Treasurer of Ontario” and substituting “Minister of Finance”.

17 Section 38 of the Act is amended by,

(a) striking out “Treasurer of Ontario” and substituting “Minister of Finance”; and

(b) striking out “Commission or Treasurer” and substituting “Commission or Minister of Finance”.

18 Section 39 of the Act is repealed and the following substituted:

Audit

39 (1) The Commission shall appoint one or more licensed public accountants to audit the accounts and transactions of the Commission and of its subsidiary corporations for the previous fiscal year.

Auditor General

(2) The Auditor General may also audit the accounts and transactions of the Commission or of any of the Commission's subsidiary corporations for any fiscal year.

Minister-appointed auditor

(3) The Minister may at any time appoint a licensed public accountant, other than the person appointed under subsection (1), to audit the accounts and transactions of the Commission or of any of its subsidiary corporations for any period of time specified by the Minister.

Budget and other financial information

39.1 (1) On or before August 31 in each year, or another date specified by the Minister, the Commission shall submit its budget for the following fiscal year, or for any other period of time specified by the Minister, to the Minister for his or her approval.

Form and content of budget

(2) The budget shall be in the form required by the Minister and shall include any other information required by the Minister.

19 Section 40 of the Act is repealed and the following substituted:**Fiscal year**

40 The fiscal year of the Commission is April 1 to March 31 of the following year.

20 The Act is amended by adding the following section:**Regulations**

43 The Lieutenant Governor in Council may make regulations respecting any matter that the Lieutenant Governor in Council considers necessary or advisable to carry out effectively the intent and purpose of this Act.

Commencement

21 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures)*, 2020 receives Royal Assent.

**SCHEDULE 37
PENSION BENEFITS ACT**

1 (1) The definition of “additional voluntary contribution” in subsection 1 (1) of the *Pension Benefits Act* is repealed and the following substituted:

“additional voluntary contribution” means a contribution to the pension fund by a member of the pension plan beyond any amount that the member is required to contribute, but does not include,

- (a) an optional contribution, or
- (b) a contribution in relation to which the employer is required to make a concurrent additional contribution to the pension fund; (“cotisation facultative supplémentaire”)

(2) The definition of “defined benefit” in subsection 1 (1) of the Act is repealed and the following substituted:

“defined benefit” means a pension benefit other than a defined contribution benefit or a target benefit; (“prestation déterminée”)

(3) The definition of “defined contribution benefit” in subsection 1 (1) of the Act is repealed and the following substituted:

“defined contribution benefit” means a pension benefit determined with reference to and provided by contributions paid by or for the credit of a member, and the interest on the contributions, and determined on an individual account basis, but does not include an optional benefit; (“prestation à cotisation déterminée”)

(4) Subsection 1 (1) of the Act is amended by adding the following definitions:

“optional benefit” means a benefit that is prescribed for the purposes of subsection 40.1 (1) as an optional benefit; (“prestation optionnelle”)

“optional contribution” means a contribution to the pension fund that is made to obtain an optional benefit under the pension plan and that is made by a member of the pension plan beyond any amount that the member is required to make; (“cotisation optionnelle”)

(5) The definition of “partial wind up” in subsection 1 (1) of the Act is repealed.

(6) Subsection 1 (1) of the Act is amended by adding the following definition:

“target benefit” means a pension benefit or ancillary benefit that is a target benefit as determined under section 39.2; (“prestation cible”)

2 Section 14 of the Act is amended by adding the following subsection:

Same, target benefits

(3.1) Subsection (1) does not apply in respect of a pension plan that provides only target benefits or in respect of that part of a pension plan that provides target benefits.

3 (1) Section 21 of the Act is amended by adding the following subsection:

Requirements

(2) The reciprocal transfer agreement must satisfy such requirements as may be prescribed.

(2) Section 21 of the Act is amended by adding the following subsection:

Same

(3) The administrator shall not transfer money or credits for employment under a reciprocal transfer agreement unless it complies with subsection (2).

4 The Act is amended by adding the following section:

Duty to retain records

24.1 The administrator of a pension plan shall retain the prescribed records about the pension plan and the pension fund for the prescribed period of time.

5 Subsection 39 (5) of the Act is amended by adding the following paragraph:

- 1.1 Optional benefits.

6 (1) Paragraph 2 of subsection 39.2 (1) of the Act is repealed.

(2) Subsection 39.2 (1) of the Act is amended by adding the following paragraphs:

- 3.1 The benefit is determined in part with reference to contributions made to the plan and the interest on the contributions. The benefit must satisfy this criterion both before and after the payments of the pension begin.

3.2 The benefit is not determined on an individual account basis.

5.1 Employee contributions to the pension fund in respect of the benefit do not exceed employer contributions to the pension fund in respect of the benefit.

7 (1) Section 40 of the Act is amended by adding the following subsection:

Treatment re target benefits

(5) Subsection (2) applies with respect to ancillary benefits under a pension plan that provides target benefits, except in such circumstances as may be prescribed.

(2) Section 40 of the Act is amended by adding the following subsection:

Treatment of optional benefits

(6) Subsection (2) applies with respect to ancillary benefits that are optional benefits, except in such circumstances as may be prescribed.

8 The Act is amended by adding the following section:

Optional benefits

40.1 (1) A pension plan that provides defined benefits may provide as optional benefits such benefits as may be prescribed.

Optional contributions

(2) Optional contributions may be made by a member for optional benefits under the pension plan and, if the pension plan so permits, the member may choose or vary the amount of the optional contributions to be made.

Same

(3) The optional contributions made by a member must be applied, in accordance with the terms of the pension plan, to provide only optional benefits upon the termination of employment or membership.

Requirements re contributions

(4) A pension plan that provides optional benefits must satisfy such requirements as may be prescribed about the manner of determining the amount of the optional contributions for the optional benefits.

Requirements re conversion

(5) The conversion of optional contributions into optional benefits is subject to such requirements as may be prescribed by regulation.

Non-application

(6) Such provisions of the Act and regulations as may be prescribed do not apply with respect to optional benefits and optional contributions.

9 Subsection 41 (2) of the Act is amended by striking out “in whole or in part”.

10 Subsection 57 (4) of the Act is amended by striking out “in whole or in part”.

11 (1) Section 63 of the Act is amended by adding the following subsection:

Same, optional contributions

(2.1) Subsection (1) does not prevent the refund of an optional contribution and interest thereon to a former member.

(2) Subsection 63 (2.1) of the Act, as enacted by subsection (1), is amended by striking out “to a former member” at the end and substituting “to a former member or retired member”.

12 Subsection 73 (2) of the Act is repealed and the following substituted:

Transfer rights on wind up

(2) The following rules apply when a pension plan is wound up:

1. A person who is entitled to a pension benefit on the wind up of the pension plan, other than a person who is receiving a pension, is entitled to the rights under subsection 42 (1) of a member who terminates employment and, for the purpose, subsection 42 (3) does not apply.
2. A person who is receiving, on the wind up of the pension plan, a pension that is a target benefit is entitled to the rights under subsection 42 (1) of a member who terminates employment.

13 (1) Subsection 77.11 (1) of the Act is amended by adding “Subject to section 77.11.1” at the beginning.

(2) Subsection 77.11 (4) of the Act is amended by,

- (a) striking out “if it is being wound up in whole or in part” and substituting “if it is being wound up”; and
 - (b) striking out “on the wind up or partial wind up, as the case may be, of the pension plan” at the end and substituting “on the wind up of the pension plan”.
- (3) Paragraph 2 of subsection 77.11 (7) of the Act is amended by striking out “on the wind up of the pension plan in whole” in the portion before subparagraph i and substituting “on the wind up of the pension plan”.
- (4) Paragraph 3 of subsection 77.11 (7) of the Act is repealed.

14 The Act is amended by adding the following section:

Entitlement to surplus — target benefits

77.11.1 (1) The documents that create and support a pension plan and pension fund govern the entitlement of persons other than the employer to payment of surplus under a pension plan that provides target benefits, except as otherwise provided under this Act.

If no provision in a pension plan

(2) A pension plan that provides target benefits that does not provide for the withdrawal of surplus money while the pension plan continues in existence shall be construed to prohibit the withdrawal of surplus money.

Employer not entitled to surplus

(3) Despite anything in this Act or in a document that creates and supports a pension plan, no employer is entitled to payment of surplus under a pension plan that provides target benefits.

Proportional distribution on wind up

(4) A pension plan that provides target benefits shall be construed to require that surplus shall be distributed proportionately on the wind up of the pension plan among members, former members, retired members and other persons entitled to payments under the pension plan on the date of the wind up.

15 (1) Subsection 79 (3) of the Act is amended by striking out “being wound up in whole” in the portion before clause (a) and substituting “being wound up”.

(2) Subsection 79 (3.1) of the Act is repealed.

(3) Subsection 79 (4) of the Act is amended by,

- (a) striking out “being wound up in whole or in part” and substituting “being wound up”; and
- (b) striking out “or partial wind up” at the end.

16 Section 79.1 of the Act is amended by adding the following subsection:

Transfers re target benefits

(3) No person shall transfer assets between pension plans if the transferred assets relate to the provision of target benefits unless,

- (a) the transfer is authorized under section 21, 42, 80, 80.2 or 81; or
- (b) the transfer satisfies the prescribed requirements and the Chief Executive Officer has consented in advance to the transfer.

17 (1) Paragraph 2 of subsection 80.4 (20) of the Act is amended by striking out “This rule does not apply with respect to an arbitration proceeding under section 77.12” at the end.

(2) Paragraph 3 of subsection 80.4 (20) of the Act is amended by striking out “This rule does not apply with respect to an arbitration proceeding under section 77.12” at the end.

18 (1) Paragraph 1 of subsection 81.0.2 (2) of the Act is repealed and the following substituted:

1. The benefits proposed to be converted are not determined on an individual account basis.

(2) Subsection 81.0.2 (2) of the Act is amended by adding the following paragraphs:

- 1.1 The pension plan is a multi-employer pension plan established pursuant to a collective agreement or a trust agreement.
- 1.2 The benefits proposed to be converted are determined in part with reference to contributions made to the plan and the interest on the contributions. The benefits must satisfy this criterion both before and after the payments of the pension begin.

(3) Paragraph 2 of subsection 81.0.2 (2) of the Act is repealed and the following substituted:

2. Either of the following circumstances exists:

- i. The obligation of an employer to contribute to the pension fund in respect of the benefits proposed to be converted is limited to a fixed amount set out in one or more collective agreements and the pension plan satisfies such conditions as may be prescribed.
- ii. The obligation of an employer to contribute to the pension fund in respect of the benefits proposed to be converted is limited to a fixed amount set out in one or more documents, other than a collective agreement, that create and support the plan and the pension plan satisfies such conditions as may be prescribed.

(4) Section 81.0.2 of the Act is amended by adding the following subsection:

Time limit for application to convert to target benefits

(2.1) Benefits shall not be converted to target benefits unless the administrator's application for consent under subsection (12) is made before the fifth anniversary of the day on which subsection 18 (4) of Schedule 37 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force.

19 Clause 83 (2) (c) of the Act is amended by striking out "in whole or in part".

20 Paragraph 3 of subsection 84 (1) of the Act is amended by striking out "defined pension benefits" and substituting "defined benefits".

21 (1) Section 85 of the Act is amended by adding the following paragraph:

5.1 Pension benefits that are target benefits.

(2) Section 85 of the Act is amended by adding the following paragraph:

5.2 Optional benefits.

22 Subsection 86 (1) of the Act is amended by striking out "in whole or in part".

23 The Act is amended by adding the following section:

Special rules, Canadian Press Enterprises Inc.

102.4 (1) Defined benefits provided under The Pension Plan of Canadian Press Enterprises Inc., registered under this Act as number 0237537, are deemed not to have been guaranteed by the Guarantee Fund during the period that began on January 1, 1980 and ended on June 30, 2019.

Same

(2) Defined benefits provided under the Canadian Press Enterprises Inc. Pension Plan for Employees Represented by the Canadian Media Guild, registered under this Act as number 1031848, are deemed not to have been guaranteed by the Guarantee Fund during the period that began on January 1, 1996 and ended on June 30, 2019.

CONSEQUENTIAL AMENDMENTS AND COMMENCEMENT

24 The following provisions of the *Securing Pension Benefits Now and for the Future Act, 2010* are repealed:

1. Subsections 1 (1), (2), (3), (5) and (8), 4 (1), 10 (2) and 13 (1) and (2).
2. Sections 14 and 20.
3. Subsections 26 (3), (6) and (7), 29 (4), (8) and (11), 31 (2) and 38 (2) and (3).

25 The following provisions of the *Pension Benefits Amendment Act, 2010* are repealed:

1. Subsections 1 (4) and 10 (1) and (2).
2. Section 13.
3. Subsection 28 (2).
4. Section 40.
5. Subsection 72 (1).
6. Section 74.

26 Subsection 1 (5) of Schedule 33 to the *Stronger, Fairer Ontario Act (Budget Measures), 2017* is repealed.

27 Subsection 2 (2) of Schedule 29 to the *Plan to Build Ontario Together Act, 2019* is repealed.

Commencement

28 (1) Subject to subsections (2) to (4), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Subsection 6 (1) comes into force on the later of the day section 17 of Schedule 33 to the *Stronger, Fairer Ontario Act (Budget Measures), 2017* comes into force and the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(3) Sections 1 to 5, subsection 6 (2) and sections 7 to 16, 19, 21 and 22 come into force on a day to be named by proclamation of the Lieutenant Governor.

(4) Section 18 comes into force on the later of the day section 33 of Schedule 33 to the *Stronger, Fairer Ontario Act (Budget Measures), 2017* comes into force and the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

SCHEDULE 38
PROTECTING A SUSTAINABLE PUBLIC SECTOR FOR FUTURE GENERATIONS ACT, 2019

1 The definition of “moderation period” in section 2 of the *Protecting a Sustainable Public Sector for Future Generations Act, 2019* is amended by striking out “section 9 or 17” at the end and substituting “section 9, 17, 23.1 or 23.2”.

2 The Act is amended by adding the following sections:

SPECIAL RULES RE CHANGES IN REPRESENTATION STATUS

Cessation of representation

23.1 If a class of employees who are represented by a bargaining organization ceases to be represented by the bargaining organization after June 5, 2019 and before the expiry of the moderation period in respect of that class of employees determined in accordance with section 9, the following rules apply:

1. If the class of employees ceases to be represented on or after the day the moderation period starts, the moderation period determined in accordance with section 9 continues to apply with respect to the class of employees and sections 18 to 23 apply for the remainder of the moderation period.
2. If the class of employees ceases to be represented before the day the moderation period starts, the moderation period determined in accordance with section 9 continues to apply with respect to the class of employees and sections 18 to 23 apply for the duration of the moderation period.

Commencement of representation

23.2 If a class of non-represented employees becomes represented by a bargaining organization after June 5, 2019 and before the expiry of the moderation period in respect of that class of employees determined in accordance with section 17, the following rules apply:

1. If subsection 17 (2) does not apply with respect to the class of employees and the class of employees becomes represented by a bargaining organization on or after the day the moderation period determined under subsection 17 (1) starts, the moderation period determined in accordance with that subsection continues to apply with respect to the class of employees and sections 10 to 16 apply for the remainder of the moderation period.
2. If subsection 17 (2) does not apply with respect to the class of employees and the class of employees becomes represented by a bargaining organization before the day the moderation period determined under subsection 17 (1) starts,
 - i. the moderation period is the three-year period that begins on the earlier of,
 - A. January 1, 2022, or
 - B. the commencement date of the first collective agreement, and
 - ii. sections 10 to 16 apply for the duration of the moderation period.
3. If subsection 17 (2) applies with respect to the class of employees and the class of employees becomes represented by a bargaining organization on or after the day the moderation period determined under subsection 17 (2) starts, the moderation period determined in accordance with that subsection continues to apply with respect to the class of employees and sections 10 to 16 apply for the remainder of the moderation period.
4. If subsection 17 (2) applies with respect to the class of employees and the class of employees becomes represented by a bargaining organization before the day the moderation period starts,
 - i. the moderation period is the three-year period that begins on the earlier of,
 - A. the first day of the moderation period determined in accordance with subsection 17 (2), or
 - B. the commencement date of the first collective agreement, and
 - ii. sections 10 to 16 apply for the duration of the moderation period.

3 The Act is amended by adding the following section:

Withholding funds

25.1 (1) If an employer or an employers’ organization fails to comply with a directive issued under section 25, the Management Board of Cabinet may require a minister of the Crown to withhold part or all of any amount authorized by law to be paid to that employer or employers’ organization.

When amount withheld may be paid

(2) An amount withheld under subsection (1) shall be paid only when the employer or employers’ organization complies with the directive.

Failure continuing past fiscal year end

(3) An employer or an employers' organization, as the case may be, ceases to be entitled to payment of an amount withheld under subsection (1) if the failure to comply with the directive continues to the March 31 after the Management Board of Cabinet required the withholding and in that case the amount withheld is part of the Consolidated Revenue Fund.

4 (1) Clause 32 (1) (a) of the Act is amended by striking out “enactment or repeal” and substituting “enactment, amendment or repeal”.

(2) Subsection 32 (1) of the Act is amended by striking out “or” at the end of clause (c), by adding “or” at the end of clause (d) and by adding the following clause:

(e) as a direct or indirect result of any requirement imposed in good faith under section 25.1.

COMPLEMENTARY AMENDMENT***Labour Relations Act, 1995***

5 Subsection 190 (1) of the *Labour Relations Act, 1995* is amended by striking out “1 to 16 and 24 to 38” in the portion before clause (a) and substituting “1 to 16, 23.1 to 25 and 26 to 38”.

COMMENCEMENT**Commencement**

6 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

**SCHEDULE 39
PROVINCIAL OFFENCES ACT**

1 (1) Section 9 of the *Provincial Offences Act* is repealed and the following substituted:

Deemed not to dispute charge

9 (1) A defendant is deemed to not wish to dispute the charge if,

- (a) at least 15 days have elapsed after the defendant was served with the offence notice and the defendant did not give notice of intention to appear under section 5, did not request a meeting with the prosecutor in accordance with section 5.1 and did not plead guilty under section 7 or 8;
- (b) the defendant requested a meeting with the prosecutor in accordance with section 5.1 but did not attend the scheduled meeting with the prosecutor; or
- (c) the defendant reached an agreement with the prosecutor under subsection 5.1 (7) but did not appear at a sentencing hearing with a justice under subsection 5.1 (8).

Examination of certificate of offence by clerk

(2) If a defendant is deemed to not wish to dispute the charge in accordance with clause (1) (a) or (b), the clerk of the court shall examine the certificate of offence and,

- (a) if it is not defective, as determined by the regulations, enter a conviction in the defendant's absence and without a hearing and impose the set fine for the offence; or
- (b) if it is defective, as determined by the regulations, quash the proceeding.

Application to justice

(3) A defendant who is convicted under subsection (2) may, within 15 days after becoming aware of the conviction, make an application to a justice in the prescribed form to strike out the conviction.

Same

(4) On application under subsection (3), the justice shall strike out the conviction if satisfied that the certificate of offence is defective, as determined by the regulations, or is otherwise not complete and regular on its face.

Examination of certificate of offence by justice

(5) If a defendant is deemed to not wish to dispute the charge in accordance with clause (1) (c), the justice shall examine the certificate of offence and,

- (a) if it is not defective, as determined by the regulations, and is complete and regular on its face, enter a conviction in the defendant's absence and without a hearing and impose the set fine for the offence; or
- (b) if it is defective, as determined by the regulations, or is otherwise not complete and regular on its face, quash the proceeding.

Proof of municipal by-law not required

(6) If the offence is in respect of an offence under a by-law of a municipality, proof of the by-law that creates the offence is not required to enter a conviction and impose a set fine under this section.

Transition

(7) This section applies with respect to a defendant served with an offence notice before the day subsection 1 (1) of Schedule 39 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* came into force, if a justice had not examined the certificate of offence before that day.

(2) Clauses 9 (1) (b) and (c) of the Act, as enacted by subsection (1), are repealed and the following substituted:

- (b) the defendant requested an early resolution meeting described in clause 5.1 (3) (a) or (b) but did not attend the meeting; or
- (c) the defendant reached an agreement with the prosecutor in an early resolution meeting under subclause 5.2 (1) (a) (ii), but did not appear before a justice as required under section 5.4.

2 (1) Subsection 13 (1.1) of the Act is amended by adding the following clause:

- (c) establishing and governing a procedure for early resolution meetings under clause 5.1 (3) (c) conducted through the exchange of written electronic communications, including, without limiting the generality of the foregoing,
 - (i) requiring the meetings to be conducted using a prescribed method of exchanging written electronic communications,
 - (ii) prescribing methods of exchanging written electronic communications that cannot be used to conduct the meetings,

- (iii) governing the provision of notice to the defendant and prosecutor,
- (iv) governing the process for withdrawing from the meeting and the consequences of such a withdrawal,
- (v) governing the timelines and deadlines that must be met by the defendant and prosecutor or the process for determining those timelines and deadlines,
- (vi) governing the procedural consequences for failing to meet a timeline or deadline, which may include requiring the clerk of the court to schedule a trial for the offence,
- (vii) varying or modifying the application of sections 5.2, 5.3, 5.4 and 5.5 to these meetings, and
- (viii) governing transitional matters that may arise in relation to these meetings;

(2) Subsection 13 (1.1) of the Act is amended by adding the following clause:

- (d) prescribing the characteristics that make a certificate of offence defective for the purposes of section 9.

Stronger, Fairer Ontario Act (Budget Measures), 2017

3 (1) Section 5 of Schedule 35 to the *Stronger, Fairer Ontario Act (Budget Measures), 2017* is repealed.

(2) Subsection 7 (2) of Schedule 35 to the Act is repealed.

Commencement

4 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Sections 1 and 2 come into force on a day to be named by proclamation of the Lieutenant Governor.

SCHEDULE 40
PROVINCIAL PARKS AND CONSERVATION RESERVES ACT, 2006

1 The definition of “district manager” in subsection 5 (1) of the *Provincial Parks and Conservation Reserves Act, 2006* is repealed.

(2) The definition of “Minister” in subsection 5 (1) of the Act is amended by striking out “Minister of Natural Resources” and substituting “Minister of the Environment, Conservation and Parks”.

(3) The definition of “officer” in subsection 5 (1) of the Act is amended by striking out “a district manager”.

2 Section 10 of the Act is repealed and the following substituted:

Provincial park and conservation reserve planning

Management plan

10 (1) The Minister shall ensure that the Ministry prepares a management plan that applies to each provincial park and conservation reserve.

Non-application

(2) Subsection (1) does not apply with respect to a provincial park or a conservation reserve for which a management plan is deemed to have been approved under this section.

Application to more than one provincial park or conservation reserve

(3) A management plan may apply to one or more provincial parks, one or more conservation reserves or to a combination of provincial parks and conservation reserves.

Management plan, approval and contents

(4) A management plan shall,

(a) be approved by the Minister; and

(b) identify site specific management policies for the provincial parks and conservation reserves to which the plan applies.

Requirement for planning manual

(5) The Minister shall ensure that the Ministry maintains and makes public a planning manual to guide the preparation of management plans.

Public consultation, preparation

(6) During the preparation of a management plan, the Minister shall ensure that,

(a) there are at least two opportunities for public consultation in the case of a management plan that addresses substantial and complex issues or proposals for substantial capital infrastructure or resource management projects in one or more provincial parks or conservation reserves; and

(b) there is at least one opportunity for public consultation in the case of a management plan other than a management plan described in clause (a).

Public consultation, amendments

(7) During the process of amending a management plan, the Minister shall ensure that there is at least one opportunity for public consultation, except if the amendments are administrative in nature.

Same

(8) The requirement in subsection (7) to ensure an opportunity for public consultation with respect to amendments to a management plan is satisfied if, in the opinion of the Minister, the environmentally significant aspects of the amendments have already been considered in a process of public participation under another Act or otherwise.

Examination of management plans

(9) The Ministry shall examine, in an order determined by the Ministry, management plans that have been in effect for 20 years or more to determine the need for amendment or replacement of those plans.

Posting of results of examination

(10) The Minister shall ensure that the results of the examination of management plans under subsection (9) are posted in the registry established under the *Environmental Bill of Rights, 1993* or made available for public inspection by other appropriate means.

Existing management plans, etc.

(11) For the purpose of this section, management directions, management plans, management statements and interim management statements for provincial parks and management statements, statements of conservation interest and resource

management plans for conservation reserves that were in effect immediately before the day section 2 of Schedule 40 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* came into force shall be deemed to be approved management plans.

3 (1) Subsection 12 (1) of the Act is amended by striking out “district manager or”.

(2) Subsection 12 (2) of the Act is amended by striking out “direction” and substituting “plan”.

4 (1) Subsections 14 (1), (2), (2.1) and (2.2) of the Act are repealed and the following substituted:

Leasing, etc., of lands

(1) Subject to this Act and the regulations, the Minister may authorize a person to use or occupy land in a provincial park or conservation reserve by,

- (a) entering into an agreement respecting the use or occupation of the land;
- (b) issuing a land use permit or licence of occupation;
- (c) granting a lease; or
- (d) granting an easement in or over the land.

Limitation for private, non-commercial purposes

(2) Despite subsection (1), the Minister shall not authorize a person to occupy land in a provincial park or conservation reserve for private non-commercial purposes, except if one or more of the following circumstances applies:

- 1. Issuing or granting the instrument extends the term of occupation of an existing instrument holder.
- 2. The circumstances that may be prescribed by the regulations allowing an authorization to be given with respect to an existing building or structure, an existing use or an existing occupation are satisfied.

(2) Section 14 of the Act is amended by adding the following subsections:

Existing easements

(4) Easements made in respect of land in provincial parks or conservation reserves before the day subsection 4 (2) of Schedule 40 to the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* comes into force shall continue according to their terms and shall be deemed to have been made under this Act.

Terms and conditions

(5) Any person who is authorized to use or occupy land under this section shall comply with the terms and conditions set out in the authorization and such other terms and conditions as may be prescribed by the regulations.

5 The Act is amended by adding the following sections:

Surveys and annulments

14.1 (1) The Minister may cause any land in a provincial park or conservation reserve to be surveyed and may annul in whole or in part any survey or subdivision made in respect of land within a provincial park or conservation reserve.

Amended plans

(2) Where a plan of survey or subdivision has been or is registered or deposited in the proper land registry office and the Minister annuls in whole or in part the survey or subdivision under subsection (1), the Minister shall cause an amended plan to be registered or deposited in the proper land registry office.

Delegation

(3) The Minister may delegate to the Surveyor General the power under subsection (1) or the duty under subsection (2).

Replacement instrument

(4) Where an instrument mentioned in clause 14 (1) (b), (c) or (d) has been issued or granted for any land that is affected by an annulment under subsection (1) of this section, the Minister shall, by order, cancel the instrument and issue or grant a replacement instrument that contains a revised description of the land.

Same

(5) A replacement instrument issued or granted under subsection (4) is deemed to,

- (a) have been in effect since the date on which the cancelled instrument was issued or granted; and
- (b) have amended, with necessary modifications, every instrument made before the date of the order issued by the Minister under subsection (4) by the instrument holder or any person claiming through or under the instrument holder.

Same

(6) A replacement instrument issued or granted under subsection (4) shall be issued or granted in the name of the original holder of the cancelled instrument and need not be executed by anyone other than the Minister to have legal effect.

Where survey required

14.2 The Surveyor General or his or her delegate may require an applicant for an instrument mentioned in clause 14 (1) (b), (c) or (d) to arrange and pay for a survey to be made in respect of the relevant land.

6 The Act is amended by adding the following section:**Registration of certain instruments**

14.3 (1) The Minister shall forward any lease or easement granted under section 14 to the proper land registry office.

Registration

(2) Upon receipt of an instrument forwarded under subsection (1), the land registrar shall register the instrument and note particulars of registration on a copy and forward the copy to the instrument holder at the address provided by the Ministry.

7 The Act is amended by adding the following section:**Unauthorized buildings, etc.**

14.4 (1) Any building, structure or thing remaining on land in respect of which an agreement was entered into under clause 14 (1) (a) or an instrument was issued or granted under clause 14 (1) (b), (c) or (d) after the cancellation, termination or expiration of the agreement or instrument, or any building, structure or thing on land in a provincial park or conservation reserve possessed or occupied without lawful authority, is the property of the Crown and may be sold, disposed of or destroyed under the direction of the Minister.

Recovery of cost and expense

(2) Any cost or expense incurred in the sale, disposition or destruction of a building, structure or thing referred to in subsection (1) is a debt due to the Crown and may be recovered by the Minister in a court of competent jurisdiction in an action against the person responsible for the construction of the building or structure or the placing of the thing on the land or, in the case of a building or structure that was occupied, the occupier.

Restoration of rights

(3) Despite subsection (1), the Minister may make an order, subject to such conditions as the Minister considers proper, declaring that any building, structure or thing remaining on land after the cancellation, termination or expiration of an instrument or possessed or occupied without lawful authority, is not the property of the Crown.

8 Subsection 19 (4) of the Act is amended by striking out “directions” and substituting “plans”.**9 Clause 22 (1) (d) of the Act is repealed and the following substituted:**

- (d) the filling of any shore lands;
- (d.1) the dredging of any shore lands or any lands covered by water; or

10 Subsection 24 (1) of the Act is amended by striking out “district manager”.**11 Subsection 25 (1) of the Act is amended by,**

- (a) striking out “person” and substituting “person or entity”; and
- (b) striking out “to support research, monitoring, education or any other related purpose” and substituting “for any purpose”.

12 (1) Clause 26 (1) (a) of the Act is amended by adding “and conservation reserves” after “parks”.**(2) Clause 26 (1) (b) of the Act is repealed and the following substituted:**

- (b) fees for the use of provincial parks and conservation reserves or of any facilities or services in provincial parks and conservation reserves; and
- (3) Clause 26 (1) (c) of the Act is amended by adding “or conservation reserve” at the end.
- (4) Subsection 26 (2) of the Act is repealed.
- (5) Subsection 26 (4) of the Act is amended by striking out “district manager or” in the portion before clause (a).

13 (1) Subsection 27 (1) of the Act is amended by adding “and conservation reserves” after “parks” in the portion before paragraph 1.**(2) Subsection 27 (1) of the Act is amended by striking out paragraph 4 and substituting the following:**

- 4. All amounts received by the Minister pursuant to subsection 25 (1).

5. All other amounts received or revenues generated in respect of provincial parks or conservation reserves.

(3) Clause 27 (3) (a) of the Act is amended by adding “or conservation reserves” after “parks”.

14 Subsection 33 (1) of the Act is amended by striking out “district manager or”.

15 The Act is amended by adding the following section:

No cause of action

33.1 (1) Subject to subsection (3), no cause of action arises against the Crown or any of the Crown’s current or former ministers, agents, appointees or employees as a direct or indirect result of any negligence or failure to take reasonable care in respect of the construction, maintenance or repair of a road in a provincial park or conservation reserve where a permit is not required under this Act or the regulations to take a vehicle into the provincial park or conservation reserve.

No proceeding

(2) Subject to subsection (3), no proceeding that is directly or indirectly based on or related to anything referred to in subsection (1) may be brought or maintained against a person referred to in that subsection.

Exception

(3) Subsection (1) does not apply to a cause of action in respect of a contract for the construction, maintenance or repair of a road in a provincial park or conservation reserve and subsection (2) does not apply to a proceeding that is based on or related to such a contract.

Definition

(4) In this section,

“road” includes bridges, shoulders, ditches, culverts or other water crossings.

16 (1) Subsection 35 (1) of the Act is amended by striking out “district manager or” and by striking out “direction” and substituting “plan”.

(2) Subsection 35 (2) of the Act is amended by striking out “district manager or”.

17 Subsection 36 (1) of the Act is amended by striking out “district manager or”.

18 Section 37 of the Act is amended by striking out “or a district manager”.

19 Clause 39 (3) (a) of the Act is amended by striking out “flashes of red light” and substituting “flashes of red or blue light”.

20 (1) Subsection 40 (1) of the Act is repealed and the following substituted:

Inspection of places

(1) For the purpose of ensuring compliance with this Act and the regulations, an officer may enter and inspect any land, building or other place in a provincial park or conservation reserve.

(2) Clause 40 (3) (a) of the Act is amended by striking out “inspect a work permit or other document” at the beginning and substituting “inspect any document”.

(3) Clause 40 (3) (b) of the Act is amended by striking out “that is in the building or other place” at the end and substituting “that is in or on the land, building or other place”.

21 Subsection 46 (1) of the Act is amended by adding the following clause:

(a.1) subsection 14 (5);

22 (1) Clause 54 (1) (c) of the Act is repealed and the following substituted:

(c) in respect of management plans;

(2) Clauses 54 (1) (i) and (i.1) of the Act are repealed and the following substituted:

(i) governing the granting, issue, form, renewal, transfer and cancellation of leases, licences of occupation, land use permits, easements and agreements for the use or occupation of lands in provincial parks and conservation reserves and prescribing terms and conditions in connection with them;

(i.1) prescribing circumstances for the purpose of paragraph 2 of subsection 14 (2);

(3) Clause 54 (2) (f) of the Act is repealed.

(4) Paragraph 2 of subsection 54 (3) of the Act is amended by striking out “direction” and substituting “plan”.

Commencement

23 (1) Subject to subsection (2), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

(2) Section 6, subsections 12 (1), (2), (3) and (4), section 13 and subsection 22 (3) come into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 41
RESOURCE RECOVERY AND CIRCULAR ECONOMY ACT, 2016**

1 The definitions of “consumer”, “convenience packaging”, “primary packaging”, “product” and “transport packaging” in section 59 of the *Resource Recovery and Circular Economy Act, 2016* are repealed and the following substituted:

“consumer”, in respect of material in a designated class, means a person who obtains the material for the person’s own use, subject to any alternative meaning or meanings that may be provided for in the regulations; (“consommateur”)

“convenience packaging” means material used in addition to primary packaging to facilitate consumers’ handling or transportation of one or more products, such as boxes and bags, subject to any alternative meaning or meanings that may be provided for in the regulations; (“emballage pratique”)

“primary packaging” means material that is used for the containment, protection, handling, delivery and presentation of a product that is provided to a consumer at the point of sale, and includes packaging designed to group one or more products for the purposes of sale, but does not include convenience packaging or transport packaging, subject to any alternative meaning or meanings that may be provided for in the regulations; (“emballage primaire”)

“product” means material that is a thing, part of a thing, or combination of things intended for use by a consumer, subject to any alternative meaning or meanings that may be provided for in the regulations; (“produit”)

“transport packaging” means material used in addition to primary packaging to facilitate the handling or transportation of one or more products by persons other than consumers, such as pallets, bail wrap and boxes, but does not include shipping containers designed for transporting things by road, ship, rail or air, subject to any alternative meaning or meanings that may be provided for in the regulations. (“emballage de transport”)

2 Subsection 60 (2) of the Act is repealed and the following substituted:

Same

(2) The classes of materials designated under subsection (1) shall be in respect of one or more of the following:

1. Products.
2. Primary packaging associated with a product.
3. Convenience packaging.
4. Transport packaging.

3 Subsection 61 (2) of the Act is repealed and the following substituted:

Alternate or additional person

(2) Either or both of the following may be required to carry out responsibilities under this Part instead of, or in addition to, a brand holder described in subsection (1):

1. A person who has a commercial connection to a product in a designated class.
2. A person who meets prescribed conditions in respect of a product or its primary packaging in a designated class.

4 The Act is amended by adding the following section:

More than one material

62.1 If a designated class includes materials referred to in both sections 61 and 62, a person may be required to carry out one or more of the responsibilities mentioned in subsection 61 (1) in respect of that designated class pursuant to both sections 61 and 62, as applicable.

5 Subsection 86 (1) of the Act is amended by adding the following paragraph:

3. A person required to comply with a rule pursuant to subsection 107.1 (6).

6 Subsection 98 (2) of the Act is amended by adding the following paragraph:

7. Subsection 107.1 (6).

7 The Act is amended by adding the following section:

Blue box material

107.1 (1) Without limiting the generality of section 68, the Lieutenant Governor in Council may make regulations governing the collection of blue box material, including, without limiting the generality of the foregoing,

- (a) defining “blue box material” for the purposes of this section and the regulations; and

- (b) establishing procedures and requirements for the determination of which persons are required to collect blue box material, and from which sources.

Rules

- (2) A regulation made under this section may authorize or require one or more prescribed persons or entities to make rules in respect of the collection of blue box material.

Persons or entities

- (3) A regulation made under the authority of subsection (2) that authorizes or requires one or more prescribed persons or entities to make rules may,
 - (a) specify the person or entity;
 - (b) set out a method for determining the person or entity; or
 - (c) specify criteria that a person or entity must meet.

Some powers

- (4) Without limiting the generality of subsection (2), a regulation that authorizes or requires one or more prescribed persons or entities to make rules may,
 - (a) authorize or require different prescribed persons or entities to make rules in different prescribed circumstances; and
 - (b) provide for substituting, in whole or in part, rules made by one person or entity for those that were made or that should have been made by a different person or entity.

Restriction

- (5) For greater certainty, a person or entity who is authorized or required to make rules may only make the rules in accordance with the terms of the authorization set out in the regulations and must comply with any requirements or conditions imposed by the regulations.

Compliance

- (6) A person who is subject to a rule made under the authority of subsection (2) shall comply with the rule.

Publication

- (7) Rules made under the authority of subsection (2) shall be made publicly available on the Registry.

Not a regulation

- (8) A rule made under the authority of subsection (2) is not a regulation within the meaning of Part III (Regulations) of the *Legislation Act, 2006*.

Commencement

8 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

SCHEDULE 42
SUPPLEMENTARY INTERIM APPROPRIATION FOR 2020-2021 ACT, 2020

Interpretation

1 Expressions used in this Act have the same meaning as in the *Financial Administration Act* unless the context requires otherwise.

Additional amounts to be paid or recognized

2 All amounts authorized under sections 3 and 4 to be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses or non-cash investments are in addition to the amounts authorized to be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses or non-cash investments under sections 2 and 3 of the *Interim Appropriation for 2020-2021 Act, 2019*.

Expenses of the public service

3 Pending the voting of supply for the fiscal year ending on March 31, 2021, amounts not exceeding a total of \$23,389,964,800 may be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses to be applied to the expenses of the public service that are not otherwise provided for.

Investments of the public service

4 Pending the voting of supply for the fiscal year ending on March 31, 2021, amounts not exceeding a total of \$208,404,200 may be paid out of the Consolidated Revenue Fund or recognized as non-cash investments to be applied to the investments of the public service in capital assets, loans and other investments that are not otherwise provided for.

Charge to proper appropriation

5 All expenditures made or recognized under this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2021.

Commencement

6 The Act set out in this Schedule is deemed to have come into force on April 1, 2020.

Short title

7 The short title of the Act set out in this Schedule is the *Supplementary Interim Appropriation for 2020-2021 Act, 2020*.

**SCHEDULE 43
TAXATION ACT, 2007**

1 (1) The definition of “AA” in subsection 9 (17) of the *Taxation Act, 2007* is amended by striking out “subsections (2), (9) and (14)” and substituting “subsections (2), (9), (11) and (14)”.

(2) Section 9 of the Act is amended by adding the following subsection:

Interpretation, subs. (17)

(23) For a taxation year ending before January 1, 2020, the reference to “subsections (2), (9) and (14)” in the definition of “AA” in subsection (17) is deemed to have referred to “subsections (2), (9), (11) and (14)”.

2 (1) Subsection 16 (2) of the Act is amended by striking out “21, 22 and 103.1.2” at the end and substituting “21, 21.1 and 22”.

(2) Section 16 of the Act is amended by adding the following subsection:

Same

(2.1) For a taxation year ending after August 14, 2014 and before January 1, 2019, subsection (2) is deemed to be read without reference to section 103.1.2.

3 (1) Clause 38 (3) (b) of the Act is repealed and the following substituted:

- (b) the corporation does not file with the Federal Minister a form containing the information in respect of the amount as required by paragraph (m) of the definition of “investment tax credit” in subsection 127 (9) of the Federal Act on or before the day that form is required to be filed for the purposes of that paragraph.

(2) The definition of “D” in subsection 38 (4) of the Act is amended by striking out “by the day that is 12 months after the corporation’s filing-due date for the year” and substituting “by the day the form is required to be filed for the purposes of the value of “B””.

4 (1) Subsection 84 (1) of the Act is amended by adding the following paragraph:

14.3 A seniors’ home safety tax credit under section 103.0.3.

(2) Subsection 84 (2.1) of the Act is amended by adding the following paragraph:

- 1.3 The tax credit referred to in paragraph 14.3 of subsection (1), with respect to taxation years ending after December 31, 2020.

(3) Subsection 84 (3) of the Act is amended by striking out “14.2, 15 and 16” in the portion before clause (a) and substituting “14.2, 14.3, 15 and 16”.

5 The definition of “B” in subsection 93 (4) of the Act is amended by striking out “or” at the end of clause (a) and by repealing clause (b) and substituting the following:

- (b) if development of the product is completed after March 25, 2008 and before March 15, 2020, the expenditure is incurred in the 37-month period ending at the end of the month in which the development of the eligible product is completed,
- (c) if development of the product is completed after March 14, 2020 and if an Ontario labour expenditure for the product was incurred by the qualifying corporation or a qualifying predecessor corporation in 2020, the expenditure is incurred in the 61-month period ending at the end of the month in which development of the eligible product is completed, or
- (d) if development of the product is completed after March 14, 2020 and if an Ontario labour expenditure for the product was not incurred by the qualifying corporation or a qualifying predecessor corporation in 2020, the expenditure is incurred in the 37-month period ending at the end of the month in which development of the eligible product is completed, and

6 Clause 95 (15) (f) of the Act is repealed and the following substituted:

- (f) the corporation publishes the literary work in an edition of less than 500 copies of a bound book, if the literary work is published in a year other than 2020 or 2021;

7 The Act is amended by adding the following section:

Seniors’ home safety tax credit

103.0.3 (1) An individual, who is resident in Ontario on the last day of a taxation year ending after December 31, 2020 and before January 1, 2022, may claim an amount in respect of and not exceeding the amount of the individual’s seniors’ home safety tax credit for that year.

Amount of tax credit

(2) The amount of an individual’s seniors’ home safety tax credit under this section for the taxation year referred to in subsection (1) is equal to the amount calculated using the formula,

$$A \times B$$

in which,

“A” is 25 per cent, and

“B” is the lesser of \$10,000 and the amount by which “C” exceeds “D”,

in which,

“C” is the total of all amounts each of which is a qualifying expenditure of the individual that was paid by or on behalf of the individual during the taxation year and that has not been used by another individual in the calculation of a credit claimed by that individual under this section, and

“D” is the total of all amounts each of which is received or receivable by any person, or that can reasonably be expected to be received by any person, in respect of a qualifying expenditure of the individual referred to in “C” and that is,

- (a) provided under any program that is designed to provide assistance with the cost of the construction, alteration or renovation of a residence or land on which the residence is situated and that is financed by a municipal, provincial or federal government,
- (b) provided as a forgivable loan from a municipal, provincial or federal government and that is designed to provide permanent or temporary assistance with, or financing for, the cost of the construction, alteration or renovation of a residence or land on which the residence is situated, but only to the extent that the loan, or a portion of it, has not been repaid under a legal obligation to do so, or
- (c) provided under any program that is prescribed by the Minister of Finance for the purposes of this subsection.

Eligible individuals

(3) An individual is eligible to claim a tax credit under this section for a taxation year if the individual is described in any of the following paragraphs:

1. The individual is a senior at the end of the taxation year in which a qualifying expenditure of the individual is paid.
2. The individual is a qualifying relation of a senior at the end of the taxation year in which a qualifying expenditure of the individual is paid.

Qualifying principal residence

(4) A qualifying principal residence of an individual for a taxation year for the purposes of this section is a residence located in Ontario,

- (a) that is, if the individual is a senior at the end of the taxation year, the principal residence of the individual at any time during the taxation year or a residence that is reasonably expected to become the principal residence of the individual within 24 months after the end of the taxation year; or
- (b) that is, if the individual is not a senior at the end of the taxation year, the principal residence of the individual at any time during the taxation year and that is, at the same time, also the principal residence of a qualifying relation of the individual who is a senior at the end of the taxation year, or a residence that is reasonably expected to become such a shared principal residence within 24 months after the end of the taxation year.

Listed improvements

(5) The following are listed improvements for the purposes of this section:

1. An improvement,
 - i. that is part of a renovation or alteration of a residence or of the land on which the residence is situated, or that is part of the construction of the residence, that can reasonably be considered to be undertaken,
 - A. to enable a senior (for whom that residence is the principal residence, or who reasonably expects that residence to become his or her principal residence) to gain access to, or to be mobile or functional within, the residence or the land, or
 - B. to reduce the risk of harm to a senior (for whom that residence is the principal residence, or who reasonably expects that residence to become his or her principal residence) within the residence or the land, or in gaining access to the residence or the land,
 - ii. that,
 - A. is of an enduring nature and that is integral to the residence or the land, or
 - B. relates to the purchase and installation of a modular or removable version of an item of a type that can otherwise be installed as a permanent fixture to the residence or land on which it is situated (such as modular ramps and non-fixed bath lifts),

- iii. whose primary purpose is not to increase the value of the residence or the land, and
 - iv. that would ordinarily be undertaken by, or on behalf of, a person who has an impairment to enable him or her to gain access to, or to be mobile or functional within, his or her residence or land.
2. An improvement that is prescribed by the Minister of Finance for the purposes of this section.

Same, prescribed exclusions

(6) An improvement is not a listed improvement if it is prescribed by the Minister of Finance as ineligible for the purposes of this section.

Qualifying expenditures

(7) A qualifying expenditure of an individual is an amount of an outlay or expense made or incurred by, or on behalf of, the individual that is directly attributable to a listed improvement of the residence that is, at the time the qualifying expenditure is paid, the qualifying principal residence of that individual and includes such an outlay or expense for permits required for, or for the rental of equipment used in the course of, the listed improvement, but does not include such an outlay,

- (a) to acquire goods that have been used, or acquired for use or lease, by the individual or by a qualifying relation of the individual, for any purpose whatever before they were acquired by the individual or the qualifying relation of the individual;
- (b) made or incurred under the terms of an agreement entered into before a date that is prescribed by the Minister of Finance;
- (c) to acquire a property that can be used independently of the listed improvement;
- (d) that is the cost of annual, recurring or routine repair, maintenance or service;
- (e) to acquire a household appliance;
- (f) to acquire an electronic home-entertainment device;
- (g) for financing costs in respect of the listed improvement;
- (h) made or incurred for the purpose of gaining or producing income from a business or property; or
- (i) in respect of goods or services provided by a person not dealing at arm's length with the individual, unless the person is registered for the purposes of Part IX of the *Excise Tax Act* (Canada).

Rules re qualifying expenditures

(8) The following rules apply with respect to qualifying expenditures for the purposes of this section:

1. Subject to paragraph 2, a qualifying expenditure is deemed to have been paid on the earlier of the date on which the expenditure was paid and the date it became payable.
2. If a qualifying expenditure in respect of a single listed improvement is paid by an individual in two or more instalments, the total of all instalments shall be deemed to have been paid on the earlier of the date on which the last instalment was paid and the date it became payable.
3. A qualifying expenditure made by an individual includes an outlay or expense made or incurred by a co-operative housing corporation, a condominium corporation or a similar entity (in this paragraph referred to as the "corporation"), in respect of a property that is owned, administered or managed by that corporation, and that includes the principal residence of the individual, to the extent of the individual's share of that outlay or expense,
 - i. if the outlay or expense would be a qualifying expenditure of the corporation if the corporation were a natural person and the property were the principal residence of that natural person, and
 - ii. if the corporation has notified the individual, in writing, of the individual's share of the outlay or expense.
4. A qualifying expenditure of an individual includes an outlay or expense made or incurred by a trust in respect of a property owned by the trust that includes the principal residence of the individual, to the extent of the share of that outlay or expense that is reasonably attributable to the individual, having regard to the amount of the outlays or expenses made or incurred in respect of the principal residence of the individual (including, for this purpose, common areas relevant to more than one principal residence),
 - i. if the outlay or expense would be a qualifying expenditure of the trust if the trust were a natural person and the property were the principal residence of that natural person, and
 - ii. if the trust has notified the individual, in writing, of the individual's share of the outlay or expense.
5. The following rules apply if more than one individual is entitled to claim a tax credit under this section for a taxation year in respect of a single residence that is the qualifying principal residence of all of the individuals at the same time during the taxation year or is reasonably expected to become such a shared principal residence within 24 months after the end of the taxation year:

- i. The total amount of qualifying expenditures that may be claimed by all of the individuals in respect of the residence cannot exceed \$10,000.
 - ii. If the total amount of qualifying expenditures claimed by all of the individuals in respect of the residence is greater than \$10,000, the individuals must agree amongst themselves as to the allocation of the \$10,000 limit referred to in subparagraph i. If the individuals cannot agree, the Ontario Minister may allocate the \$10,000 limit among the individuals for the purposes of determining the amount of each individual's tax credit under this section.
6. The following rules apply if an individual and any individual who is the individual's qualifying spouse or qualifying common-law partner on December 31 of a taxation year are both entitled to claim a tax credit under this section:
- i. The total amount of qualifying expenditures that may be claimed by the two individuals for the taxation year cannot exceed \$10,000.
 - ii. If the total amount of qualifying expenditures claimed by the two individuals for the taxation year is greater than \$10,000, the individuals must agree amongst themselves as to the allocation of the \$10,000 limit referred to in subparagraph i. If the individuals cannot agree, the Ontario Minister may allocate the \$10,000 limit among the individuals for the purposes of determining the amount of each individual's tax credit under this section.
7. An outlay or expense is not a qualifying expenditure unless the work to implement the listed improvement (to which that outlay or expense is directly attributable) begins within a reasonable time after the outlay or expense is made or incurred.

Part-year residents

(9) An individual who is eligible to claim a tax credit under this section for a taxation year and who is resident in Canada for only part of the year is entitled to claim for the year only the amount the individual would be entitled to claim for the year under this section that can reasonably be considered wholly applicable to any period in the year throughout which the individual was resident in Canada, computed as though that period were the whole taxation year, except that the amount that may be claimed under this section shall not exceed the amount that the individual would have been entitled to claim under this section if the individual had been resident in Canada throughout the year.

Bankruptcy

(10) The amount of the qualifying expenditure of an individual that was paid by or on behalf of the individual during a taxation year is deemed to be nil if the individual was a bankrupt at any time in the calendar year containing the taxation year.

Death in year

(11) If, when an individual dies, he or she is not a senior but would have become a senior by the end of the calendar year in which he or she dies, the individual is eligible to claim a tax credit under this section for the taxation year that ends on the date of death.

Same

(12) If, when an individual dies, he or she is a qualifying relation of another individual who is not a senior at that time but becomes a senior by the end of the calendar year in which the death occurs, the deceased individual is eligible to claim a tax credit under this section for the taxation year that ends on the date of death.

Same

(13) If an individual is a qualifying relation of another individual who, immediately before death, is not a senior but who would have become a senior by the end of the calendar year in which he or she dies, the individual who is the qualifying relation is eligible to claim a tax credit under this section for a taxation year that ends in the calendar year as if the other individual had not died.

Relation to other credits

(14) Despite paragraph 248 (28) (b) of the Federal Act as it applies for the purposes of this Act, an individual may include the same qualifying expenditure for the purpose of determining his or her tax credit under this section and for the purpose of determining his or her entitlement to the tax credit under subsection 9 (20) of this Act.

Definitions

(15) In this section,

“qualifying relation” of an individual means a person who is connected or related to the individual in any manner described in subsection 251 (6) or 252 (2) of the Federal Act; (“proche admissible”)

“senior” means, despite subsection 98 (1), an individual who is at least 65 years of age. (“personne âgée”)

8 (1) Section 103.1.2 of the Act is amended by adding the following subsection:

References to “tax otherwise payable” in subs. (3)

(1.1) For the purposes of subsection (3), the reference to the expression “tax otherwise payable” is,

- (a) for a taxation year ending after December 31, 2013 and before January 1, 2021, deemed to refer to the amount of tax that is payable under Division B of Part II by the individual for the year; and
- (b) for a taxation year ending after December 31, 2020, deemed to refer to the amount of tax that would be payable under Division B of Part II by the individual for the year if it were determined without references to section 12.1.

(2) Subsection 103.1.2 (3) of the Act is amended by striking out “under Division B of Part II”.

9 Paragraph 1 of subsection 125 (2) of the Act is amended by adding the following subparagraph:

- iii.1 the amount of an Ontario Trillium Benefit, an Ontario sales tax credit, an Ontario energy and property tax credit or a Northern Ontario energy credit, if any, to which the taxpayer is entitled under Part IV.1,

10 (1) Paragraph 1 of section 176 of the Act is amended by adding the following subparagraph:

- xii.i The regional opportunities investment tax credit under section 97.1.

(2) Paragraph 1 of section 176 of the Act is amended by adding the following subparagraph:

- xiv.iii The seniors’ home safety tax credit under section 103.0.3.

Commencement

11 (1) Subject to subsections (2) to (8), this Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.

- (2) Subsection 1 (1) is deemed to have come into force on January 1, 2020.**
- (3) Subsection 2 (1) is deemed to have come into force on January 1, 2019.**
- (4) Section 3 is deemed to have come into force on March 13, 2020.**
- (5) Sections 4 and 7 and subsection 10 (2) come into force on January 1, 2021.**
- (6) Subsection 8 (2) is deemed to have come into force on August 15, 2014.**
- (7) Section 9 is deemed to have come into force on May 12, 2011.**
- (8) Subsection 10 (1) is deemed to have come into force on March 25, 2020.**

**SCHEDULE 44
TOBACCO TAX ACT**

1 (1) Subsection 23 (1) of the *Tobacco Tax Act* is repealed and the following substituted:

Audit and inspection

(1) Any person thereunto authorized by the Minister for any purpose related to the administration or enforcement of this Act may at all reasonable times,

- (a) enter into any premises or place where any business is carried on or any property is kept or anything is done in connection with any business or any books or records are or should be kept pursuant to this Act, and may,
 - (i) audit or examine any books, records or anything else that may relate to,
 - (A) the tax imposed by this Act,
 - (B) raw leaf tobacco that was produced, processed, sold, purchased, imported or exported, or
 - (C) cigarette filter components that were imported, sold or delivered or that are or were in the possession of a person,
 - (ii) examine the property described by an inventory or any property, process or matter, an examination of which may, in his or her opinion, assist in determining the accuracy of an inventory or in ascertaining the information that is or should be in the books or the amount of any tax imposed by this Act,
 - (iii) examine any inventory of raw leaf tobacco that may be in the premises or place,
 - (iv) examine any inventory of cigarettes or fine cut tobacco, any individual packages of cigarettes or of fine cut tobacco in any inventory and any equipment for manufacturing cigarettes or fine cut tobacco that may be in the premises or place,
 - (v) examine any cigarette filter components that may be in the premises or place, and
 - (vi) require a dealer liable to collect or pay over or considered possibly liable to collect or pay over tax imposed under this Act, or, if such dealer is a partnership or corporation, require a partner or the president, manager, secretary or any director, agent or representative thereof and any other person on the premises of such dealer to give him or her all reasonable assistance with the audit or examination, or the determination by him or her of the retail price of any tobacco product sold, and to answer all questions relating to such audit, examination or determination, either orally or, if he or she so requires, in writing, on oath or by statutory declaration, and for that purpose require such person to attend at the premises or place with him or her; and
- (b) examine any land on which raw leaf tobacco is produced.

(2) Subsection 23 (1.1) of the Act is amended by striking out “clause (1) (b.0.2)” and substituting “subclause (1) (a) (iii)”.

(3) Section 23 of the Act is amended by adding the following subsection:

Power to survey, etc.

(1.2) For clarity, any person authorized to examine anything under subsection (1) may, in person or remotely, survey, photograph or make any kind of record of it.

Commencement

2 This Schedule comes into force on the day the *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020* receives Royal Assent.