The Information Services Corporation Act

being

Chapter I-9.001 of *The Statutes of Saskatchewan, 2013* (effective May 30, 2013) as amended by the *Statutes of Saskatchewan*, 2021, c.6.

NOTE:

This consolidation is not official and is subject to House amendments and Law Clerk and Parliamentary Counsel changes to Separate Chapters that may be incorporated up until the publication of the annual bound volume. Amendments have been incorporated for convenience of reference and the official Statutes and Regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the official Statutes and Regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER I-9.001

An Act respecting Information Services Corporation

PART I
Preliminary Matters

Short title

1 This Act may be cited as *The Information Services Corporation Act*.

Interpretation

2(1) In this Act:

(a) **"agent"** means:

(i) with respect to a government mentioned in subclause (f)(i), an agent of that government, and includes:

(A) a municipal or public body, other than a municipal or public body in Saskatchewan, empowered to perform a function of that government;

(B) a corporation empowered to perform a function or duty on behalf of that government; or

(C) a corporation controlled, directly or indirectly, by that government;

but does not include a member of the Executive Council or a person performing a function or duty in connection with the administration or management of an estate or property of an individual; and

(ii) with respect to a government mentioned in subclause (f)(ii), a person empowered to perform a function or duty on behalf of that government;

(b) **"articles"** means the articles of ISC;

(c) **"board"** means the board of directors of ISC;

(d) **"bylaws"** means the bylaws of ISC;

(e) **"golden share"** means the single authorized share:

(i) carrying the condition that the holder of that share vote, by a separate vote as a class, to veto:

(A) a transfer of ISC's registered office to a jurisdiction outside Saskatchewan;

(B) a transfer of all or any part of ISC's head office operations, or all or any part of the functions constituting ISC's head office operations, to a jurisdiction outside Saskatchewan;

(C) the sale, lease or exchange of all or substantially all of ISC's property; and

(ii) carrying the right by the holder of that share to vote, by a separate vote as a class, on any proposal:

(A) to apply for continuance in a jurisdiction outside Saskatchewan; or

(B) to amend the articles;

(f) **"government"** means:

(i) the Crown in right of Canada or of a province or territory of Canada; or

(ii) the government of a foreign state or of a political subdivision of a foreign state;

(g) **"head office operations"** means, unless otherwise prescribed in the regulations:

(i) all or substantially all of the collective executive, corporate planning, senior administrative and general management functions of ISC and those of its subsidiaries owning assets or carrying on business in Saskatchewan, taken as a whole; and

(ii) the office or offices at which persons carrying out the functions of the chief executive officer, chief operating officer, chief financial officer and the president of ISC and all or substantially all other executive officers, senior officers and other persons carrying out the functions mentioned in subclause (i) are located;

(h) **"ISC"** means Information Services Corporation of Saskatchewan incorporated pursuant to *The Crown Corporations Act, 1993* and continued pursuant to *The Business Corporations Act* by this Act as Information Services Corporation, and includes any continuation of it resulting from one or more amalgamations pursuant to *The Business Corporations Act* or *The Business Corporations Act, 2021*;

(i) **"minister"** means the member of the Executive Council to whom for the time being the administration of this Act is assigned;

(j) **"person"** includes a trust and any government or agent of a government;

(k) **"registered office"** means a registered office required by section 4-1 of *The Business Corporations Act, 2021*;

(l) **"shareholder"** means a person who, according to the securities register of ISC, is the holder of a voting share;

(m) **"specified limit"** means the limit on shareholdings specified in subsection 15(1);

(n) **"voting share"** means a share of ISC that, apart from this Act, carries the right under all circumstances to vote at any meeting of shareholders, other than meetings at which only shareholders of a particular class are entitled to vote.

(2) A reference in this Act to the holding of a voting share by or in the name of a person or any description of a person is a reference to that person being a shareholder according to the securities register of ISC.

2013, c.I-9.001, s.2; 2021, c6, s.23-14.

Rules re affiliates, control and votes

3 For the purposes of this Act:

(a) a corporation is affiliated with another corporation if:

(i) one is the subsidiary of the other; or

(ii) both of them are controlled by the same person;

(b) a corporation with share capital is controlled by a person if shares of the corporation carrying voting rights sufficient to elect a majority of the directors of the corporation are held, directly or indirectly, other than by way of security only, by or on behalf of that person;

(c) a corporation without share capital is controlled by a government mentioned in subclause 2(1)(f)(i) if all or a majority of its members or directors are appointed or designated, either by their personal names or by their names of office:

(i) by a statute or regulations made pursuant to a statute;

(ii) by the Governor in Council or the Lieutenant Governor in Council of a province or territory, as the case may be;

(iii) by a minister of the Crown in right of Canada or of a province or territory, as the case may be; or

(iv) by any combination of the means described in subclauses (i) to (iii);

(d) a corporation is controlled by a person if the corporation is, in the opinion of the board, then in fact effectively controlled by that person either directly or indirectly and through any of the following means:

(i) the holding of shares of the corporation or any other corporation;

(ii) the holding of a significant portion of the outstanding debt of the corporation;

(iii) any other means;

(e) a corporation is a subsidiary of another corporation if it is controlled by that other corporation;

(f) a person is deemed to beneficially own voting shares if:

(i) the voting shares are beneficially owned by a corporation controlled by that person or by an affiliate of that corporation; or

(ii) the voting shares are beneficially owned by that person through a trustee, legal representative, agent or other intermediary; and

(g) a corporation is deemed to beneficially own voting shares if those voting shares are beneficially owned by its affiliates.

2013, c.I-9.001, s.3.

Rules re associates

4(1) Subject to the regulations, for the purposes of this Act, a person is associated with another person if:

(a) one of them is a corporation of which the other is an officer or director;

(b) both are partners in the same partnership;

(c) one of them is a corporation that is controlled by the other person;

(d) both are corporations that are controlled by the same person;

(e) both are parties to a voting trust that relates to voting shares;

(f) one of them is a government and the other is an agent of that government;

(g) both are agents of the same government;

(h) both are holders of the same voting shares whether as shareholders or as beneficial owners; or

(i) both are associated within the meaning of any of clauses (a) to (h) with the same person.

(2) Notwithstanding subsection (1), for the purposes of this Act, two corporations are deemed not to be associated with each other by virtue of clause (1)(i) by reason only that each is associated with the same person pursuant to clause (1)(a).

(3) Notwithstanding subsection (1), two or more persons are associated for the purposes of this Act if the board is satisfied that:

(a) those persons are parties to an agreement or arrangement under which they act in concert with respect to their interests in ISC; or

(b) those persons have been acting and are continuing to act in concert with respect to their interests in ISC.

2013, c.I-9.001, s.4.

PART II
Continuance and Governance of ISC

ISC continued

5(1) Information Services Corporation of Saskatchewan created pursuant to *The Crown Corporations Act, 1993* is hereby continued pursuant to *The Business Corporations Act* as Information Services Corporation, effective on the day on which this Act comes into force.

(2) Subject to the provisions of this Act, *The Business Corporations Act, 2021* applies to ISC as if it had been incorporated pursuant to that Act.

(3) Effective on the day on which this Act comes into force, *The Crown Corporations Act, 1993* ceases to apply to ISC.

2013, c.I-9.001, s.5 ; 2021, c6, s.23-14.

Articles of continuance

6(1) As soon as is practicable after the coming into force of this Act, ISC shall file with the Director of Corporations the following documents executed by any of its officers or directors:

(a) a copy of the articles;

(b) a notice of registered office and a notice of directors in the form prescribed pursuant to *The Business Corporations Act*.

(2) Any provision of the articles that contravenes this Act is inoperative.

(3) On the filing of the articles, the notice of registered office and the notice of directors pursuant to subsection (1), the Director of Corporations shall issue to ISC a certificate of continuance dated as at the day on which this Act comes into force.

(4) The certificate of continuance issued pursuant to subsection (3) is deemed to be the certificate of incorporation of ISC.

2013, c.I-9.001, s.6.

Effect of continuance

7 On and after the continuance of ISC pursuant to *The Business Corporations Act* and notwithstanding any provision in *The Crown Corporations Act, 1993*:

(a) ISC is deemed to have always owned, does own and will continue to own all property, whether real or personal, acquired, administered, possessed or received by ISC before the continuance and not disposed of before the continuance and all of the property so owned is deemed, for all purposes, both at law and in equity, to have always been the property of ISC in its own right and not as an agent of the Crown in right of Saskatchewan;

(b) ISC is deemed for all purposes to have always been bound by and entitled to the benefits of all contracts entered into by it before the continuance and is, and continues to be, bound by and entitled to the benefits of those contracts;

(c) ISC is deemed for all purposes to have always incurred on its own behalf all obligations, expenditures, costs and liabilities of whatever nature incurred by it before the continuance, and is, and continues to be, responsible and liable for all those obligations, expenditures, costs and liabilities in its own right and not as an agent of the Crown in right of Saskatchewan;

(d) an existing cause of action, claim or liability to prosecution with respect to ISC is not affected by the continuance;

(e) a civil, criminal or administrative action or proceeding pending by or against ISC may continue to be prosecuted by or against ISC; and

(f) a conviction against, or ruling, order or judgment in favour of or against, ISC may be enforced by or against ISC.

2013, c.I-9.001, s.7.

Abbreviated name

8 ISC may use the name "ISC" in place of its corporate name and, when used, ISC has the same force and effect as its corporate name.

2013, c.I-9.001, s.8.

Head office operations to remain in Saskatchewan

9 ISC shall not transfer all or any part of its head office operations, or all or any part of the functions constituting its head office operations, to a jurisdiction outside of Saskatchewan.

2013, c.I-9.001, s.9.

ISC not a Crown agent

10 ISC is not an agent of the Crown in right of Saskatchewan.

2013, c.I-9.001, s.10.

Requirements on initial share issue

11(1) As soon as is practicable after the coming into force of this Act, ISC shall make an initial issue of voting shares, without consideration, to the Crown Investments Corporation of Saskatchewan.

(2) The Crown Investments Corporation of Saskatchewan:

(a) is hereby authorized to acquire, hold and vote voting shares and, directly or indirectly and either alone or in conjunction with others, to sell, distribute, dispose of and otherwise deal with voting shares, in whole or in part, pursuant to a prospectus offering, a private placement offering or otherwise, or to do all or any combination of the foregoing; and

(b) may enter into any agreement or arrangement, incur or assume any obligation, directly or indirectly, or do any other act or thing that it considers necessary or incidental for the purposes of doing any of the things mentioned in clause (a).

2013, c.I-9.001, s.11.

Golden share to be issued

12(1) In addition to the issue of voting shares mentioned in section 11, ISC shall issue, as soon as is practicable after the coming into force of this Act, the golden share to the Crown Investments Corporation of Saskatchewan.

(2) The Crown Investments Corporation of Saskatchewan is hereby authorized to acquire, hold and vote the golden share issued to it pursuant to subsection (1).

(3) The Crown Investments Corporation of Saskatchewan shall exercise its voting rights with respect to the golden share in accordance with the condition imposed pursuant to and the rights mentioned in clause 2(1)(e).

2013, c.I-9.001, s.12.

Requirements re share certificates

13 ISC shall cause each share certificate issued with respect to its voting shares to contain a legible statement that this Act applies to the voting shares.

2013, c.I-9.001, s.13.

PART III
Conditions Relating to Voting Shares

Interpretation of Part

14 In this Part:

(a) **"distribution"** means a distribution as defined in *The Securities Act, 1988*;

(b) **"hold"**, with respect to a share, means to hold as a shareholder, as a beneficial owner or partly as a shareholder and partly as a beneficial owner;

(c) **"underwriter"** means an underwriter as defined in *The Securities Act, 1988*.

2013, c.I-9.001, s.14.

Limitation on holding of voting shares

15(1) Subject to subsections (2) and (3):

(a) no one person shall hold, other than by pledge, hypothecation, mortgage or other form of security for indebtedness or other obligation, voting shares to which are attached more than 15% of the total number of votes attached to the issued and outstanding voting shares; and

(b) no group of associated persons shall hold, other than by pledge, hypothecation, mortgage or other form of security for indebtedness or other obligation, voting shares to which are attached more than 15% of the total number of votes attached to the issued and outstanding voting shares.

(2) For the purposes of this Act, the specified limit does not apply to:

(a) the Crown in right of Saskatchewan with respect to any voting shares held by that government;

(b) any agent of the Crown in right of Saskatchewan with respect to any voting shares held by that agent; or

(c) a person acting as an underwriter in connection with a distribution of voting shares during the period:

(i) commencing on the commencement date of that distribution; and

(ii) ending 150 days after the commencement date of that distribution.

(3) Subject to subsections 16(2) and 17(2), for the purposes of this Act, the specified limit does not apply, for the period prescribed in the regulations, with respect to voting shares acquired by a person or group of associated persons who:

(a) are designated by the board in accordance with the regulations or are prescribed in the regulations; and

(b) comply with any conditions prescribed in the regulations.

2013, c.I-9.001, s.15.

Prohibition re dividends on certain voting shares

16(1) Subject to subsection (2), if a person or group of associated persons holds a number of voting shares in contravention of subsection 15(1), ISC shall not pay any dividends with respect to any of the voting shares held by that person or group of associated persons.

(2) ISC may pay a dividend to a person or group of persons described in subsection 15(3), but only with respect to the voting shares that are held by the person or group of associated persons that are not in excess of the specified limit.

(3) If dividends are paid by ISC with respect to voting shares in contravention of this section and the regulations, ISC may recover the amount of the dividends so paid from the shareholders to whom they were paid whether or not ISC had knowledge of the contravention.

2013, c.I-9.001, s.16.

Prohibition re voting

17(1) Subject to subsection (2), if a person or group of associated persons holds a number of voting shares in contravention of subsection 15(1), no person shall exercise the voting rights attached to any of the voting shares held by the person or group of associated persons.

(2) No person or group of associated persons described in subsection 15(3) shall exercise the voting rights attached to those voting shares that are held by that person or group of associated persons in excess of the specified limit.

(3) If voting rights are exercised in contravention of this section at a meeting of the shareholders of ISC and the votes so cast did not affect the outcome of the vote, the vote or other proceedings at that meeting are not affected by reason of the exercise of the voting rights in contravention of this section.

2013, c.I-9.001, s.17.

Determination of voting shares in excess of specified limit

18 For the purposes of this Act, the voting shares in excess of the specified limit must be determined based on the order inverse to the order of registration of the voting shares in the securities register of ISC.

2013, c.I-9.001, s.18.

Presumptions, etc., re holding voting shares

19(1) If, in the case of the issue or transfer of any voting shares, it appears that the number of voting shares that would be held by the purchaser or the transferee, as shown by the securities register of ISC, would not be more than 15% of the voting shares if the offer to purchase were accepted or the transfer allowed, the board is entitled to assume that the purchaser or transferee is not and will not be associated with any other person.

(2) The board may establish reasonable presumptions, procedures and rules that are consistent with this Act and the regulations for the purpose of implementing and enforcing sections 15, 16 and 17 according to their intent.

2013, c.I-9.001, s.19.

Reliance on statements, rules and knowledge

20(1) In this section, **"determination"** means a determination made for the purposes of this Act respecting any or all of the following:

(a) whether any voting shares are held in contravention of subsection 15(1);

(b) whether any dividends have been paid in contravention of subsection 16(1) or (2);

(c) whether any voting rights were exercised in contravention of subsection 17(1) or (2);

(d) whether a person is associated with any other person;

(e) whether there exist any other circumstances relevant to the implementation and enforcement by ISC or the board of sections 15, 16 and 17 according to their intent.

(2) In making a determination, the board and any of its directors, officers, employees or agents may rely on:

(a) any conclusion made in good faith by any of them in accordance with any presumption, procedure or rule established pursuant to subsection 19(2);

(b) any information received pursuant to section 22; or

(c) the knowledge of any of its directors, officers, employees or agents.

(3) ISC and its directors, officers, employees or agents are not liable in an action for anything done or omitted to be done by any of them in good faith as a result of any determinations made by any of them on the basis of the conclusions, the information or the knowledge mentioned in subsection (2).

2013, c.I-9.001, s.20.

PART IV
General

Appointment to board by Lieutenant Governor in Council

21(1) Subject to subsection (3), in lieu of voting the voting shares held by the Crown Investments Corporation of Saskatchewan on any resolution electing members of the board, the Lieutenant Governor in Council may annually appoint to the board a number of members equal to the number A calculated in accordance with the following formula:

$$A = \frac{B}{C} \times D$$

where:

B is the number of voting shares held by the Crown Investments Corporation of Saskatchewan on the day that is 60 days before ISC's annual general meeting;

C is the total number of voting shares issued and outstanding on the day that is 60 days before ISC's annual general meeting; and

D is the number of members of the board.

(2) The amount A calculated pursuant to subsection (1) is to be rounded to the nearest whole number.

(3) Notwithstanding subsection (1), in no event shall the number of members of the board appointed by the Lieutenant Governor in Council be less than two.

(4) If a director appointed to the board pursuant to this section dies, resigns or otherwise becomes incapable of carrying out his or her duties, the Lieutenant Governor in Council may appoint a person to replace that director.

(5) Directors appointed pursuant to this section cease to hold office, unless reappointed for a further term, at the time the directors elected at the next annual general meeting assume office.

(6) Notice of the Lieutenant Governor in Council's decision to appoint directors pursuant to this section must be given to ISC in the manner prescribed in the regulations.

2013, c.I-9.001, s.21.

Shareholders to provide information

22 When requested by ISC, every shareholder shall provide to ISC the information prescribed in the regulations in the manner prescribed in the regulations.

2013, c.I-9.001, s.22.

Regulations

23 The Lieutenant Governor in Council may make regulations:

(a) defining, enlarging or restricting the meaning of any word or expression used in this Act but not defined in this Act;

(b) for the purposes of clause 2(1)(g), prescribing functions that are to be included or excluded when determining head office operations;

(c) for the purposes of section 4, prescribing rules to determine if persons or a group of associated persons are or are not associated;

(d) for the purposes of section 15:

(i) prescribing the manner in which the board may designate persons or groups of associated persons to whom the specified limit does not apply;

(ii) prescribing persons or groups of associated persons to whom the specified limit does not apply;

(iii) prescribing the period during which the specified limit does not apply to persons or groups of associated persons, including authorizing the board to set that period; and

(iv) prescribing the conditions that must be complied with by persons or groups of associated persons to whom the specified limit does not apply;

(e) for the purposes of section 16, prescribing persons or groups of associated persons to whom dividends may be payable;

(f) for the purposes of section 21, prescribing the manner in which notice must be given to ISC respecting the decision to appoint directors;

(g) for the purposes of section 22, prescribing the information that shareholders are required to provide to ISC and the manner in which that information must be provided;

(h) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary or advisable to carry out the intent and purposes of this Act.

2013, c.I-9.001, s.23.

Act to prevail

24 This Act and the regulations made pursuant to this Act prevail if there is any conflict between this Act and the regulations made pursuant to this Act and:

(a) *The Business Corporations Act, 2021* or any other Act;

(b) the articles; or

(c) the bylaws.

2013, c.I-9.001, s.24; 2021, c6, s.23-14.

Crown bound

25 The Crown in right of Saskatchewan is bound by this Act.

2013, c.I-9.001, s.25.

Limitation of actions

26 No action or proceeding lies or shall be commenced against the Crown in right of Saskatchewan, any member of the Executive Council, ISC or any director, officer, employee or agent of the Crown in right of Saskatchewan or ISC because of the enactment of this Act.

2013, c.I-9.001, s.26.

Transitional – board of directors

27 The members of the board of ISC who hold office immediately before the day on which this Act comes into force continue to hold office until their successors are elected.

2013, c.I-9.001, s.27.

PART V
Coming into Force

Coming into force

28 This Act comes into force on proclamation.

2013, c.I-9.001, s.28.

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