

EC2012-734FINANCE PEI ACT
DECLARATION RE

Under authority of section 18 of the *Finance PEI Act* Stats. P.E.I. 2012, c. 14 Council ordered that a Proclamation do issue proclaiming the said "Finance PEI Act" to come into force effective January 1, 2013.

EC2012-735FINANCE PEI ACT
MINISTER OF INNOVATION AND ADVANCED LEARNING
DESIGNATION

Pursuant to clause 1(d) of the *Finance PEI Act* Stats. P.E.I. 2012, c. 14 Council designated the Minister of Innovation and Advanced Learning to be responsible for administration of the said Act, effective January 1, 2013.

EC2012-736FINANCE PEI ACT
CHIEF EXECUTIVE OFFICER - APPOINTMENT
NEIL M. STEWART
(APPROVED)

Pursuant to section 6 of the *Finance PEI Act*, Stats. P.E.I. 2012, c. 14, Council appointed Neil M. Stewart to serve at pleasure as Chief Executive Officer of Finance PEI, effective January 1, 2013 and with seniority as a deputy head dating from November 15, 2011.

Council noted that in his capacity as Chief Executive Officer, Mr. Stewart shall serve as a non-voting member of the Board of Directors of Finance PEI and shall act as secretary and treasurer of the Corporation in accordance with subsection 6(2) of the said Act.

EC2012-737FINANCE PEI ACT
FINANCE PEI BOARD OF DIRECTORS
APPOINTMENTS

Pursuant to section 4 of the *Finance PEI Act* Stats. P.E.I. 2012, c. 14, Council made the following appointments:

NAME	TERM OF APPOINTMENT
via clause 4(2)(a)	
Doug Clow, Secretary to Treasury Board and Comptroller Department of Finance, Energy and Municipal Affairs	1 January 2013 at pleasure
via clause 4(2)(b)	
Louise Arsenault Howland Road	1 January 2013 to 31 December 2015
Louis Callaghan Cardigan	1 January 2013 to 31 December 2015
Donald Godfrey Meadowbank	1 January 2013 to 31 December 2015
Gordon MacInnis Charlottetown	1 January 2013 to 31 December 2015
Ivan Shreenan Blooming Point	1 January 2013 to 31 December 2013
John Sullivan Montague	1 January 2013 to 31 December 2013

Further, Council designated Ivan Shreenan as chairperson of the Board pursuant to clause 4(2)(c) of the said Act.

EC2012-738

FINANCE PEI ACT FINANCE PEI BOARD OF DIRECTORS REMUNERATION

Pursuant to subsection 4(7) of the *Finance PEI Act* Stats. P.E.I. 2012, c. 14 Council determined that the following remuneration be paid to members of the board of directors appointed via clause 4(2)(b) of the said Act:

Chairperson	Up to \$4,000 per annum prorated by the number of meetings attended +\$175 per diem
Members	Up to \$2,000 per annum prorated by the number of meetings attended +\$125 per diem

EC2012-739

FINANCE PEI ACT
REGULATIONS

Pursuant to section 13 of the *Finance PEI Act* R.S.P.E.I. 1988, Cap. F-8.1, Council made the following regulations:

- 1. In these regulations** Definitions
- (a) “affiliate” means any person affiliate
 (i) directly or indirectly controlling, or controlled by, or
 (ii) under direct, indirect, or common control with
 a person making an application pursuant to the Act and these regulations;
- (b) “application” means a request for a loan or credit by a person to the Corporation; application
- (c) “approved borrower” means a person whose application has been approved by the Corporation; approved borrower
- (d) “person” includes any partnership, corporation, cooperative, or syndicate formed or existing for the purpose of jointly acquiring or administering assets. person
- 2. (1)** The Corporation may, with the approval of the board, advance any loan to any person where the total indebtedness of the person to the Corporation, including guarantees provided on behalf of that person or affiliate, does not exceed \$1,000,000 in the aggregate. Maximum loan approved by board
- (2) The Corporation may, on the recommendation of the board and with the approval of Treasury Board, advance any loan to any person where the total indebtedness of the person to the Corporation, including guarantees provided on behalf of that person or affiliate, exceeds \$1,000,000 but does not exceed \$2,500,000 in the aggregate. Loans where indebtedness in excess of \$1,000,000 but does not exceed \$2,500,000
- (3) The Corporation may, on the recommendation of the board and Treasury Board and with the approval of the Lieutenant Governor in Council, advance any loan to any person where the total indebtedness of the person to the Corporation, including guarantees provided on behalf of that person or affiliate, exceeds \$2,500,000 in the aggregate. Loans where indebtedness in excess of \$2,500,000
- 3.** Any guarantee being provided by the Corporation shall require a resolution of the board. Guarantees
- 4. (1)** The minimum security which shall be provided in return for a loan or credit shall be Security
 (a) where the approved borrower is an individual, the approved borrower’s personal promise or covenant to repay the loan or credit;
 (b) where the approved borrower is a partnership, the approved borrower’s personal covenant or promise to repay the loan or credit, together with the personal covenant of each member of the partnership;
 (c) where the approved borrower is a corporation, the approved borrower’s covenant or promise to repay the loan or credit and the personal, joint, and several guarantees of its shareholders and, in addition, where a shareholder of the approved borrower is a corporation, the guarantee of the corporation,
 together with any additional security specified in writing by the Corporation.
- (2) The board may waive the requirement for guarantees of any or all of the shareholders of a corporate borrower imposed by clause (1)(c). Waiver
- (3) In granting loans and taking security, the Corporation Investment protection
 (a) shall take all reasonable measures to protect the investment of the Corporation; and
 (b) shall not subsidize interest rates or provide any grant, subsidy or concession to any person.

- 5.** The board shall issue final approval for write-offs, which write-offs shall not affect any obligation of the borrower to repay the balance of any loan, together with any accrued interest, being written off. Write-offs
- 6.** After appropriate consideration of the economic life of the asset being financed, a capital loan shall be repaid within any period of time that the Chief Executive Officer may direct, but in no case shall the period of time for repayment of a capital loan exceed 30 years. Repayment
- 7.** (1) For the purposes of subsection 9(2) of the Act, the interest rate policy shall be Interest rate policy
- (a) for operating credit and floating rate term loans, between 1% and 6% above the Corporation's floating base rate; and
- (b) for capital loans and leases, between 1% and 6% above the Corporation's fixed term base rate.
- (2) Notwithstanding subsection (1), the Corporation may, with the approval of the board, charge interest on operating credit, floating rate term loans, capital loans and leases at a rate other than the rate specified by subsection (1). Exception
- (3) Every rate approved by the board pursuant to subsection (2) is deemed to be within the interest rate policy of the Corporation for the purposes of subsection 9(2) of the Act. Approved rate deemed interest rate policy
- 8.** The annual report of the board, which includes the audited financial statement for the immediately preceding fiscal year, shall be submitted to the Minister on or before September 30 in each year. Annual report
- 9.** Pursuant to clause 13(c) of the Act, the following terms are defined: Definitions
- (a) "agricultural sector" includes any person that agricultural sector
- (i) carries on business, or intends to carry on business, in the province,
- (ii) owns or will acquire farm assets with loan proceeds received pursuant to the Act or the regulations, and
- (iii) is actively engaged in farming or intends to work actively at producing farm products;
- (b) "fisheries and aquaculture sector" includes any person that fisheries and aquaculture sector
- (i) carries on business, or intends to carry on business, in the province, and
- (ii) is licensed or qualified to obtain a license or aquaculture permit issued by the Federal Department of Fisheries & Oceans, for any of the commercial fisheries or aquaculture industries in the province;
- (c) "manufacturing and processing sector" includes any person that manufacturing and processing sector
- (i) carries on business, or intends to carry on business, in the province, and
- (ii) operates a business which produces a product by mechanical method from a raw material that is altered to add value;
- (d) "small business sector" includes any person that small business sector
- (i) carries on business, or intends to carry on business, in the province,
- (ii) does not employ more than 100 employees,
- (iii) did not have annual gross sales exceeding \$5 million in the fiscal year immediately preceding an application made pursuant to section 9 of the Act, and
- (iv) purchases a finished product from a supplier and resells that product without alteration;
- (e) "strategic sector" includes any person that carries on business, or intends to carry on business, in the province in any one of the following sectors of the economy: strategic sector
- (i) biosciences,
- (ii) aerospace,
- (iii) information and communications technologies,
- (iv) renewable energy;
- (f) "tourism sector" includes any person that tourism sector
- (i) carries on business, or intends to carry on business, in the province, and

(ii) operates a business, other than a Bed & Breakfast establishment as defined in the *Tourism Industry Act* Regulations (EC267/99), that holds a valid tourism establishment license issued pursuant to the *Tourism Industry Act* Regulations.

10. These regulations come into force on January 1, 2013.

Commencement

EXPLANATORY NOTES

SECTION 1 establishes definitions for the purposes of the regulations.

SECTION 2 provides for the granting of loans by the Corporation to a person up to varying levels of indebtedness to the corporation: up to and including \$1,000,000, with the approval of the board; in excess of \$1,000,000 up to and including \$2,500,000, on the recommendation of the board and with the approval of the Treasury Board; in excess of \$2,500,000, on the recommendation of the board and Treasury Board, and with the approval of the Lieutenant Governor in Council.

SECTION 3 requires a resolution of the board to authorize the granting of a guarantee by the Corporation.

SECTION 4 sets out the requirements for the minimum security that shall be provided by an applicant for a loan or credit and the factors that shall be considered by the board in granting loans and taking security, and authorizes the board to waive the requirement in clause (1)(c) for the shareholders of a corporate borrower to provide guarantees.

SECTION 5 authorizes the board to issue final approval for write-offs and provides that a write-off does not affect the obligation of the borrower to repay the balance of the loan being written off, including any accrued interest.

SECTION 6 authorizes the Chief Executive Officer to determine the term of a loan, after consideration of the economic life of the asset being financed, up to a maximum of 30 years.

SECTION 7 establishes the interest rate policy in respect of operating credit, floating rate term loans, capital loans and leases, and authorizes the Corporation to vary the rate with the approval of the board.

SECTION 8 requires the annual report of the board, including the audited financial statement for the preceding fiscal year, to be submitted to the Minister on or before September 30 annually.

SECTION 9 establishes definitions of the terms “agricultural sector”, “fisheries and aquaculture sector”, “manufacturing and processing sector”, “small business sector”, “strategic sector” and “tourism sector” for the purposes of clause 13(c) of the Act.

SECTION 10 provides for the commencement of these regulations.

EC2012-740

FINANCIAL ADMINISTRATION ACT AUTHORIZATION FOR TEMPORARY BORROWING

Pursuant to section 46 of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9 Council authorized the Minister of Finance, Energy and Municipal Affairs to borrow a maximum of twenty million dollars (\$20,000,000.00) from the Royal Bank of Canada, Charlottetown, by way of an overdraft on the government general account for the period 31 December 2012 through 31 December 2013.

EC2012-741**INNOVATION PEI ACT
GENERAL REGULATIONS
AMENDMENT**

Pursuant to section 21 of the *Innovation PEI Act* R.S.P.E.I. 1988, Cap. I-2.1, Council made the following regulations:

1. The Introduction of the *Innovation PEI Act* General Regulations (EC562/09) is revoked and the following substituted:

Pursuant to section 21 of the *Innovation PEI Act* R.S.P.E.I. 1988, Cap. I-2.1, Council made the following regulations:

2. Clause 1(1)(d) of the regulations is revoked.

3. The heading immediately before section 2 of the regulations and sections 2 to 5 of the regulations are revoked.

4. Subsections 9(4) and (5) of the regulations are revoked.

5. Section 10 of the regulations is revoked and the following substituted:

10. In preparing an annual audit report for a fiscal year for submission to the Minister pursuant to subsection 16(2) of the Act, the Chief Executive Officer shall Annual audit report

(a) set out in the annual audit report the list of recipients of approved grants and contributions for each program type for the fiscal year; and

(b) address in the annual report such other matters as the Minister may request.

6. These regulations come into force on January 1, 2013.

EXPLANATORY NOTES

SECTION 1 corrects an internal reference in the Introduction to the regulations.

SECTION 2 deletes the definition of “Credit Management Committee”, which was established under section 13 of the Act. Section 13 has been repealed.

SECTION 3 revokes sections 2 to 5 of the regulations. These sections dealt with loans and loan guarantees, which will now be dealt with under the new *Finance PEI Act*.

SECTION 4 revokes subsections 9(4) and (5) of the regulations. These subsections established eligibility restrictions for loans and loan guarantees, matters which will now be dealt with under the new *Finance PEI Act*.

SECTION 5 revokes section 10 of the regulations and replaces it with a new section 10, eliminating references to matters which will now be dealt with under the new *Finance PEI Act*.

SECTION 6 provides for the commencement of these regulations.

EC2012-742

INNOVATION PEI ACT
CREDIT MANAGEMENT COMMITTEE
APPOINTMENTS
(TO RESCIND)

Council hereby rescinds the following Order-in-Council, effective January 1, 2013:

EC2010-285 of May 18, 2010.

EC2012-743

ISLAND INVESTMENT DEVELOPMENT ACT
FINANCIAL ASSISTANCE REGULATIONS
CORNWALL BUSINESS PARK INC.
AUTHORIZATION

Pursuant to subsection 2(3) of the *Island Investment Development Act* Financial Assistance Regulations (EC2005-686), Council authorized Island Investment Development Inc. to advance an operating line of credit loan in the amount of eight hundred thousand dollars (\$800,000.00) to Cornwall Business Park Inc., subject to terms and conditions acceptable to the Board of Directors of Island Investment Development Inc.

EC2012-744

ISLAND INVESTMENT DEVELOPMENT ACT
FINANCIAL ASSISTANCE REGULATIONS
PRINCE EDWARD ISLAND BREWING COMPANY LTD.
AUTHORIZATION

Pursuant to subsection 2(3) of the *Island Investment Development Act* Financial Assistance Regulations (EC2005-686), Council authorized Island Investment Development Inc. to advance a term loan in the maximum amount of two million, one hundred and forty thousand dollars (\$2,140,000.00) to Prince Edward Island Brewing Company Ltd., subject to terms and conditions acceptable to the Board of Directors of Island Investment Development Inc.

Order-in-Council EC2012-48 of January 31, 2012 is hereby rescinded.

EC2012-745

LENDING AGENCY ACT
REGULATIONS
REVOCATION

Pursuant to section 13 of the *Lending Agency Act* R.S.P.E.I. 1988, Cap. L-8.2, Council made the following regulations:

1. The *Lending Agency Act* Regulations (EC406/99) are revoked.
2. These regulations come into force on January 1, 2013.

EXPLANATORY NOTES

SECTION 1 revokes the Regulations made under the *Lending Agency Act* which has been repealed.

SECTION 2 provides for the commencement of these regulations.

EC2012-746

LENDING AGENCY ACT
BOARD OF DIRECTORS
AND
CHIEF EXECUTIVE OFFICER
APPOINTMENTS
(TO RESCIND)

Council hereby rescinds the following Orders-in-Council, effective January 1, 2013:

EC2008-783 of December 23, 2008
EC2011-30 of January 11, 2011
EC2012-555 of September 18, 2012

EC2012-747

**RETAIL BUSINESS HOLIDAYS ACT
EXEMPTION REGULATIONS
AMENDMENT**

Pursuant to section 7 of the *Retail Business Holidays Act* R.S.P.E.I. Cap. R-13.02 Council made the following regulations:

1. Section 2 of the *Retail Business Holidays Act* Exemption Regulations (EC554/93) is amended

(a) by renumbering it as subsection 2(1); and

(b) by the addition of the following after subsection (1):

(2) Subject to regulations made under the *Liquor Control Act*, a liquor *Idem* agency operated by a vendor appointed pursuant to that Act is exempt from the application of section 2 of the Act.

2. These regulations come into force on December 22, 2012.

EXPLANATORY NOTES

SECTION 1 adds an exemption from the prohibition in the Act against being open for business on holidays with respect to liquor agencies.

SECTION 2 provides for the commencement of these regulations.

EC2012-748

UNIVERSITY ACT
BOARD OF GOVERNORS
OF THE
UNIVERSITY OF PRINCE EDWARD ISLAND
APPOINTMENT

Pursuant to clause 8(1)(a) of the *University Act* R.S.P.E.I. 1988, Cap. U-4 Council made the following appointment:

NAME	TERM OF APPOINTMENT
Tracey Cutcliffe Charlottetown (vice J. Gordon MacKay, term expired)	18 December 2012 to 31 May 2015

EC2012-749

PUBLIC DEPARTMENTS ACT
ACTING MINISTERS
APPOINTMENTS

Under authority of subsection 4(2) of the *Public Departments Act*, R.S.P.E.I. 1988, Cap. P-29 the following appointments were made:

1. Honourable George Webster to be Acting Premier and Acting President of the Executive Council commencing on the 4th day of January 2013 and continuing for the duration of the absence from the Province of Honourable Robert Ghiz.
2. Honourable Robert Vessey to be Acting Minister of Community Services and Seniors commencing on the 29th day of December 2012 and continuing for the duration of the absence from the Province of Honourable Valerie Docherty.
3. Honourable Allen Roach to be Acting Minister of Education and Early Childhood Development commencing on the 27th day of December 2012, and continuing for the duration of the absence from the Province of Honourable Alan McIsaac.