



NATIONAL ASSEMBLY OF QUÉBEC

SECOND SESSION

FORTY-THIRD LEGISLATURE

Bill 108
(2025, chapter 37)

**An Act to amend the Act respecting
the Société de développement des
entreprises culturelles to modernize
the Société's financial service offer
and to recognize the digital creativity
industry**

**Introduced 28 May 2025
Passed in principle 25 November 2025
Passed 10 December 2025
Assented to 12 December 2025**

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EXPLANATORY NOTES

This Act amends the Act respecting the Société de développement des entreprises culturelles to modernize the Société's activities and to recognize its role in the digital creativity industry.

The Act specifies that the activities of the Société de développement des entreprises culturelles include providing financial services and supporting cultural enterprises according to their stage of development. It confers on the Société the power to establish subsidiaries and contains various provisions in that respect.

The Act entrusts to the Société the duty to establish an investment policy and gives it the power to determine certain tariffs for its services.

With respect to the digital creativity industry, the Act provides for, in particular, the addition of a member to the Société's board of directors who has suitable expertise and experience in that industry. It also establishes the Commission de la créativité numérique within the Société.

The Act also makes various amendments with respect to the operation of the Société's board of directors. It broadens the criteria for being a member of the board of directors, a commission or a committee of the Société so as to allow persons with suitable expertise and experience in the concerned cultural industry to sit on the board, a commission or a committee. It removes the obligation for the Société to appoint two general managers assigned to specific cultural industries as well as the provisions concerning the Société's plan of activities.

Lastly, the Act replaces the designation of "Conseil national de l'audiovisuel" by "Commission de l'audiovisuel".

LEGISLATION AMENDED BY THIS ACT:

– Act respecting the Société de développement des entreprises culturelles (chapter S-10.002).

Bill 108

AN ACT TO AMEND THE ACT RESPECTING THE SOCIÉTÉ DE DÉVELOPPEMENT DES ENTREPRISES CULTURELLES TO MODERNIZE THE SOCIÉTÉ'S FINANCIAL SERVICE OFFER AND TO RECOGNIZE THE DIGITAL CREATIVITY INDUSTRY

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE SOCIÉTÉ DE DÉVELOPPEMENT DES ENTREPRISES CULTURELLES

1. Section 5 of the Act respecting the Société de développement des entreprises culturelles (chapter S-10.002) is amended, in the second paragraph,

(1) by replacing “Four” by “Five”;

(2) by replacing all occurrences of “active” by “with suitable expertise and experience”;

(3) by adding the following subparagraph at the end:

“(5) one person with suitable expertise and experience in the digital creativity industry.”

2. The Act is amended by inserting the following section after section 5:

“**5.1.** A vacancy on the board of directors is filled in accordance with the rules of appointment to the board.

A vacancy includes non-attendance at a number of board meetings determined in the by-laws of the Société, in the cases and circumstances specified therein.”

3. Section 10 of the Act is amended

(1) by replacing “constitutes a quorum at meetings of the board of directors” by “of the board of directors, including the president and chief executive officer or the chair of the board, constitutes a quorum at board meetings”;

(2) by adding the following paragraph at the end:

“Decisions of the board are made by a majority vote of the members present.”

- 4.** Section 12 of the Act is repealed.
- 5.** Section 13 of the Act is amended
 - (1) in the first paragraph,
 - (a) by striking out “secretary and the other”;
 - (b) by striking out “by-law of”;
 - (2) in the second paragraph,
 - (a) by striking out “, by by-law,”;
 - (b) by striking out “, including the general managers,”.
- 6.** Section 16 of the Act is amended by replacing “provide that absence from a specified number of meetings constitutes a vacancy, in the cases and circumstances determined in the by-law” in the second paragraph by “provide a framework of operation for the board of directors and provide for the establishment of any committee and for the delegation of powers of the board of directors to a committee or to a member of the Société’s personnel”.
- 7.** The heading of Chapter II of the Act is amended by replacing “OBJECTS” by “MISSION, ACTIVITIES”.
- 8.** Section 17 of the Act is amended
 - (1) by replacing “objects of the Société are” by “mission of the Société is”;
 - (2) by inserting “digital creativity enterprises and” after “including”;
 - (3) by adding the following paragraph at the end:

“To carry out this mission, the Société supports cultural enterprises through financial services and assistance measures while seeking to present a service offer that is complementary to that of the financial sector partners.”
- 9.** The Act is amended by inserting the following section after section 17:

“17.1. In pursuing its mission, the Société

 - (1) provides financial services;
 - (2) provides assistance to cultural enterprises according to their stage of development; and
 - (3) carries out any mandate entrusted to it by law.”

10. Section 18 of the Act is amended by replacing the first paragraph by the following paragraph:

“The Société may offer the following financial services to cultural enterprises:

- (1) a loan;
- (2) a guarantee of full or partial repayment of a financial commitment;
- (3) an investment;
- (4) a subsidy;
- (5) financial assistance that is partially repayable on the basis of revenues, if any; and
- (6) any other form of financial assistance authorized by the Government.”

11. Section 19 of the Act is replaced by the following sections:

“19. The Société may establish any subsidiary whose object is limited to exercising activities the Société itself can exercise. The same applies to a subsidiary of the Société.

The subsidiary has the same powers as the Société in exercising its activities, unless its constituting act withdraws or restricts its powers. The subsidiary exercises its activities in accordance with the provisions of this Act that apply to it.

The establishment of a subsidiary by the Société or one of its subsidiaries must be authorized by the Government, on the conditions the Government determines, except if the purpose of the subsidiary is a special investment or financing.

“19.1. For the purposes of this Act, a legal person or a partnership controlled by the Société is a subsidiary of the Société.

A legal person is controlled by the Société when the Société holds, directly or through legal persons the Société controls, more than 50% of the voting rights attached to the equity securities of the legal person or is in a position to elect a majority of its directors.

A limited partnership is controlled by the Société when the Société or a legal person the Société controls is the general partner of the limited partnership. Any other partnership is controlled by the Société when the Société holds, directly or through legal persons the Société controls, more than 50% of the equity securities.

“19.2. The Société and its subsidiaries may not, without the Government’s authorization, by themselves or jointly in groups of two or more, acquire control of a legal person or a partnership.

The Société and its subsidiaries may not, without the Minister’s authorization, acquire, by themselves or jointly in groups of two or more, more than 30% of the equity securities of a partnership or equity securities of a legal person carrying more than 30% of the voting rights.

The first and second paragraphs do not apply when the acquisition of control or the acquisition of equity securities results from the establishment of a subsidiary. Nor does the second paragraph apply to the acquisition of equity securities valued at \$1,000,000 or less.

The Government or, as applicable, the Minister may subject the authorization to conditions the Government or Minister determines.

“19.3. The Société may subject the provision of a financial service to the conditions or to compliance with the contractual obligations it determines.

The Société may also require a surety or financial compensation for the risk associated with a financial service.

“19.4. The Société must adopt an investment policy as part of its activities and those of its subsidiaries that establishes, in particular,

- (1) the lines of intervention;
- (2) the return on investment targets;
- (3) the risk tolerance limits; and
- (4) the financial services concerned.

“19.5. Except with respect to the financial assistance programs, the Société makes its investments under normal conditions of profitability and in keeping with, in particular, its mission, while seeking a long-term average return that is at least equivalent to the Government’s borrowing rate.”

12. Section 21 of the Act is amended

(1) by replacing “or the art market” in the first paragraph by “, the art market or digital creativity”;

(2) by striking out the second paragraph.

13. Section 23 of the Act is amended by inserting “, 17.1” after “17”.

14. Section 24 of the Act is amended, in the second paragraph,

(1) by replacing “working” by “with suitable expertise and experience”;

(2) by replacing the second sentence by the following sentences: “Those persons shall not be members of the board of directors of the Société or of one of its subsidiaries, or of a commission referred to in Chapter III. Nor shall they be members of the personnel of the Société, one of its subsidiaries or the public service.”

15. Section 25 of the Act is amended

(1) in the first paragraph,

(a) in the introductory clause,

i. by replacing “shall” by “and each of its subsidiaries must”,

ii. by striking out “by regulation”;

(b) by replacing “disposing of them” in subparagraph 1 by “a partnership or disposing of them, for a sum exceeding the amount determined by the Government”;

(c) by striking out “regulation of” in subparagraph 4;

(2) by adding the following paragraph at the end:

“This section does not apply in cases referred to in the third paragraph of section 19 and in section 19.2.”

16. Section 26 of the Act is amended

(1) by striking out “or person” and “or he” in the first paragraph;

(2) by striking out “or person” in the second paragraph.

17. The Act is amended by inserting the following section after section 26:

“27. If an enterprise fails to comply with the conditions applicable to the provision of a financial service by the Société or to fulfil its obligations toward the Société, the Société may suspend the provision of the service or terminate it.

For the same reasons, the Société may increase or reduce its obligations toward the enterprise, change the terms of those obligations or take any other step it considers necessary to preserve its rights.”

18. The heading of Chapter III of the Act is amended by striking out “COUNCIL AND”.

19. Section 28 of the Act is amended

(1) by replacing “A council under the name of “Conseil national de l’audiovisuel” and commissions under the names of” by “Commissions under the names of “Commission de l’audiovisuel”,”;

(2) by replacing “and “Commission des métiers d’art et du marché de l’art”” by “, “Commission des métiers d’art et du marché de l’art” and “Commission de la créativité numérique””.

20. Section 29 of the Act is amended

(1) in the first paragraph,

(a) by replacing “The council and each of the commissions are composed of” in the introductory clause by “Each of the commissions is composed of”;

(b) by replacing “who are active” in subparagraph 1 by “with suitable expertise and experience”;

(c) by striking out “council or” in subparagraphs 1 and 2;

(2) in the second paragraph,

(a) by striking out “of the council and”;

(b) by inserting “intérieur” after “règlement” in the French text.

21. Section 30 of the Act is amended

(1) in the second paragraph,

(a) by striking out “of the council and”;

(b) by inserting “intérieur” after “règlement” in the French text;

(2) in the third paragraph,

(a) by striking out “of the council and”;

(b) by inserting “intérieur” after “règlement” in the French text.

22. Section 31 of the Act is amended by striking out “of the council and those”.

23. Section 32 of the Act is replaced by the following section:

“32. The Société shall designate from among the members of its personnel, for each commission, a person assigned to a sector of activity corresponding to the field of competence of a commission to take part in the meetings of that commission, without being entitled to vote.

If that person is absent or unable to act, the Société shall designate another person as a substitute.”

24. Section 33 of the Act is amended

- (1) by striking out “council and the” in the first paragraph;
- (2) in the second paragraph,
 - (a) by replacing “Ils peuvent” in the French text by “Elle peut”;
 - (b) by striking out “the council or”.

25. Section 34 of the Act is amended

- (1) by striking out “the council and” in the first paragraph;
- (2) by replacing the second paragraph by the following paragraph:

“The Société must consult the commissions on proposed financial assistance programs within their fields of competence.”

26. Section 35 of the Act is amended

- (1) in the first paragraph,
 - (a) by replacing “the council is” by “the Commission de l’audiovisuel is”;
 - (b) by replacing “the council may” by “the Commission may”;
- (2) by replacing “the council” in the second paragraph by “the Commission”.

27. Section 36 of the Act is repealed.

28. Section 38 of the Act is amended, in the first paragraph,

- (1) by replacing “of any loan taken out by the Société or of any obligation of the Société” in subparagraph 1 by “of any loan of the Société or of one of its subsidiaries as well as of any of their obligations”;

(2) in subparagraph 2,

(a) by inserting “or to one of its subsidiaries” after “Société”;

(b) by replacing “, the achievement of its objectives or the exercise of its powers” by “or for, as applicable, the carrying out of its mission, objects, activities and powers”.

29. The Act is amended by inserting the following section after section 38:

“38.1. The Société may determine a tariff of administrative, standby and professional fees for the provision of services, in particular financial services, that it offers to cultural enterprises.”

30. Section 39 of the Act is amended by replacing the first sentence by the following sentence: “The Société shall finance its activities out of the appropriations granted each year for that purpose by Parliament and out of the revenue it derives from the services, in particular the financial services, it provides to enterprises, the fees it charges and the other sums it receives or to which it is entitled.”

31. Section 40 of the Act is amended

(1) by inserting “intérieur” after “règlement” in the first paragraph in the French text;

(2) by replacing the second paragraph by the following paragraph:

“Unless otherwise provided in the Société’s by-laws, a signature may be affixed on a document by any means.”

32. Section 42 of the Act is amended by replacing “to financial assistance programs, the exercise and performance of its other powers and duties, and administration” in the second paragraph by “to the financial assistance programs, to the activities of its subsidiaries, to the exercise and performance of its other powers and duties and to its administration”.

33. Section 44.1 of the Act is amended by inserting “or one of its subsidiaries” at the end.

TRANSITIONAL AND FINAL PROVISIONS

34. The Société de développement des entreprises culturelles must, not later than 12 June 2026, establish the Commission de la créativité numérique referred to in section 28 of the Act respecting the Société de développement des entreprises culturelles (chapter S-10.002), as amended by section 19 of this Act.

35. Until the Government determines an amount under subparagraph 1 of the first paragraph of section 25 of the Act respecting the Société de développement des entreprises culturelles (chapter S-10.002), as amended by section 15 of this Act, the Société de développement des entreprises culturelles and each of its subsidiaries must obtain the authorization of the Government before acquiring stocks, shares or assets of a legal person or partnership or disposing of them for any sum exceeding \$4,000,000.

36. The provisions of this Act come into force on 12 December 2025, except those of paragraphs 1 and 3 of section 1, which come into force on the date of the appointment of the first member referred to in subparagraph 5 of the second paragraph of section 5 of the Act respecting the Société de développement des entreprises culturelles (chapter S-10.002), enacted by section 1 of this Act.

