



CHAPTER 148

An Act to amend the act incorporating the *Société Coopérative Fédérée des Agriculteurs de la Province de Québec*

[Assented to, the 4th of April, 1930]

HIS MAJESTY, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

1. Article 1974 of the Revised Statutes, 1909, as amended by the acts 1 George V (1st session), chapter 14, section 1; 2 George V, chapter 20, section 1; 8 George V, chapter 34, section 1, and 10 George V, chapter 25, section 1; and replaced, for the new association, by the act 13 George V, chapter 109, section 13, is amended for the said association:

a. By repealing the fourth and fifth paragraphs thereof;

b. By adding thereto, after the word: "made", in the first line of the sixth paragraph thereof, the words: "before the 1st of March, 1930,";

c. By adding thereto, at the end of the said article, the following paragraph:

"Every association authorized to subscribe for ordinary shares in the Quebec Federated Co-operative, which, after the 1st of March, 1930, has entered into an agreement to that effect with the board of directors of the said Quebec Federated Co-operative, shall be bound to subscribe and pay for a number of the ordinary shares equal in value to one-fourth of its paid-up capital, and to continue thereafter to subscribe and pay for new ordinary shares in the proportion of one-fourth of its capital subsequently paid-up."

2. Article 1975 of the Revised Statutes, 1909, as replaced, for the new association, by the act 13 George V,

association. chapter 109, section 14, is again replaced, for the said association, by the following:

Authorized capital. **"1975.** The authorized capital of the association shall be two million dollars, five hundred thousand dollars whereof in ordinary shares and one million five hundred thousand dollars in preferred shares.

Shares. The shares subscribed before the 1st of March, 1930, shall be deemed to be ordinary shares and shall remain of the denomination of ten dollars. The other ordinary shares shall be of the denomination of twenty-five dollars.

Denomination of preferred shares. The board of directors may determine the denomination of the preferred shares and the rate of interest to which they shall be entitled, which shall not be less than five per cent nor more than seven per cent per annum, and may order that such interest shall be cumulative or non-cumulative.

Redemption. Preferred shares shall be redeemable by the association upon the conditions fixed by the board of directors and stated on the stock certificates.

Not to confer right to vote. Preferred shares shall not confer the right to attend or vote at the meetings of the association."

R. S., art. 1978, replaced, for association. **3.** Article 1978 of the Revised Statutes, 1909, as replaced, for the new association, by the act 13 George V, chapter 109, section 16, is again replaced, for the said association, by the following:

Composition of association. **"1978.** 1. The association shall consist of member-shareholders of the *Coopérative Centrale des Agriculteurs de Québec*, *Comptoir Coopératif de Montréal* and *Société Coopérative Agricole des Producteurs de Semences de Québec* and of the persons who have subscribed for shares before the 1st of March, 1930, and of the associations authorized to subscribe for ordinary shares, which, after such date, subscribe for new shares.

Associations authorized to subscribe. 2. The associations authorized to subscribe for ordinary shares and to acquire and possess same are: coöperative agricultural associations and coöperative agricultural syndicates."

13 Geo. V, c. 109, s. 17. am. **4.** Section 17 of the act 13 George V, chapter 109, is amended:

a. By inserting therein, after the first paragraph thereof, the following paragraph:

Exchange of shares. "A share issued before the 1st of March, 1930, may, at the holder's request, be exchanged for a preferred share of the same denomination.";

b. By replacing the third paragraph thereof, by the following:

"When the transfer of an ordinary share is necessitated by the death of a shareholder, it may only be authorized by the conversion of such ordinary share into a preferred share.";

c. By inserting therein, after the word: "individual", in the third line of the fourth paragraph thereof, the words: "on the condition that, if such shares are ordinary shares, they be previously converted into preferred shares".

5. Section 18 of the act 13 George V, chapter 109, is amended by replacing the words: "four publications", in the third line thereof, by the words: "two publications".

6. Article 1979 of the Revised Statutes, 1909, as replaced, for the new association, by the act 13 George V, chapter 109, section 20, is amended for the said association:

a. By replacing the word: "lands", in the first line of paragraph 2 thereof, by the word: "immoveables";

b. By repealing paragraph 5 thereof.

7. Article 1980 of the Revised Statutes, 1909, as amended by the act 1 George V (1910), chapter 15, section 1, and replaced, for the new association, by the act 13 George V, chapter 109, section 21, is amended for the said association:

a. By replacing the word: "seven", in the second line of the first paragraph thereof, by the word: "nine";

b. By replacing the word: "Four", in the second line of the first paragraph thereof, by the word: "Five";

c. By replacing the word: "four", in the sixth line of the second paragraph thereof, by the word: "six".

8. Article 1982 of the Revised Statutes, 1909, as replaced, for the new association, by the act 13 George V, chapter 109, section 26, is amended for the said association:

a. By striking out the words: "of whom not less than three shall be chosen from among the heads of the principal departments of the association", in the third, fourth and fifth lines of paragraph 4 thereof;

b. By striking out the words: "but shall not be entitled to act until his appointment has been approved by the Minister of Agriculture of this Province", in the third, fourth and fifth lines of paragraph 5 thereof;

c. By replacing paragraph 6 thereof by the following:

Quorum. "6. The quorum of the executive council shall be three members.";

d. By striking out the words: "Nevertheless the decision to dismiss from office the president of the executive council shall not take effect before its approval by the Minister of Agriculture", in the fourth, fifth, sixth and seventh lines of paragraph 10 thereof.

13 Geo. V, c. 109, s. 27, am. **9.** Section 27 of the act 13 George V, chapter 109, is amended by replacing the words: "or is accused of a crime involving civil degradation", in the second and third lines thereof, by the words: "or is sentenced to a penalty entailing infamy".

R. S., art. 1985, am., for association. **10.** Article 1985 of the Revised Statutes, 1909, as amended by the acts 1 George V (1st session), chapter 14, section 4; 2 George V, chapter 20, section 5; 8 George V, chapter 34, section 3, and replaced, for the new association, by the act 13 George V, chapter 109, section 28, is amended for the said association:

a. By replacing paragraph 1 thereof by the following:

General meeting. "**1985.** 1. The general meeting shall consist of the ordinary shareholders of the association.";

b. By adding to paragraph 8 thereof the following subparagraph:

Calling of meetings. "The president of the board of directors shall call a special meeting whenever such a meeting is asked for by at least twenty-five of the ordinary shareholders."

R. S., art. 1985a, replaced, for association. **11.** Article 1985a of the Revised Statutes, 1909, as enacted by the act 5 George V, chapter 32, section 1, and amended by the acts 8 George V, chapter 34, section 4, and 10 George V, chapter 25, section 2; and replaced, for the new association, by the act 13 George V, chapter 109, section 29, is again replaced, for the said association, by the following:

One vote. "**1985a.** No shareholder shall have more than one vote, whatever may be the number of his shares.

Voting of associations. An association which has entered into an agreement with the Quebec Federated Co-operative before the 1st of March, 1930, and holds more than ten shares of the capital of the said Quebec Federated Co-operative, may cast an additional vote for each ten shares it holds over and above ten; but no such association may cast a number of votes exceeding one-fifth of the number of ordinary shareholders composing it, as established by a certificate, supported by a

solemn declaration of the secretary of each such association, on the first day of the month when the meeting is to take place.

To have the right to vote, the shareholder must have subscribed to one or more shares at least three months before the meeting, and have paid, at least three days before the meeting at which he wishes to vote, all the instalments due on his share or shares.

An association which, after the 1st of March, 1930, shall have entered into an agreement with the Quebec Federated Co-operative, shall be entitled to a number of votes equal to the number of ordinary shares which it shall have paid towards the capital of the said Quebec Federated Co-operative.

In both cases each association shall be represented at the meeting by a delegate or substitute whose vote shall be equal to the number of votes to which the association which he represents shall be entitled.

No one may be represented by proxy at the general meetings of the association."

12. Section 33 of the act 13 George V, chapter 109, is repealed.

13 Geo. V, c. 109, s. 33, repealed.

13. Section 34 of the act 13 George V, chapter 109, is amended by replacing the words: "If, after inquiry, the Minister have come to the conclusion", in the first and second lines of the first paragraph thereof, by the words: "If, after inquiry on the demand of ten per cent of the ordinary shareholders, the Minister have come to the conclusion".

Id., s. 34, am.

14. Sections 35 and 36 of the act 13 George V, chapter 109, are repealed.

Id., ss. 35 and 36, repealed.

15. Article 1989 of the Revised Statutes, 1909, as amended by the acts 2 George V, chapter 20, section 6, and 8 George V, chapter 34, section 6; and replaced, for the new association, by the act 13 George V, chapter 109, section 37, is again replaced, for the said association, by the following:

R. S., art. 1989, replaced, for association.

"1989. The board of directors shall, if a dividend has been earned, determine every year the amount of the dividend to be paid on the ordinary shares, which shall not exceed six per cent, and the amount of the dividend to be paid on the preferred shares.

Determination of dividend.

Reserve
fund.

The board of directors may create a reserve fund and determine the amount of the sums to be paid over thereto.

Distribu-
tion of
surplus.

Instead of paying a dividend on ordinary shares, the board of directors may, if it deem it expedient, after payment of the dividends on the preferred shares and the amount to be paid into the reserve fund, distribute the surplus to the ordinary shareholders, crediting it to them in the proportion of the volume of sales and purchases by each of them, in the books of the association, on account on a preferred share to be delivered to them when fully paid.

Retention
of monies.

The association shall be entitled to retain, for the purpose of recovering any amount due to it by a shareholder, for any reason whatsoever, all moneys which it may owe him for dividends, allotment of profits or otherwise."

Coming into
force.

16. This act shall come into force on the day of its sanction.