

over six per cent per annum, as may be determined, for an amount not exceeding two-thirds of the paid-up capital of the company; and, after the redemption or payment of such issue of bonds, it may issue other bonds, by fulfilling the same conditions; and the company is authorized to hypothecate its immoveable properties in favour of one or more trustees to guarantee the payment of the bonds that may have been so issued, or to guarantee the payment of such bonds by transferring to trustees the whole of its immoveable properties or a portion thereof, on such terms and conditions as may be stipulated in the trust deed."

10. The Joint Stock Companies General Clauses Act Provisions shall apply to this company in so far as it is not inconsistent to apply. with the provisions of this act.

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

CHAP. 122

An Act respecting *La Société Coopérative Agricole des Fromagers de Québec*

[Assented to, 14th of February, 1920]

WHEREAS "*La Société Coopérative Agricole des Fromagers de Québec*", having its principal establishment in the city of Montreal, has, by its petition, represented:

That it was constituted under articles 1971 and following of the Revised Statutes, 1909, and their amendments;

That the law does not give it sufficiently extensive powers to meet the needs of the great undertaking it has developed, nor to enable it to attain all the ends for which it was constituted;

That among other things it is urgent to replace its corporate name by another of a less limited character; to increase its capital stock and extend its borrowing power; to provide for the grouping of its members and their representation at meetings of the society;

Whereas it is expedient to grant such 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 directors may by by-law change the name of the Change of Society to that of "*Coopérative Centrale des Agriculteurs de Québec*". name.

Substituted name. Immediately after the adoption of such by-law the society shall be known and shall do business under the name of "*Coopérative Centrale des Agriculteurs de Québec*", and as such shall succeed "*La Société Coopérative Agricole des Fromagers de Québec*", in all its properties, rights, privileges, claims, custom, operation, and trade, and shall be bound to carry out all its obligations.

No person may make use of the first corporate name of the society.

Capital of the society. **2.** The society shall have an authorized capital of one million dollars, divided into one hundred thousand shares of ten dollars each.

Allotment of shares. The shares shall be allotted and payable at such time and in such manner as the directors may order by by-law; but not less than twenty-five per cent of the amount of the shares subscribed for must be paid in within one month from the date of subscription.

Issue of new capital stock. **3.** After the sanction of this act the directors may issue paid-up shares of the new capital stock to a number sufficient to replace the issued shares of the old stock; but no member may demand a certificate until his shares have been paid up in full.

Maximum number of shares to each number. **4.** No member shall hold more than two hundred shares of the capital stock of the society, and the directors shall have power to fix the minimum number of shares for which a member may subscribe.

Eligibility of members. **5.** The members must be farmers, co-operative agricultural societies, agricultural societies, farmers' clubs, cooperative syndicates, stock-breeding syndicates, societies for the making of butter and cheese, and generally societies directly interested in the carrying on of some agricultural industry. All subscriptions and transfers of shares shall in all cases be subject to the acceptance of the directors of the society, but if it refuses to allow a transfer in a case of death, the society must pay, to the heir or representative of the deceased member, the present value of his shares; the directors may accept the subscription of any individual or society not otherwise eligible, as well as any transfer in favour of the same.

Forfeiture of shares. **6.** The society 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.

7. After the coming into force of this act, the society 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 delay. Forfeiture of shares of new stock.

8. In addition to the powers conferred upon it by articles 1971 and following of the Revised Statutes, 1909, the society may: Additional powers of society.

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

b. buy and sell, on commission or otherwise, import, export and manufacture agricultural instruments with all 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 immoveable property under any title whatsoever, notwithstanding the restrictions enacted by the third paragraph of article 1979 of the Revised Statutes, 1909;

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

f. 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;

g. enter into agreements and covenants with municipalities, individuals, societies or companies for obtaining privileges, concessions and advantages in connection with the above objects;

h. 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 society or individuals doing work of the same kind;

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

j. subscribe to, acquire and hold wholly or in part shares in the capital stock of any society or company having identical objects or powers, and pay for the same in money or bonds of the society or partly in money and partly in such bonds, and dispose of such shares as it may deem fit;

k. acquire or purchase, under any title whatsoever, the moveables and immoveables, debts due or payable, rights, privileges, corporate name, capital stock, franchise, undertaking, custom and exploitation of any society or company having identical objects or powers wholly or in part, and pay therefor in moneys or bonds of the society, or partly in money and partly in bonds of the society;

l. 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 society; the latter's responsibility shall not in any case exceed the amount accumulated in such special fund.

Special
authoriza-
tion for
certain
powers.

The powers conferred by the above sub-paragraphs *j* and *k* may be exercised only with the authorization of the Minister of Agriculture.

Delegates to
meetings.

9. In order to assure a proper attendance and equitable representation of members at the meetings of the society, the directors may make by-laws determining the conditions on which the members may have themselves represented at such meetings by delegates whose travelling expenses may be paid by the society.

Every such delegate must be a member duly qualified to vote at meetings of the society, and shall have the same power as the members whom he represents.

Borrowing
power.

10. The directors shall have power to borrow, on the credit of the society, all moneys required for the needs of its trade notwithstanding any restriction in paragraph 2 of article 1981 of the Revised Statutes, 1909, and to give security on the moveable and immoveable property of the society.

Power to
issue bonds,
etc.

11. If thereunto authorized by at least two-thirds of the members present or duly represented at the annual meeting or at a meeting specially called for the purpose, the directors may issue bonds, debentures and other securities, provided it be not for a sum less than one hundred dollars, and give the same as a guarantee or sell

them at such prices as may be deemed expedient; and they may hypothecate and give the moveables and immoveables of the society as a guarantee for the payment of such bonds, debentures and other securities as well as loans of money effected by the society.

They may also, acting through their duly authorized officers, give to one or more trustees, as a guarantee for the payment of the bonds and debentures, a hypothec upon the immoveable property of the society, mention being made therein of the issue and of the amount of such bonds and debentures so guaranteed; and such hypothec, after registration thereof, shall be a valid guarantee of such bonds or debentures, whether issued before or after the creation of such hypothec, notwithstanding article 2017 of the Civil Code.

12. The limitations and restrictions contained in section 11 shall not apply to money loans effected by the society on bills of exchange, notes to order or any commercial papers made, drawn, accepted or indorsed by or in favour of the society.

13. The directors shall, every year, fix the amount to be carried to the reserve fund, and such amount must be equal to at least ten per cent of the net profits for the year; they shall also determine the amount of the dividend to be paid to the members, and such dividend shall be at a rate not exceeding ten per cent of the paid-up capital.

If there should be a surplus, the directors must carry it to the reserve fund, which must not be distributed among the members.

14. The society shall have the right to retain, for the recovery of any amount due by a shareholder for any reason whatever, any moneys it might owe him either as a dividend, a share in the profits or otherwise.

15. The society shall continue to be a co-operative agricultural society within the meaning of articles 1971 and following of the Revised Statutes, 1909, and shall be governed by their provisions as well as by the acts amending the said statutes, except when they are specially derogated from by any provisions of this act.

16. The Minister of Agriculture shall have supervision over the operations of the society, and may require any information he may deem necessary.

The Minister of Agriculture or his representative shall

Guarantee
to trustees
for payment
of bonds by
hypothec.

Certain
loans not
subject to
sec. 11.

Amount of
reserve fund
and
dividend

Surplus

Right of
retention

Provisions
to apply

Society
subject to
supervision
of Min. of
Agriculture.

Attendance at meetings. have a right to be present at every meeting of the directors, and shall have a right to take part in their deliberations. He shall be summoned to the meeting in the same way as the directors, in accordance with article 1980 of the Revised Statutes, 1909.

Auditors. The Minister of Agriculture shall have the right to select the auditors who shall audit the accounts of the society, and to require that all produce shall be classified by classifiers appointed by him, if the interests of agriculture so require.

Coming into force. **17.** This act shall come into force on the day of its sanction.

CHAP. 123

An Act to ratify the sale and transfer of properties and certain rights from Donald Fraser & Sons, Limited to Fraser Companies, Limited,

[Assented to, 14th of February, 1920]

Preamble. **W**HEREAS Fraser Companies, Limited, has, by its petition, represented that by an agreement bearing date the 1st of September, 1917, made between Donald Fraser and Sons, Limited, a body corporate under the provisions of the act 1 George V (1st session), chapter 84, entitled: "An Act to Incorporate Donald Fraser and Sons, Limited", with its head office or chief place of business at Cabano, in the county of Temiscouata, in the Province of Quebec, of the one part, and Fraser Companies, Limited, a body corporate under and by virtue of letters patent issued under the provisions of The Companies' Act, chapter 79 of the Revised Statutes of Canada, 1906, and amending acts, having its head office or chief place of business at Plaster Rock, in the county of Victoria, in the Province of New Brunswick, of the other part, it was agreed *inter alia* that the said Donald Fraser and Sons, Limited, should sell and transfer unto the said Fraser Companies, Limited, and the said Donald Fraser and Sons, Limited, did thereupon sell and transfer unto the said Fraser Companies, Limited, its successors and assigns, as a going concern, the whole of the undertaking, business, assets, franchises and liabilities of the said Donald Fraser & Sons, Limited, in consideration of the allotment, issue and delivery by the said Fraser Companies, Limited, to the said Donald Fraser and Sons, Limited, or its nominees,