



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-SIXTH LEGISLATURE

Bill 56

(1999, chapter 41)

**An Act respecting the Société de
développement de la Zone de commerce
international de Montréal à Mirabel**

Introduced 13 May 1999

Passage in principle 26 May 1999

Passage 21 October 1999

Assented to 22 October 1999

**Québec Official Publisher
1999**

EXPLANATORY NOTES

This bill establishes a development agency for the Montréal international trade zone at Mirabel, to be known as the Société de développement de la Zone de commerce international de Montréal à Mirabel.

The chief mission of the Société is to promote the development of airport facilities at Mirabel, through the development and operation of the Montréal international trade zone at Mirabel. More specifically, the Société will promote the establishment of businesses in the Montréal international trade zone at Mirabel, solicit, examine and assess investment projects consistent with the development of the international trade zone, and participate, alone or with private-sector or public-sector partners, in the financing of investment projects.

In addition, the Société will be responsible for making recommendations to the Minister of Finance on applications for certificates of eligibility for the fiscal incentives provided for by law in connection with business activities carried on within the Montréal international trade zone at Mirabel.

The Société will administer the financial assistance programs established by the Government to promote the development of the international trade zone, the programs specified in the Société's own business plan, and any other programs for which it is assigned responsibility by the Government. The Société will also act as the Government's mandatary in connection with development projects within the Montréal international trade zone at Mirabel that are of substantial economic interest to Québec.

The bill also contains financial provisions dealing with the financial commitments that the Société and its subsidiaries are authorized to make, and transitional provisions.

Bill 56

AN ACT RESPECTING THE SOCIÉTÉ DE DÉVELOPPEMENT DE LA ZONE DE COMMERCE INTERNATIONAL DE MONTRÉAL À MIRABEL

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

CHAPTER I

ESTABLISHMENT AND MISSION

1. The “Société de développement de la Zone de commerce international de Montréal à Mirabel” is hereby established.

The Société is a legal person and a mandatary of the State.

2. The property of the Société forms part of the domain of the State, but the execution of the obligations of the Société may be levied against its property.

The Société binds none but itself when it acts in its own name.

3. The main mission of the Société is to promote the development of airport and airport-related facilities at Mirabel, through the development and operation of the Montréal international trade zone at Mirabel, and thereby contribute to economic growth in the Mirabel area, the Greater Montréal area and Québec as a whole.

4. In the pursuit of its mission, the Société may, in particular,

(1) promote the establishment of businesses in the Montréal international trade zone at Mirabel;

(2) solicit, examine and assess investment projects consistent with the development of the international trade zone;

(3) bring together private-sector and public-sector interests as partners in investment projects, and facilitate concerted action;

(4) contribute financially to the realization of investment projects;

(5) make a single multiservice access point available to businesses established, or seeking to become established, in the international trade zone;

(6) construct and administer buildings, alone or in partnership, to ensure the development of the international trade zone;

(7) advise the Minister on policies and strategies relating to the development of the international trade zone.

5. The Société shall, in addition, make recommendations to the Minister concerning applications for a certificate of eligibility for the fiscal incentives provided for by law in connection with business activities carried on within the Montréal international trade zone at Mirabel.

6. The Société shall advise the Minister on any matter the latter submits to it in a field under its jurisdiction. The Société may include recommendations with its advice.

7. The Government may establish financial assistance programs to promote the development of the Montréal international trade zone at Mirabel, to be administered by the Société. The Government may also assign the administration of any other development assistance program it specifies to the Société.

8. Where a development project in the Montréal international trade zone at Mirabel is of substantial economic interest to Québec, the Government may mandate the Société to grant and administer the financial assistance determined by the Government to facilitate the realization of the project. The Société may be authorized, under the mandate, to set the terms and conditions of the financial assistance.

9. The Société shall exercise any other function assigned to it by the Government.

10. The Société may determine a tariff of commitment, professional and other fees for the use of its services, and for the examination and analysis of applications for a certificate of eligibility for the fiscal incentives provided for by law.

The tariff must be submitted to the Government for approval.

11. The Société may require holders of a certificate of eligibility for the fiscal incentives provided for by law to pay an annual contribution allocated to the financing of its activities and the promotion and development of the international trade zone. The rate and manner of payment of the contribution shall be determined by regulation.

The regulation must be submitted to the Government for approval.

12. The Société may, according to law, enter into an agreement with a government other than that of Québec, with a department of such a government, with an international organization or with a body of such a government or organization.

13. The Société may, with the authorization of the Government, acquire or establish any subsidiary useful in the pursuit of its mission.

A legal person or a partnership is a subsidiary of the Société if the latter holds more than 50% of the voting rights attached to all the issued and outstanding shares of the legal person or more than 50% of the interests in the partnership, or if the Société may elect a majority of the directors of the legal person or partnership.

14. Subsidiaries all of whose shares are held directly or indirectly by the Société are mandataries of the State. The provisions of this Act apply to such subsidiaries, with the necessary modifications, except the provisions of sections 1, 17 to 21, 23 and 42 to 47.

15. The Société may not, without the authorization of the Government,

(1) contract a loan that causes the total of its current outstanding loans to exceed the amount determined by the Government;

(2) make a financial commitment in excess of the limits or in contravention of the terms and conditions determined by the Government;

(3) acquire or hold shares in a legal person or an interest in a partnership in excess of the limits or in contravention of the terms and conditions determined by the Government;

(4) transfer shares in a legal person or an interest in a partnership in excess of the limits or in contravention of the terms and conditions determined by the Government;

(5) acquire or transfer other assets in excess of the limits or in contravention of the terms and conditions determined by the Government;

(6) accept a gift or legacy to which a charge or condition is attached.

The Government may prescribe that one of the provisions of the first paragraph applies to all subsidiaries of the Société or to only one of them.

However, the provisions of the first paragraph do not apply to transactions between the Société and its subsidiaries or between the subsidiaries.

CHAPTER II

ORGANIZATION AND OPERATION

16. The head office of the Société shall be located within the Montréal international trade zone at Mirabel. Notice of the location of the head office shall be published in the *Gazette officielle du Québec*.

The Société may hold its meetings at any place in Québec.

17. The affairs of the Société shall be administered by a board of directors composed of eleven members, including a director general, appointed by the Government.

The director general shall be appointed for a term not exceeding five years, and the other members of the board shall be appointed for a term not exceeding three years.

18. The Government shall designate the chair and vice-chair of the board of directors from among the members of the board.

The positions of director general and chair of the board of directors may be held concurrently.

19. The director general is responsible for the administration and direction of the Société within the scope of its by-laws and policies. The office of director general is a full-time position.

The chair of the board of directors shall call and preside at the meetings of the board and see to the proper operation of the board. The chair shall exercise any other functions assigned to the chair by the board.

The vice-chair shall exercise the functions of the chair when the latter is absent or unable to act.

20. On the expiry of their term, the members of the board of directors shall remain in office until replaced or reappointed.

21. Any vacancy on the board of directors, other than in the position of director general, shall be filled for the unexpired portion of the term of the member to be replaced.

Absence from the number of board meetings determined in the internal by-laws of the Société constitutes a vacancy, in the cases and circumstances indicated therein.

22. The Government shall determine the remuneration, employment benefits and other conditions of employment of the director general.

The other members of the board shall receive no remuneration except in such cases, on such conditions and to such extent as may be determined by the Government. They are, however, entitled to the reimbursement of expenses incurred in the exercise of their functions, on the conditions and to the extent determined by the Government.

23. The quorum at meetings of the board is the majority of its members, including the director general or the chair.

Decisions of the board are made by a majority vote of the members present. In the case of a tie-vote, the chair of the meeting has a casting vote.

24. The members of the board of directors may waive notice of a meeting. The attendance of a member at a meeting of the board constitutes a waiver of notice, unless the member is present to contest the legality of the calling of the meeting.

25. The board members may, if they all agree, take part in a meeting using means which allow them to communicate with each other orally, such as the telephone.

26. A written resolution, signed by all the members entitled to vote, has the same value as if it had been adopted during a meeting of the board of directors.

A copy of all such resolutions shall be kept with the minutes of the proceedings or other equivalent record book.

27. The minutes of meetings of the board of directors, approved by the board and certified by the chair of the board, the director general or the secretary, are authentic, as are documents and copies emanating from the Société or forming part of its records where so certified.

28. An intelligible transcription of a decision or other data stored by the Société on a computer or other computer storage mediums is a document of the Société and constitutes proof of its contents where certified by a person referred to in section 27.

29. A document is binding on the Société or may be attributed to it only if it is signed by the director general, the chair or vice-chair of the board of directors or the secretary or, to the extent determined in the internal by-laws of the Société, by another member of the Société's personnel.

30. The internal by-laws of the Société may allow, subject to the conditions and on the documents determined therein, that a signature be affixed by means of an automatic device, that a signature be electronic, or that a facsimile of a signature be engraved, lithographed or printed. However, the facsimile has the same force as the signature itself only if the document is countersigned by a person referred to in section 27.

31. The Société may, in its internal by-laws, fix any other operating procedure of the board of directors, establish an executive committee or any other committee, and delegate the exercise of its powers to such a committee.

The by-laws may provide that powers of the board of directors may be delegated to a member of the personnel of the Société.

32. The Société shall assume the defence of any director of the Société prosecuted by a third person for an act done in the exercise of the director's functions and shall pay the damages, if any, occasioned by that act, unless the director has committed a gross fault or a personal fault separable from the exercise of the director's functions.

Notwithstanding the foregoing, in a penal or criminal proceeding, the Société shall assume the payment of the expenses of a director of the Société only if the director had reasonable grounds to believe that the director's conduct was in conformity with the law or if the director has been discharged or acquitted.

33. The Société shall assume the expenses of a director of the Société if, having prosecuted the director for an act done in the exercise of the director's functions, it loses its case and the court so decides.

If the Société wins its case only in part, the court may determine the amount of the expenses to be assumed by the Société.

34. The Société shall fulfil the obligations provided for in sections 32 and 33 in respect of any person who acted at its request as a director for a legal person of which the Société is a shareholder or creditor.

35. The secretary and the other members of the personnel of the Société shall be appointed in accordance with the staffing plan established by regulation of the Société. The regulation shall, in addition, determine the pay scales and rates, employment benefits and other conditions of employment of the personnel members.

The regulation must be submitted to the Government for approval.

36. Any member of the personnel of the Société who has a direct or indirect interest in an enterprise causing the personnel member's personal interest to conflict with that of the Société must, on pain of dismissal, disclose the interest in writing to the director general.

37. The Minister may issue directives concerning the policy and general objectives to be pursued by the Société.

The directives must be approved by the Government, and come into force on the day of their approval. Once approved, they are binding on the Société, and the Société must comply with them.

Every directive shall be tabled in the National Assembly within 15 days of being approved by the Government or, if the Assembly is not sitting, within 15 days of resumption.

CHAPTER III

FINANCIAL PROVISIONS

38. The Government may, subject to the terms and conditions it determines,

(1) guarantee the payment of the principal of and interest on any loan contracted by the Société or one of its subsidiaries referred to in section 14 and the performance of their obligations ;

(2) authorize the Minister of Finance to advance to the Société or one of such subsidiaries any amount considered necessary for the fulfilment of their obligations or the pursuit of their mission.

The sums required for the purposes of this section shall be taken out of the consolidated revenue fund.

39. The Société shall finance its operations out of the revenue it derives from its financial intervention, the commitment, professional and other fees it charges and the other monies it receives.

40. The monies received by the Société must be allocated to the payment of its obligations. Any surplus shall be retained by the Société, unless the Government decides otherwise.

41. The Government shall, to the extent and in accordance with the terms and conditions determined in the Société's business plan, pay the costs borne by the Société for the administration of the programs that form part of the plan, the programs entrusted to the Société by the Government under section 7, and the performance of the mandates assigned to the Société by the Government under section 8.

Any loss incurred by the Société in administering such programs and performing such mandates shall, in accordance with the business plan, be reimbursed by the Government.

CHAPTER IV

ACCOUNTS AND REPORTS

42. The fiscal year of the Société ends on 31 March.

43. The Société shall, not later than 31 July each year, file with the Minister its financial statements and a report of its operations for the preceding fiscal year.

The financial statements and report must contain all the information required by the Minister.

44. The Minister shall table the report of operations and financial statements of the Société in the National Assembly within 30 days of receiving them or, if the Assembly is not sitting, within 30 days of resumption.

45. The Société shall formulate, according to the form, content and intervals fixed by the Minister, a business plan that must include the operations of its subsidiaries. The plan must be submitted to the Government for approval.

The business plan shall, on expiry, continue in force until a new plan is approved.

46. The books and accounts of the Société shall be audited by the Auditor General each year and whenever so ordered by the Government.

The auditor's report must be submitted with the report of operations and financial statements of the Société.

47. The Société shall communicate to the Minister any information required by the Minister concerning its operations and the operations of its subsidiaries.

CHAPTER V

TRANSITIONAL AND FINAL PROVISIONS

48. The Société de développement de la Zone de commerce international de Montréal à Mirabel, established by letters patent issued on 21 April 1999 pursuant to Part III of the Companies Act (R.S.Q., chapter C-38), is hereby dissolved.

Its property, rights and obligations are transferred to the body established by section 1 of this Act.

49. The members of the board of directors of the Société de développement de la Zone de commerce international de Montréal à Mirabel in office on the date of dissolution shall become the directors of the Société until replaced or appointed pursuant to section 17 of this Act.

50. The Minister of Finance is responsible for the administration of this Act.

51. The provisions of this Act come into force on the date or dates to be fixed by the Government.