

## C H A P. 109

An Act to incorporate the *Société Coopérative Fédérée des Agriculteurs de la Province de Québec*

[Assented to, the 29th of December, 1922]

**W**HEREAS the *Coopérative Centrale des Agriculteurs de Québec*, a co-operative agricultural association, having its principal establishment in the city of Montreal, formed under article 1971 of the Revised Statutes, 1909, by a notice dated 21st of April, 1910, vested with certain special powers under the acts 9 George V, chapter 128, and 10 George V, chapter 122; the *Comptoir Coopératif de Montréal*, a co-operative agricultural association, having its principal place of business in the city of Montreal, formed under article 1971 of the Revised Statutes, 1909, by a notice dated 27th of January, 1913; and the *Société Coopérative Agricole des Producteurs de Semences de Québec*, having its principal place of business in the parish of Ste. Rosalie, in the county of Bagot, formed under article 1971 of the Revised Statutes, 1909, by a notice dated 3rd of December, 1914, wish to amalgamate themselves into one single association; Preamble.

Whereas the projected amalgamation was approved at a general meeting of the members of each of these three associations;

Whereas these three associations have prayed for the passing of an act to sanction this amalgamation under the conditions hereinafter stated;

Whereas it is expedient to grant the said prayer;

Therefore, His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

**1.** The *Coopérative Centrale des Agriculteurs de Québec*, "*Société Comptoir Coopératif de Montreal* and *Société Coopérative Agricole des Producteurs de Semences de Québec* shall form a new co-operative agricultural association under the name of *Société Coopérative Fédérée des Agriculteurs de la Province de Québec*, " *Coopérative Fédérée des Agriculteurs de la Province de Québec*, " incorporated.

**2.** This new association may exercise the powers conferred upon it by this act under the short title of *Coopérative Fédérée de Québec* or Quebec Federated Co-operative. It is sufficiently described under either name, in any contract, document or commercial paper and in all judicial proceedings instituted by or against it. Short title.

Corporate  
seat.

**3.** The corporate seat of the new association shall be in the city of Montreal.

The whole  
of assets of  
the three  
associations  
become the  
property of  
the new as-  
sociation.

**4.** The whole of the assets of each of the three associations, *Coopérative Centrale des Agriculteurs de Québec*, *Comptoir Coopératif de Montréal*, and *Société Coopérative Agricole des Producteurs de Semences de Québec*, shall become the property of the new association, the *Société Coopérative Fédérée des Agriculteurs de la Province de Québec*.

Rights of  
creditors,  
etc., not  
affected.

**5.** The rights of creditors in the assets of the three associations which are amalgamated under this act, and the charges upon these assets, shall not be affected by this amalgamation, but the debts and obligations of these three associations shall be assumed by the new association created by this act and may be recovered from or executed against it in the same manner as if it had itself incurred or contracted these debts or obligations.

The three  
district cor-  
porations  
cease to  
exist.

**6.** The *Coopérative Centrale des Agriculteurs de Québec*, *Comptoir Coopératif de Montréal* and *Société Coopérative Agricole des Producteurs de Semences de Québec* shall cease to exist save for the operations necessary to make effective the amalgamation enacted by this act, and their charters shall remain in force for this purpose only.

Shares in  
each of the  
three asso-  
ciations.

**7.** Every share in each of the three amalgamated associations shall be a share of the new association and retain its same nominal value.

Stock sub-  
scriptions in  
each of the  
three asso-  
ciations.

**8.** A stock subscription in one of the three amalgamated associations shall be a stock subscription in the new association. The board of directors may exercise in respect of such subscription the same rights as respecting a stock subscription in the new association.

Share certi-  
ficates of the  
three asso-  
ciations may  
be replaced  
by those of  
the new as-  
sociation.

**9.** The board of directors of the new association may replace the share certificates of the three amalgamated associations by share certificates of the new association and issue share certificates of the new association upon payment of a subscription made to one of the three amalgamated associations.

Right of  
shareholders  
as regards  
shares in  
the old as-  
sociations.

**10.** Any shareholder who, on the first of October, 1922, held the authorized number of shares in more than one of the amalgamated associations, may have the same replaced by shares of the new association, even though the number thereof is more than two hundred.

**11.** The *Société Coopérative Fédérée des Agriculteurs de la Province de Québec* is governed, except in such cases as this act otherwise provides, by the law respecting the co-operative agricultural associations, being section twelfth of part second of chapter seventh of title fourth of the Revised Statutes, 1909, comprising articles 1971 to 1994, inclusively, and the acts amending such articles.

**12.** Articles 1971 and 1972 of the Revised Statutes, 1909, shall not apply to the new association.

Provisions applicable.  
R. S., 1971, 1972, not applicable to assoc.

**13.** 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, is replaced, for the new association, by the following:

R. S., 1974, replaced for assoc.

**"1974.** The amount of each share shall be ten dollars, payable in four annual equal instalments, the first not later than one month after the date of subscription.

Amount of each share.

The association may decide by by-law that the shares subscribed after its adoption shall be paid cash or in less than four instalments, and fix the amount of each one of them.

Payment of shares.

A shareholder may, at any time, pay in advance the amount due by him on his shares, and interest may be paid him on the amounts paid in advance for the period between the date of payment and maturity.

Payment in advance.

No shareholder other than a co-operative agricultural association may subscribe for nor hold more than two hundred shares of the capital stock of the association.

Maximum share holding.

The association may, by a by-law passed at the annual or special meeting of the shareholders, require that, to become a shareholder, a person authorized to subscribe, must subscribe for at least the number of shares fixed by the by-law; but it cannot require that, to become a shareholder, a person must subscribe for more than ten shares.

By-laws as regards share-holders.

When a co-operative agricultural association has made an agreement to such effect with the board of directors of the Quebec Federated Co-operative, it shall be obliged to subscribe for a number of shares equal in value to one half of its paid up capital, and to thenceforth continue to subscribe for new shares in proportion of one half of the new instalments which it may receive on its own capital".

Agreement as regards shares, with co-operative agricultural association.

**14.** Article 1975 of the Revised Statutes, 1909, is replaced, for the new association, by the following:

R. S., 1975, replaced for assoc.

**"1975.** The authorized capital of the new association

Authorized capital.

shall be one million dollars, divided into one hundred thousand shares of ten dollars each."

R. S., 1977,  
replaced for  
assoc.

Notice prior  
to the begin-  
ning of the  
operations,

**15.** Article 1977 of the Revised Statutes, 1909, is replaced, for the new association, by the following:

**"1977.** A notice according to form C shall, within sixty days from the beginning of the operations of the association, be forwarded to the prothonotary of the district and to the registrar of the registration division in which the association has its corporate seat."

R. S., 1978,  
replaced for  
assoc.

Members of  
the associa-  
tion.

**16.** Article 1978 of the Revised Statutes, 1909, is replaced, for the new association, by the following:

**"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 authorized to subscribe who afterwards subscribe for shares in this association.

Persons au-  
thorized to  
subscribe.

**2.** The persons authorized to subscribe for shares, acquire same and become shareholders are: co-operative agricultural associations, co-operative syndicates, agricultural societies, farmers' clubs, farmers' clubs' co-operative societies, stock-breeding syndicates, stock-breeding associations, horticultural societies and farmers' and dairymen's associations formed under article 1995 of the Revised Statutes, 1909.

Outside sub-  
scription in  
certain  
cases.

**3.** If authorized under by-law passed at a general meeting of the shareholders, the board of directors may, according to the conditions of the by-law, accept subscriptions for shares from individuals, provided such individuals shall neither vote nor hold office in the association."

Shares must  
be accepted  
by board.

**17.** No value attaches to a share subscription until accepted by the board of directors. This also applies to any tranfer of shares.

Refusal.

The board of directors is empowered to refuse a subscription for shares or a transfer of shares.

Transfer oc-  
casioned by  
death of  
share-  
holder.

When the transfer is occasioned by the death of a shareholder and refused, the association shall pay to the deceased's assign the nominal value of the share for which transfer has been refused, deducting therefrom the unpaid instalments.

Certain  
transfer may  
be author-  
ized.

Nevertheless, the board of directors is empowered to accept the transfer of shares held by an individual shareholder in favour of another individual.

Summary

**18.** The association may, two months after a notice sent

by registered mail to any registered shareholder to his last known address, and after four publications during the same interval in any newspaper which the directors may select, summarily confiscate all the shares on which no instalment has been paid for three years, and dispose of such shares in such manner as the directors may prescribe by by-law.

**19.** The association may also, after giving such notice of not less than thirty days as may be ordered by the directors, confiscate any share of its new capital stock on which no instalment has been paid within the prescribed delays.

**20.** Article 1979 of the Revised Statutes, 1909, is replaced, for the new association, by the following:

**"1979.** 1. With the consent of the board of directors, the Lieutenant-Governor in Council may change the name of the association by a notice published in the *Quebec Official Gazette*.

2. The association may acquire and hold lands and may sell, lease or otherwise dispose of same.

3. It may have business offices in various places in the Province.

4. The association may:

a. Purchase and sell, on commission or otherwise, export and transform all agricultural products and their by-products;

b. Buy and sell, on commission or otherwise, export, import, manufacture agricultural instruments and their accessories, commercial fertilizers and all things, articles, and merchandise which may be used in the production, conservation and transformation of agricultural products and their by-products;

c. Generally carry on a wholesale and retail trade in connection with one or more of the above purposes;

d. Acquire and possess under any title whatsoever, build and operate cold storage warehouses, abattoirs, manufactories, outhouses, sheds, stores and all buildings and constructions which may be deemed necessary;

e. Establish, in the Province of Quebec, farms, experimental stations and all establishments that may serve for the improvement and development of agriculture or of one or more of its branches;

f. Enter into agreements and covenants with municipalities, individuals, associations or companies, for obtain-

ing privileges, concessions and advantages in connection with the above objects;

*g.* Undertake and carry on any propaganda or educational campaign in connection with one of the above objects, and grant subsidies out of its funds to any association and any individual doing work of like nature;

*h.* Publish newspapers, magazines, pamphlets, bulletins and generally all publications relating to agriculture or to one or more of its branches;

*i.* Subscribe to, acquire and hold shares in the capital stock of any association or company having, wholly or in part, an identical object or powers, and pay for the same in money or bonds of the association, or partly in money and partly in such bonds, and dispose of such shares as it may deem fit;

*j.* Purchase or acquire, under any title whatsoever, the moveables and immoveables, debts due or payable, rights, privileges, corporate name, capital stock, franchise, undertaking, goodwill and exploitation of any association or company having, in whole or in part, an identical object or powers, and pay therefor in moneys or bonds of the association, or partly in money and partly in bonds of the association;

*k.* Establish a special fund by levying a certain amount, to be determined by the directors, on certain agricultural products, and on the animals shipped to it, and compensate, out of such special fund, the shippers for any deterioration or total or partial loss that may have occurred on the way or during the time such products or animals were in the possession of the association; the latter's responsibility shall not in any case exceed the amount accumulated in such special fund.

Exercise  
of certain  
powers.

5. The powers conferred by the above sub-paragraphs *i* and *j* of paragraph 4, may be exercised only with the authorization of the Minister of Agriculture."

R. S., 1980,  
replaced by  
assoc.

**21.** Article 1980 of the Revised Statutes, 1909, as amended by the act 1 George V (1st session), chapter 15, section 1, is replaced, for the new association, by the following:

Board of  
directors.

**"1980.** The association shall be managed by a board of seven directors. Four shall constitute a quorum. The directors shall remain in office until the election of their successors at the annual general meeting. They shall be eligible for re-election.

Convoca-  
tion of the  
meeting of  
the board.

The board of directors shall be convened by order of the president, the vice-president, or two directors, by a written notice setting forth the day, the hour and the place of meeting, addressed to each director and deposited in a post

office of the Province of Quebec in a stamped envelope at least four days before such meeting.

The directors may hold their meetings at the principal place of business of the association or at any other place in the Province.

The directors may, at any meeting, adopt by-laws for the government of the association, and amend or repeal the same, provided such by-laws do not conflict with those adopted at the general meetings of the shareholders of the association."

**22.** From the date of the sanction of this act and until the election of the first directors at the first general meeting, the directors of the three amalgamated associations shall form the provisional board of directors of the association, whereof the quorum shall be five. They may choose from among themselves a president and a vice-president. They may appoint a secretary and a treasurer, and name an officer who shall have the powers of the president of the executive council to receive and countersign proxies for the first general meeting of the shareholders.

**23.** The restriction imposed by paragraph 2 of article 1981, 1981 of the Revised Statutes, 1909, as replaced by the act of 2 George V, chapter 20, section 4, respecting the total amount of the sums borrowed, shall not apply to the new association.

The directors shall have power to borrow, on the credit of the association, all sums necessary for its operations, and to give security on the moveables and immoveables of the association.

**24. 1.** If thereunto authorized by at least two-thirds of the shareholders present or duly represented at the annual general meeting or at a general meeting specially called for the purpose, the directors may, from time to time:

- a. Borrow upon the credit of the association;
- b. Issue bonds or other securities of the association and give the same as a guarantee or sell them at such prices and amounts as may be deemed fit;

c. Notwithstanding article 2017 of the Civil Code, hypothecate, mortgage or pledge moveables or immoveables, present or future, of the association, to secure the payment of such bonds or other securities, or give merely part thereof, for the same purposes; and create the hypothec, mortgage or pledge mentioned in this sub-paragraph c by a

Power to  
adopt by-  
laws, etc.

Provisional  
board of the  
new associa-  
tion.

R. S., 1981,  
par. 2, not  
applicable  
to assoc.

Borrowing  
power of the  
directors.

General  
powers of  
the directors  
after au-  
thorization  
by the share-  
holders.

trust deed in accordance with articles 6119*b* and 6119*c* of the Revised Statutes, 1909, or in any other manner;

*d.* Hypothecate or mortgage the immoveables or pledge or otherwise affect the moveables of the association, or give any of such guarantees to insure the payment of loans made otherwise than by the issue of bonds or debentures, and also the payment or fulfilment of other debts, contracts, and undertakings of the association.

Application  
of provisions  
to certain  
loans.

2. The limitations and restrictions of the present section shall not apply to loans effected by the association by bills of exchange or notes made, drawn, accepted or endorsed by the association or in favour of the association.

Copy of  
trust deed  
sent to bond  
holders.

**25.** 1. A copy of any trust deed passed to guarantee an issue of bonds or other securities of the association shall be sent to every holder of any such bond or other security, on demand, and upon payment, if the deed be printed, of the sum of twenty-five cents, or of any lesser amount that the association may determine by by-law, or, if the deed be not printed, upon payment of ten cents per hundred words required to be copied.

Penalty.

2. If such copy be refused or be not forwarded on demand, the association is liable to a fine not exceeding one hundred dollars for such refusal or neglect, and to an additional fine not exceeding ten dollars for each day during which such neglect continues; and every director, manager, secretary or other officer of the association, who, knowingly authorizes or permits such neglect to be committed, is liable to the same penalty.

R. S., 1982,  
replaced for  
assoc.

**26.** Article 1982 of the Revised Statutes, 1909, is replaced, for the new association, by the following:

Officers.

**"1982.** 1. The board of directors shall every year elect a president and vice-president from among its members, at its first meeting following the annual general meeting.

President  
and vice-  
president.

2. The president and vice-president of the board of directors shall be at the same time the president and vice-president of the association.

Secretary,  
etc.

3. The board of directors shall appoint a secretary and a treasurer and fix their remuneration.

Executive  
council.

4. To assist in the administration of the association, the board of directors shall name an executive council composed of five persons of whom not less than three shall be chosen from among the heads of the principal departments of the association.



5. The president of this executive council shall not be President the head of a department. He shall be appointed by the of exec. board of directors, but shall not be entitled to act until his council. appointment has been approved by the Minister of Agriculture of this Province.

6. The executive council shall meet at least once a week. Meetings; The quorum shall be three members. quorum.

7. All decisions of the executive council shall be by Decision. majority vote of the members present.

8. The president of the executive council shall be res-Responsi-ponsible for the execution of the decisions taken by the bility of the executive council. president.

9. The board of directors shall determine the powers Powers of and duties of the executive council and fix the remunera- the execu- tion of the members composing it. tive etc.

10. If a member of the executive council does not fulfil Replace- his duties to the satisfaction of the board of directors, the ment of the latter may, at any time, relieve him of his office and re- members of place him by another person. Nevertheless the decision of the ex- to dismiss from office the president of the executive council cutive. shall not take effect before its approval by the Minister of Agriculture."

**27.** In all cases where a director dies or is declared to Vacancy in be an insolvent, or interdicted, or is accused of a crime board of involving civil degradation, or gives up his domicile in the directors. Province, or resigns in writing, his office shall become vacant.

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

**"1985.** 1. The general meeting shall consist of all the General shareholders. meeting.

2. A general meeting of the shareholders shall be held Date. every year during the month of February, on the day, at the hour and at the place determined by the board of directors.

3. The first meeting of the shareholders shall be held First as soon as possible after the 29th of December, 1922, and meeting. shall be in lieu of the annual meeting in February, 1923.

4. Such first meeting may be convened by the presi-Calling of dents of the three amalgamated associations or by the Mi-meeting. nister of Agriculture, by a notice published once in a daily

newspaper in each of the cities of Quebec and Montreal, and in an agricultural magazine of the Province of Quebec, at least eight days before said meeting.

Directors  
and auditor.

5. The annual general meeting of the shareholders shall elect the directors and appoint an auditor. The directors and auditor shall remain in office until the election of their successors at the following annual general meeting.

Qualification  
of directors.

6. Any director of a co-operative agricultural association, co-operative syndicate, agricultural society, farmers' club, farmers' clubs' co-operative society, stock-breeding syndicate, stock-breeding association, horticultural society or farmers' and dairymen's association formed under article 1995 of the Revised Statutes, 1909, may be named director of the Quebec Federated Co-operative, if he be a farmer and if the association or society of which he is a director be a member of the Quebec Federated Co-operative, and he may continue to fill such office until the election of his successor, even though he ceases to be a director of his association.

Idem.

7. Farmer shareholders may also be directors.

Notice.

8. The board of directors shall convene the general meeting of the shareholders, annual or special, by a notice published twice in a daily newspaper in each of the cities of Quebec and Montreal and in an agricultural magazine of the Province of Quebec. One week shall elapse between each publication of the notice. The first publication in the agricultural magazine and the daily newspapers shall be at least fifteen days before the date fixed for the meeting."

R. S., 1985a,  
replaced for  
assoc.

**29.** 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, is replaced, for the new association, by the following:

R. S., 1890,  
1892,  
applicable.

**"1985a.** 1. Articles 1890 and 1892 shall apply to the association *mutatis mutandis*.

Information  
to be given  
to the Min-  
ister in cer-  
tain cases.

2. In the event of the meeting of the shareholders for the election of directors and the appointment of an auditor not taking place in the month of February, or should a meeting take place without any election or without the election of a sufficient number of directors, the chairman who presides at the election, or the secretary of the association shall inform the Minister of Agriculture of such facts, by a letter addressed to the Minister within thirty days after the month of February. Any shareholder may convey this information to the Minister. Immediately

upon receipt of this information, the Minister may, at any time, order an election, prescribing the date, the mode and the place where the general meeting of the shareholders shall be convened, and determine all necessary details for such election held to elect the directors who should have been elected in the month of February, and appoint an auditor.

Power of the Minister in such cases.

No shareholder shall have more than one vote, whatever may be the number of his shares. Nevertheless, a society or association which holds more than ten shares of the capital of the Quebec Federated Co-operative may cast an additional vote for each ten shares it holds over and above ten; but such society or association may not cast a number of votes exceeding one-fifth of the number of persons composing it. 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.

Vote of shareholders.

3. Any shareholder may be represented at a general or special meeting of the association by another shareholder. A society or association may be represented by another shareholder or by a member of its board of directors.

Representation.

No shareholder may be represented at the general or special meetings of the association by one of the salaried officials or employees of the latter, and all proxies given to a salaried official or employee of the association are null.

Idem.

4. A proxy, to be valid, must be signed by the shareholder, or, if the shareholder be a society or an association, by the president and the secretary or the secretary-treasurer of such society or association, and countersigned by the president of the executive council.

Validity of proxy.

5. Before signing, the president of the executive council shall verify the signature and qualification of the shareholder and the qualification of the proxy.

Verification of signature, etc.

6. The president of the executive council shall not be required to verify a proxy submitted to him less than three days before the date of the meeting."

No verification in certain event.

**30.** The general meeting shall be presided over by the president of the board of directors and, in his absence, by the vice-president, and in the absence of the president and vice-president, by the person chosen by the assembled shareholders.

President of the general meeting.

**31.** Article 1987, of the Revised Statutes, 1909, as R. S., 1987,

replaced for assoc. amended by the act 8 George V, chapter 34, section 5, is replaced, for the new association, by the following:

Accounts of the association. **"1987.** The accounts of the association shall be kept by the treasurer, under the control of the board of directors, and shall be audited by the auditor.

Fiscal year. The accounts of the association shall be closed on the 31st of December of every year.

Statement of the affairs. After the close of the fiscal year and during the first week of February, a statement of the affairs of the association shall be prepared and attested by the treasurer.

Copy sent to Minister. A copy of this statement must be sent to the Minister of Agriculture before the 15th of March of each year."

R. S., 1987*a*, replaced for assoc. **32.** Article 1987*a* of the Revised Statutes, 1909, as enacted by the act 10 George V, chapter 25, section 3, is replaced, for the new association, by the following:

Penalty for not forwarding a copy of statement to the Minister. **"1987*a*.** If, after such date, 15th of March, the association neglects or refuses to send to the Minister of Agriculture, the copy of the annual statement of its affairs for the year ending the 31st of December previous, it shall be liable to a penalty of five dollars for every day it continues to be in default; and any director or manager of the association who authorizes or knowingly and deliberately permits such default shall be liable to the same penalty."

Supervision or the Minister of Agriculture. **33.** The Minister of Agriculture shall have supervision over the operations of the association, and may require any information he may deem necessary.

Power of the Minister to appoint a sequestrator in certain cases. **34.** If, after inquiry, the Minister have come to the conclusion that the association has neglected to comply with any provision of this act or that its accounts are not properly kept or that its affairs are badly administered, he may, by order published in the *Quebec Official Gazette*, appoint a sequestrator, who shall, under his direction, take possession of the assets and business of the association and administer the same until a new board of directors is elected by the general meeting of the shareholders which he shall convene as soon as possible in the manner prescribed by paragraph 8 of article 1985 of the Revised Statutes, 1909, as replaced, for the association, by section 28 of this act.

Directors disqualified. The directors in office at the time of the appointment of the sequestrator shall not be eligible for re-election.

Presence of Minister at meetings. **35.** The Minister of Agriculture shall have the right to be present at every meeting of the board of directors and at every meeting of the executive council, or to be

represented thereat by an officer of the Department of Agriculture. He shall be summoned to the meetings of the board of directors in the same way as the directors, and to the meetings of the executive council in the same way as a member of such council.

At such meetings, the Minister of Agriculture or his Right representative shall have the right to take part in the deliberations but shall not have the right to vote. <sup>thereat.</sup>

**36.** The Minister of Agriculture shall have the right <sup>Classification</sup> to require that the produce shall be classified by classifiers <sup>of products.</sup> appointed by him, if the interests of agriculture so require.

**37.** Article 1989 of the Revised Statutes, 1909, as R. S., 1989, amended by the acts 2 George V, chapter 20, section 6, <sup>replaced by</sup> and 8 George V, chapter 34, section 6, is replaced, for the <sup>assoc.</sup> new association, by the following:

**"1989.** The directors shall determine every year the Reserve amount to be carried to the reserve fund. This amount <sup>fund.</sup> shall be equal to at least ten per cent of the net profits of the year. They shall then determine the dividend payable <sup>Dividend.</sup> to the shareholders, which shall not exceed eight per cent on the paid-up capital.

In the event of a surplus, the directors shall carry it to Surplus. the reserve fund, which shall not be apportioned among the shareholders. When the reserve fund shall amount to Co-opera- five hundred thousand dollars, the annual general or spe- <sup>tive rever-</sup> cial meeting may establish the co-operative reversion, that is to say, the allotment of a portion of the annual net profits in the proportion of the purchasing and selling operations of each member-association, in accordance with the percentage to be determined by the said meeting. Such percentage, however, shall not exceed twenty-five <sup>Proviso.</sup> per cent of the annual profits, nor, in any event, impair the accumulated reserve fund of five hundred thousand dollars.

The association shall be entitled to retain, for the purpose <sup>Right of</sup> of recovering any amount due it by a shareholder, for any <sup>retention in</sup> reason whatsoever, all moneys which it may owe him for <sup>certain</sup> dividends, allotment of profits or otherwise. <sup>cases.</sup>

**38.** Article 1990 of the Revised Statutes, 1909, as R. S., 1990, amended by the act 2 George V, chapter 20, section 7, is <sup>replaced for</sup> replaced, for the new association, by the following: <sup>assoc.</sup>

**"1990.** All contracts, notes, cheques, drafts, or docu- <sup>Signatures</sup> ments, binding the society, must be signed by the presi- <sup>on contracts,</sup> dent and by the treasurer or by any other officers duly <sup>etc.</sup>

authorized under general or special authorization of the board of directors."

Coming into force. **39.** This act shall come into force on the day of its sanction.

## CHAP. 110

An Act to ratify a deed of agreement entered into between Price Brothers & Company, Limited, and certain municipalities, providing for the construction and maintenance of a bridge across the River Saguenay, and a deed of agreement between the same municipalities providing for the construction and maintenance of the roads leading to such bridge

[Assented to, the 29th of December, 1922]

Preamble.

**W**HEREAS the town of Kenogami, the town of Jonquières, the corporation of the parish of St. Dominique de Jonquières, the corporation of the township of Bourget, the corporation of the parish of St. Ambroise, and the corporation of the village of St. Ambroise, in the county of Chicoutimi, have by their petition, represented:

That Price Brothers & Company, Limited, had decided to build a bridge across the river Saguenay for its own use, between Kenogami and Shipshaw;

That the surrounding municipalities were greatly interested in having a bridge built at this place for the use of the public;

That in order to obtain this result, a contract was passed on the 2nd of August, 1922, before J. G. Verreault, notary, by which Price Brothers & Company, Limited, undertook to construct at this place an iron bridge sixteen feet wide, for the use of the public, upon condition that the sum of thirty-five thousand dollars be paid it by the municipalities, allotted as follows:

The town of Kenogami.....	\$ 9,500.00
The town of Jonquières.....	9,500.00
The corporation of the township of Bourget. . .	4,000.00
The corporation of the parish of Jonquières. . .	5,000.00
The corporation of the parish of St. Ambroise. .	5,000.00
The corporation of the village of St. Ambroise. .	2,000.00

That the said bridge will link two municipalities, namely, the municipality of the parish of St. Dominique de Jonquières and the municipality of the township of Tremblay;