



NATIONAL ASSEMBLY

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Bill 212
(Private)

**An Act to amend the Act to revise
the charter of the Société Coopérative
Fédérée des Agriculteurs
de la Province de Québec**

Introduction

**Introduced by
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Member for Prévost**

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Bill 212

(Private)

An Act to amend the Act to revise the charter of the Société Coopérative Fédérée des Agriculteurs de la Province de Québec

WHEREAS it is in the interest of the Coopérative Fédérée de Québec and of its members that its charter, chapter 116 of the statutes of 1968 as amended by chapter 93 of the statutes of 1973, chapter 109 of the statutes of 1977 and by section 324 of chapter C-67.2 of the Revised Statutes of Québec be amended to bring it into harmony with the provisions of the Cooperatives Act (R.S.Q., chapter C-67.2) and provide better representation at general meetings;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The title of the Act to revise the charter of the Société Coopérative Fédérée des Agriculteurs de la Province de Québec (1968, chapter 116) is replaced by the following title:

“An Act respecting the charter of the Coopérative Fédérée de Québec”.

2. Section 3 of the said Act is replaced by the following section:

“**3.** The association is a corporation within the meaning of the Civil Code and a federation within the meaning of the Cooperatives Act (R.S.Q., chapter C-67.2). Except in the event of contrary or inconsistent provision of this Act, the association is governed by the Cooperatives Act.

Notwithstanding the foregoing, paragraph 6 of section 186 of the Cooperatives Act does not apply to the association.”

3. Section 4 of the said Act is replaced by the following section:

“**4.** The head office of the association shall be in the city of Montréal or in any other place in Québec determined in the by-laws passed by the general meeting.

The association may change the address of its head office within the boundaries of the judicial district of Montréal by way of a by-law of the board of directors.”

4. The said Act is amended by inserting, after section 18, the following section:

“**18a.** The association may by a by-law of the board of directors provide for one or more classes of auxiliary members, determine the conditions of their admission and their rights and obligations and assign them to a section.

Auxiliary members do not have the right to vote, are not eligible for office and are excluded when computation of the number of delegates to which a section is entitled is made.”

5. Section 19 of the said Act is amended

(1) by replacing that part which precedes paragraph *a* by the following:

“**19.** In addition to the powers that may be exercised by a federation governed by the Cooperatives Act, the association may, in particular,”;

(2) by replacing paragraph *o* by the following paragraphs:

“(o) retain, for the recovery of any claim it has against a person, any amounts it may owe him and apply them in compensation;

“(p) amalgamate with one or several cooperatives or absorb one or several cooperatives in accordance with the Cooperatives Act.”

6. Section 28 of the said Act is replaced by the following sections:

“**28.** At a general meeting, any member other than an association who is not a member of a section shall be entitled to one vote only, regardless of the number of shares he holds or the amount of business transacted with the association.

“28a. Member associations and sections are always entitled to at least one delegate to represent them at general meetings of the association.”

7. Section 31 of the said Act, replaced by section 1 of chapter 109 of the statutes of 1977, is amended

(1) by replacing paragraph *a* by the following paragraph:

“(a) an association or a section is entitled to one unit for each of its members and one unit for each twenty thousand dollars’ worth of business transacted with the association, or for such other amount as is fixed by the by-laws of the meeting;”;

(2) by replacing paragraph *c* by the following paragraph:

“(c) nevertheless, in all cases, the number of delegates to which a member association or a section is entitled must never be above fifteen.”

8. The said Act is amended by inserting, after section 31, the following section:

“31a. A member association or a section that has transacted business with the association for \$1 000 000 or more is entitled to at least two delegates, regardless of the number of its members.

Notwithstanding the foregoing, the general meeting may, by by-law, vary the amount of business and the number of delegates.”

9. Section 34 of the said Act, replaced by section 1 of chapter 109 of the statutes of 1977, is amended by replacing the second paragraph by the following paragraph:

“Units allotted according to participation in business affairs shall never exceed 100% of the units to which an association or section is entitled according to the number of its members.”

10. The said Act is amended by inserting, after section 37a, the following section:

“37b. Notwithstanding sections 31, 32, 33, 34 and 37a and the Cooperatives Act, the association may, by by-law, vary the number of delegates to which each member association and each section is entitled and change the manner of determining that number.

The number of delegates to which each member association and each section is entitled and the manner of determining that number shall be established

(a) according to the number of members of each association and of each section, or

(b) according to the number of members of each association or of each section and its participation in the business affairs of the association but, in such a case, the number of units related to participation in the business affairs shall not be greater than the number of its members.

To determine the number of units, an association or a section is entitled to one unit for each portion of business affairs transacted with the association, as may be determined by the by-laws of the general meeting.”

11. Section 65 of the said Act is amended by replacing the second and third paragraphs by the following paragraphs:

“It shall appropriate such amount to constitute a reserve and to the assignment of rebates to members and, if the by-laws of the board of directors so provide, to the auxiliary members or to the other users of the association; such assignment must be proportional to the amount of business transacted with the association by each member and, as the case may be, by each auxiliary member or user in accordance with the by-laws of the board of directors.

The by-laws of the association and more particularly those respecting the apportionment and payment of operating surpluses shall bind the association, its members and its auxiliary members in the same way as if they were signed and sealed respectively by each member and each auxiliary member and contained agreements by each to comply with all the provisions of the said by-laws, in accordance with the provisions of this Act.”

12. Section 66 of the said Act is replaced by the following section:

“**66.** Notwithstanding any contrary provision in this Act, the association may, at a general meeting, pass a by-law or resolution stipulating that:

(a) instead of paying rebates, the association may allot to its members and, as the case may be, to its auxiliary members or to its users common or preferred shares of its capital stock in the manner determined in the by-law or resolution and, from the time of such

allotment, each member and, as the case may be, each auxiliary member and each user shall be deemed to have subscribed for such shares and shall be bound to pay for them out of the rebates credited to him, but up to the amount of such rebates only;

(b) instead of paying rebates, the association may require its members and, as the case may be, its auxiliary members and its users, without individual contracts being necessary, to undertake to lend the rebates credited to them or to incur any other obligation respecting such rebates, in the manner determined in the by-law or resolution; the by-law or resolution shall have the same effect as if each member and, as the case may be, each auxiliary member and each user had contracted with the association for good and valid consideration and shall constitute a legal obligation on the part of each member and, as the case may be, each auxiliary member and each user to lend or to incur any other obligation, but up to the amount of such rebates only.”

13. Section 67 of the said Act is replaced by the following section:

“**67.** Only those members and auxiliary members who on the closing date of the fiscal year of the association were registered as such in the books of the association shall be entitled to rebates.”

14. The said Act is amended by inserting, after section 68, the following section:

“**68a.** In case of a winding-up, the balance of the assets shall be distributed to the persons who were members of the association during the three fiscal years preceding the year in which the winding-up was voted, in proportion to the amount of business transacted by them with the association during the period determined by the general meeting.

The members may, however, decide to remit all or part of the balance to another cooperative or federation.”

15. This Act comes into force on (*insert here the date of assent to this Act*).