

PROPOSED AMENDMENT TO FOREIGN INVESTMENT

REVIEW ACT

(3) Notwithstanding any other provision of this Act, where the Minister, upon application by or on behalf of any corporation incorporated in Canada, is satisfied, on the basis of such information and evidence as he considers sufficient for such purpose, that:

- (i) no non-eligible person or group of persons any number of which is a non-eligible person, including for this purpose any associates or affiliates of such non-eligible person or of the members of such group, owns, or exercises direction or control over securities of the corporation to which are attached 50% or more in the aggregate of the voting rights ordinarily exercisable at meetings of shareholders of the corporation;
- (ii) not more than 20% of the total number of members of the board of directors or other governing body or of the officers of the corporation are persons described in paragraph (a) or (b) of the definition "non-eligible person" in subsection (1);
- (iii) the chief executive officer of the corporation is not a non-eligible person;
- (iv) the head office and principal place, of business, as well as the registered office, if any, of the corporation are located in Canada;
- (v) the board of directors or other governing body of the corporation has managed and continues to manage the business and affairs of the corporation on a substantially autonomous basis, without significant interference in the ordinary conduct of such management by any shareholder or group of shareholders of the corporation; and

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- (vi) where applicable, the corporation has complied, and continues to comply, in all material respects, with such guidelines, if any, as may be published pursuant to subsection (2) with respect to the business conduct of corporations in respect of whom a determination may be made under this subsection (c),

the Minister may determine that the corporation is not a non-eligible person and may thereupon furnish to the applicant for his guidance a statement in writing of such determination and such statement is, if all material facts relating to the matters referred to in the foregoing clause (i) to (vi) inclusive have been disclosed to the Minister in the information and evidence submitted to him, binding upon the Minister for so long as such facts as so disclosed remain substantially unchanged or for two years from the time when the statement was so submitted, if throughout that period, such facts remain substantially unchanged, whichever is the lesser period of time.

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