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c 72 Corporations Information Act

Ontario
CHAPTER 72

The Corporations Information Act

1. In this Act,

   (a) "corporation" means a corporation with or without share capital, whether acting as a trustee or not;

   (b) "regulations" means the regulations made under this Act;

   (c) "security" means security as defined in The Securities R.S.O. 1960, Act, except that in subsection 4 of section 3, "securities" means securities as defined in The Corporations R.S.O. 1960, Act. 1953, c. 21, s. 1.

2.—(1) Every corporation of a class prescribed by the regulations, before the sale in Ontario of an issue of securities or a part thereof, other than an issue in respect of which a prospectus has been filed, shall file with the Provincial Secretary, together with the prescribed fee, a prospectus containing the information prescribed by the regulations and verified by a person and in the manner prescribed by the regulations.

   (2) Where a corporation fails to comply with subsection 1, every director and officer of the corporation and where the corporation is an extra-provincial corporation, every person acting as its representative in Ontario, is guilty of an offence and on summary conviction is liable to a fine of not more than $500 or to imprisonment for a term of not more than three months, or both. 1953, c. 21, s. 2.

3.—(1) On or before the 1st day of June in each year, without notice or demand to that effect, every corporation incorporated under the law of Ontario and every other corporation having its head or other office or carrying on business or a part thereof in Ontario, unless licensed or registered under The Insurance Act or The Loan and Trust Corporations R.S.O. 1960, Act, or unless of a class exempted by the regulations, shall make out, verify and file with the Provincial Secretary, together with the prescribed fee, a return stating, as of the 31st day of March next preceding,

   (a) its name;
(b) the jurisdiction under which it was incorporated;

(c) (i) the manner of its incorporation, whether by special Act, letters patent, registration or otherwise,

(ii) the date of its incorporation;

(d) whether or not it is carrying on business;

(e) generally the business that it is actually carrying on;

(f) (i) the number of directors authorized,

(ii) the names and residence addresses, giving street and number, if any, of the persons who are directors, the date on which each became a director,

(iii) the names and residence addresses, giving street and number, if any, of the persons who have been since the date of the last annual return but who are no longer directors, the dates on which each became a director and ceased to be a director;

(g) the names and residence addresses, giving street and number, if any, of its president, secretary, treasurer and manager;

(h) the location of its head office, giving street and number, if any;

(i) the date on which its last annual meeting was held;

(j) the total amount of its bond or debenture debt authorized, the amount outstanding and the rate of interest,

(k) (i) the particulars of its authorized share capital stating the number and class of shares, with or without par value, or both, and the par value, if any,

(ii) the date of its by-law, if any, authorizing the issue of shares as preference shares and stating the number of shares so authorized;
(l) the number of each class of shares allotted, issued and outstanding and the amount paid thereon;

(m) (i) the number and class of shares upon which the whole amount has not been called up,

(ii) the amount called up on each such share,

(iii) the total amount of calls unpaid;

(n) the total number of each class of shares forfeited and the amount paid thereon at the date of forfeiture;

(o) the number and class of shares, if any, issued since the date of the last annual return, the extent to which the same are paid showing severally the number and class of shares issued for cash, services, commissions or property, and the consideration for which such shares were issued;

(p) if share warrants are authorized and issued, the number and class of shares represented thereby;

(q) the number of preference shares redeemed or purchased for cancellation,

and, where Part IV of The Corporations Act applies to the corporation, in addition,

(r) the number of its shares issued at a discount or premium;

(s) the rate at which the shares mentioned in clause r were issued,

and, where the corporation is an extra-provincial corporation and is licensed to carry on business in Ontario, in addition, extra-provincial corporations

(t) the name and office address of its attorney for service in Ontario;

(u) the name and office address of its chief officer or manager in Ontario;

(v) the location of its principal office in Ontario;

(w) the estimated amount of capital used in Ontario;

(x) in detail, the land in Ontario owned or held by it or on behalf of it. 1953, c. 21, s. 3 (1); 1957, c. 16, s. 1 (1), amended.
(2) A corporation that holds a licence under Part IX of The Corporations Act, or a predecessor of that Part or under The Mortmain and Charitable Uses Act shall be deemed to be carrying on business in Ontario for the purposes of subsection 1.

(3) The return mentioned in subsection 1 shall be verified by the certificate of the president or, in his absence, of a director of the corporation.

(4) Where the corporation is a private company incorporated under the law of Ontario, in addition to the information required by subsection 1, it shall append to the return mentioned therein a certificate signed by the president or, in his absence, by a director of the company that the company has not, since the date of the last annual return or, in the case of a first annual return, since the date of the incorporation of the company, issued any invitation to the public to subscribe for any of its shares or securities, and, where the number of shareholders of the company exceeds fifty, also a certificate so signed that the excess consists wholly of persons who under subclause ii of clause f of section 1 of The Corporations Act, are excluded in reckoning the number of fifty.

(5) The corporation shall post up a duplicate of the return mentioned in subsection 1 with the certificate of verification in a conspicuous position in its head or principal office in Ontario on or before the 2nd day of July in each year, and such duplicate may be inspected by any shareholder or member or creditor of the corporation, and the corporation shall keep the same so posted until the duplicate of another return is posted up in compliance with this Act.

(6) A corporation that fails to comply with this section is guilty of an offence and on summary conviction is liable to a fine of $20 for each day of such failure and every director or officer of the corporation, and where the corporation is an extra-provincial corporation, every person acting as its representative in Ontario who authorizes, permits or acquiesces in any such failure, is guilty of an offence and on summary conviction is liable to a fine of not more than $200. 1953, c. 21, s. 3 (2-6).

(7) Notwithstanding the imposition of any other penalty under this Act, every corporation that has failed to comply with a predecessor of this section and every corporation that fails to comply with this section is liable to a penalty of $200 and every director or officer of the corporation and, where the corporation is an extra-provincial corporation, every person acting as its representative in Ontario, who authorized,
permitted or acquiesced in, or who authorizes, permits or acquiesces in, any such failure is liable to a penalty of $200, and any such penalty is recoverable in any court of competent jurisdiction by action at the suit of the Crown to be tried by a judge without a jury. 1957, c. 16, s. 1 (2), part.

(8) The president or a director of a corporation who knowingly makes a statement false in any material particular in a certificate required by this section is guilty of an offence and on summary conviction is liable to a fine of not more than $1,000 or to imprisonment for a term of not more than three months, or both.

(9) Corporations incorporated before the 1st day of July, 1907, under any Act repealed by The Ontario Companies Act, 1907, except chapter 191 of the Revised Statutes of Ontario, 1897 and Acts consolidated therewith for which that Act 7 Edw. VII was substituted, shall make such returns under this section as are required from corporations without share capital. 1953, c. 21, s. 3 (7, 8).

(10) A corporation required to file a summary under summary section 125 of the Companies Act (Canada) may file with the Provincial Secretary a duplicate of such summary, signed and verified as prescribed in that section, in lieu of the return required by subsection 1, and shall pay the fee prescribed for such return. 1953, c. 21, s. 3 (9); 1958, c. 15, s. 1 (1).

(11) The Provincial Secretary may in his discretion enlarge the time for filing any such return or summary and may grant an exemption in whole or in part from the payment of the fee. 1953, c. 21, s. 3 (10); 1958, c. 15, s. 1 (2).

(12) Notwithstanding that a corporation has delivered or filed the return mentioned in this section or a predecessor of this section, the corporation shall be deemed to be in default in filing such return until the prescribed fee payable on the delivery or filing of such return has been paid.

(13) A certificate purporting to be under the seal of office of the Provincial Secretary and the hand of the Provincial Secretary or his deputy that the return mentioned in this section or a predecessor of this section was not delivered or filed as required by this section or a predecessor of this section is admissible in evidence as prima facie proof in a prosecution or action under this section that such return was not so filed, without proof of the seal of office of the Provincial Secretary or of the signature or of the official character of the person appearing to have signed the same. 1957, c. 16, s. 1 (2), part.
4. The Provincial Secretary may at any time by notice require any corporation to make a return upon any subject connected with its affairs within the time specified in the notice, and on default in making such return every director of the corporation, and, where the corporation is an extra-provincial corporation every person acting as its representative in Ontario, is guilty of an offence and on summary conviction is liable to a fine of not more than $200. 1953, c. 21, s. 4.

5.-(1) Where a prospectus, notice or other circular invites subscriptions for the securities of a corporation, every person who is a director of the corporation at the time of the issue of the prospectus, notice or other circular, and every person who having authorized such naming of him is named in the prospectus, notice or other circular as a director of the corporation, or as having agreed to become a director of the corporation, either immediately or after an interval of time, and every promoter of the corporation and every person who has authorized the issue of the prospectus, notice or other circular is liable to pay compensation to all persons who subscribe for any securities on the faith of the prospectus, notice or other circular for the loss or damage they may have sustained by reason of any untrue statement in the prospectus, notice or other circular or in any report or memorandum appearing on the face thereof, or by reference incorporated therein or issued therewith, unless it is proved that,

(a) having consented to become a director of the corporation he withdrew his consent before the issue of the prospectus, notice or other circular, and that the prospectus, notice or other circular was issued without his authority or consent; or

(b) the prospectus, notice or other circular was issued without his knowledge or consent, and that on becoming aware of its issue he forthwith gave reasonable public notice that it was so issued; or

(c) after the issue of the prospectus, notice or other circular and before allotment thereunder, he, on becoming aware of an untrue statement therein, withdrew his consent thereto, and gave reasonable public notice of his withdrawal and of the reason therefor; or

(d) with respect to every untrue statement not purporting to be made on the authority of an expert, or of a public official document or statement, he
had reasonable ground to believe and did, up to the
time of the allotment of the securities, believe that
the statement was true; or

(e) with respect to every untrue statement purporting
to be a statement by or contained in what purports
to be a copy of or extract from a report or valuation
of an expert, it fairly represented the statement, or
was a correct and fair copy of or extract from the
report or valuation, but the director, person named
as director, promoter or person who authorized the
issue of the prospectus, notice or other circular is
liable to pay compensation as aforesaid, if it is
proved that he had no reasonable ground to believe
that the person making the statement, report or
valuation was competent to make it; or

(f) with respect to every untrue statement purporting
to be a statement made by an official person or
contained in what purports to be a copy of or extract
from a public official document, it was a correct and
fair representation of the statement or copy of or
extract from the document.

(2) In this section, “promoter” means a promoter who was a
party to the preparation of the prospectus, notice or
other circular or of the part thereof containing such untrue
statement, but does not include any person by reason of his
acting solely in a professional capacity for persons engaged in
procuring the information of the company. 1953, c. 21, s. 5.

6. The Lieutenant Governor in Council may make regula-
tions,

(a) prescribing the class or classes of corporations that
shall file prospectuses under section 2;

(b) prescribing the information to be contained in such
prospectuses;

(c) specifying the persons who shall verify such pros-
pectuses and prescribing the manner of verifying
such prospectuses;

(d) prescribing the fees payable upon the filing of such
prospectuses;

(e) exempting any class or classes of corporations from
filing returns under section 3;
(f) prescribing the fees payable on the filing of returns under section 3, which fees may be made to vary in amount having regard to the nature of the corporation, the amount of the authorized capital, or otherwise;

(g) notwithstanding subsection 1 of section 3, specifying the information to be contained in the return mentioned therein;

(h) notwithstanding subsection 1 of section 3, specifying the date for the filing of the return and the date as of which the information is to be given in the return mentioned therein;

(i) notwithstanding subsection 3 of section 3, specifying the persons who may verify and prescribing the method of verifying the return mentioned therein;

(j) respecting any matter necessary or advisable to carry out effectively the intent and purpose of this Act. 1953, c. 21, s. 6.