

CHAP. 20

An Act respecting stock-breeding syndicates

[Assented to 9th March, 1906]

Preamble.

WHEREAS it is expedient to regularize the formation and organization of stock-breeding syndicates in this Province; Therefore, His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

Arts. added
after R.S.
1675*ddd*.

1. The following section and articles are inserted in the Revised Statutes after article 1675*ddd*, as enacted by the act 57 Victoria, chapter 19, section 2 :

SECTION VC

STOCK-BREEDING SYNDICATES

Formation
authorized.

" 1675*eee*. Societies may be formed, in virtue of this section, under the name of: " stock-breeding syndicates."

Nature of
syndicate
and liability
of sharehold-
ers, &c.

" 1675*fff*. Every syndicate shall be in the nature of a joint stock company, the liability of its members or shareholders being limited to the amount of their respective shares.

Name of
syndicate.

" 1675*ggg*. The syndicate is designated under the name of " The Stock-Breeding Syndicate," inserting therein the distinctive title its founders may select, provided that, on the whole, its name cannot be confounded with that of any other existing society.

Object of
syndicate.

" 1675*hhh*. The object of the syndicate is the breeding and improvement of farm stock; it may purchase, breed and sell thoroughbred stock, and purchase all products and implements connected with the breeding, feeding and hygiene of live stock.

Certain
clubs, &c.,
may take
shares.

" 1675*iii*. Farmers' clubs and agricultural societies may, with the permission of the Minister of Agriculture, take shares in such syndicate.

Number re-
quired to
form syndi-
cate.

" 1675*jjj*. At least ten associates are required to form a syndicate under this section.

Shares and
how payable.

" 1675*kkk*. The amount of each share is ten dollars, payable in yearly instalments of two dollars, the first on the day when the shareholder's name is registered and the others from

year to year on the same date. Any shareholder may pay the full amount of his shares in advance.

“ **1675lll.** The capital of a syndicate is variable. Capital.

“ **1675mmm.** The shares are in the name of the shareholder and are transferable on fulfilment of the formalities prescribed by the by-laws of the syndicate. Shares and their transfer.

“ **1675nnn.** The syndicate is constituted by a declaration in accordance with form A of this section, signed in duplicate by the founders in the presence of two witnesses. One of the duplicates is transmitted to the Minister of Agriculture who, if he deem advisable to authorize the formation of such syndicate, causes to be published without delay in the *Quebec Official Gazette* a notice, according to form B of this section, of the formation of such syndicate; and a notice drawn up according to form C of this section is at once sent to the prothonotary of the district and to the registrar of the registration division wherein the syndicate is formed. Declaration to form syndicate, how signed, &c.
Deposit of duplicate, &c.

“ **1675ooo.** The syndicate consists of the persons who have signed the declaration mentioned in article 1675nnn and of all those who may afterwards take shares in such syndicate. Who form part of syndicate.

“ **1675ppp.** From and after the publication of the aforesaid notice in the *Quebec Official Gazette*, the syndicate becomes a corporate body under the name given to it in such notice. When syndicate becomes incorporated.

The Minister may, with the consent of the board of directors, change the name of the syndicate by a notice published in the *Quebec Official Gazette*. Change of name.

The syndicate is empowered to acquire and hold lands which it may sell, lease or otherwise dispose of; but it cannot hold more than five hundred acres at a time. Power to acquire, &c., lands.

“ **1675qqq.** Any syndicate may have registered thoroughbred stock belonging to it sold by auction or otherwise by any person, whether licensed or not, and without payment of the duties levied by law in similar circumstances, and on such conditions as may be determined by the board of directors. Sale of stock by syndicate

“ **1675rrr.** The syndicate can keep, for breeding purposes, only registered thoroughbred stock, free from hereditary defects. What kind of stock to be kept by syndicate.

“ **1675sss.** The syndicate may receive premiums from agricultural societies and farmers' clubs for the use of breeding stock, &c. Premiums for breeding stock, &c.

stock on conditions to be determined in writing by the boards of directors of such various corporations.

Management of affairs.

“ **1675^{ttt}**. The affairs of the syndicate are managed by a board of management consisting of five directors.

Quorum of board.

Three of them shall constitute a quorum.

Term of office of directors, &c.

The directors hold office during the year immediately following the annual meeting and until the election of their successors. They are re-eligible.

Meetings when held.

They hold their meetings according to adjournment or to the notice of convocation given to them in writing by order of the president or, in his absence, of the vice-president or of two members of the board of management, three days at least before the day fixed for the holding of such meetings. Such notice may be given by registered letter addressed to each director and deposited in the post-office of the locality where the place of business of the syndicate is situated, at least three days before the meetings.

Notice.

Powers of board.

The directors have full power, at any meeting, to pass by-laws for the government of the syndicate and to amend and repeal the same, provided such by-laws do not conflict with those adopted at the general meetings of the shareholders of the syndicate.

Powers of board to pass certain regulations.

“ **1675^{uuu}**. 1. In accordance with the provisions of this section and of the by-laws of the syndicate, the board of management deliberates, transacts and enacts on all things connected with the interests of the syndicate and, in particular, it may:

a. Determine the particular conditions of every contract, taking special care that the interests of the syndicate be protected;

b. Borrow money;

c. Acquire moveables, live stock and immoveables and resell the same;

d. Authorize all legal and judicial proceedings.

Limit of borrowing power.

2. The total amount of the sums borrowed by a syndicate shall never exceed the amount of the subscribed shares.

President, &c., of board.

“ **1675^{vvv}**. The board of management chooses a president and vice-president among its members annually, at the first meeting following the annual general meeting.

President, &c., of syndicate.

The president and vice-president of the board of management are, at the same time, president and vice-president of the syndicate.

Secretary-treasurer and auditor.

The board of management appoints a secretary-treasurer and an auditor and fixes their remuneration.

" **1675xxx.** The president or, in his default, the vice-president of an agricultural society or farmers' club holding shares in the syndicate, may represent such associations at the general meetings of the shareholders of the syndicate and vote in the name of the associations respectively represented by them.

President of certain clubs, &c., may act in meetings of syndicate board.

" **1675yyy.** The services of the members of the board of management are gratuitous.

Services gratuitous.

" **1675zzz.** In the event of a vacancy in the board of management, the remaining members shall elect a director to fill such vacancy for the remainder of the term.

Vacancies in board.

" **1675aaaa.** Any director of a farmers' club or of an agricultural society holding shares in the syndicate may be appointed a director of the syndicate, and may continue to hold office as such until the election of his successor, even if he cease to be a director of such farmers' club or agricultural society.

Director of club, &c. may be director of syndicate.

" **1675bbbb.** 1. The general meeting consists of all the shareholders.

Composition of general meeting.

A general meeting shall be held every year on the second Wednesday of January, at ten o'clock in the forenoon at a place to be indicated by the directors.

When and where to be held.

The first meeting may be convened at any time by two shareholders, by depositing in the post-office of the locality where the syndicate's place of business is situated, a notice in a sealed and registered envelope addressed to each shareholder, at least eight days before the said meeting.

First meeting how convened.

2. General meetings shall afterwards be called by the president or, in his default, by the vice-president, by means of a notice contained in a registered letter addressed to each shareholder and sent at least eight days beforehand.

Calling of general meetings.

" **1675cccc.** The decisions of the general meeting are given by the majority of votes; when the votes are equally divided the president has a casting vote. Shareholders have one vote for every share they possess.

Decisions of meetings.

The general meeting may pass by-laws for the general management of the syndicate and all other by-laws that may be necessary, provided such by-laws are not contrary to the laws of this Province.

Powers of general meeting.

" **1675dddd.** The accounts of the syndicate are kept by the secretary-treasurer under the control of the board of management and are audited by the auditor.

Accounts and their auditing.

When to be closed. The accounts of the syndicate are closed every year on the thirty-first of December.

Statement to be drawn up respecting accounts, &c. Upon the closing of the fiscal term and during the first week of January, a statement of the syndicate's affairs is drawn up in duplicate by the secretary-treasurer, duly attested, and one of the duplicates is transmitted to the Minister of Agriculture.

Contents of statement and approval by auditor. " **1675eeee.** Such statement shall be approved by the auditor and contain:

a. The list of the associates on the thirty-first of December, the number of shares subscribed and the amount paid by each shareholder;

b. A summary statement of the assets and liabilities of the syndicate;

c. A statement of the year's operations, with an indication of the profits and losses;

d. All other information required for the purpose by the by-laws of the syndicate.

Determination of profits. " **1675ffff.** The general meeting, taking such statement as a basis, determines the amount of the profits which it shall allot.

Reserve fund, &c. The syndicate may have a reserve fund equal to the subscribed capital. So long as the syndicate does not have such reserve fund, the total amount of dividends allotted yearly shall not exceed six per cent. on the paid up capital.

Signature to contracts, &c. " **1675gggg.** All contracts, notes, cheques, orders or documents binding the syndicate shall be signed by the president or vice-president and by the secretary-treasurer duly authorized by the board of management.

Exemption from taxes. " **1675hhhh.** The property of the syndicate is exempt from all government taxes.

Dissolution of syndicate and liquidation. " **1675iiii.** If a syndicate cease for two years to own stock for breeding purposes and to comply with the requirements of this section, the Minister of Agriculture may, on application of the board of management, declare it dissolved, realize its property, use the proceeds to pay the debts of the syndicate, and divide the balance of the assets over the liabilities between the associates in proportion to the shares subscribed and paid up.

Responsibility and security of secretary-treasurer. " **1675jjjj.** The secretary-treasurer of every syndicate is responsible to the syndicate for all the moneys received by him as such, and he shall give security to the amount fixed by

the board of management, to the satisfaction of the president and vice-president of such syndicate.

The security shall be renewed whenever required by the syndicate and may be according to form D of this section." Renewal and form of security.

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

FORM A

ACT RESPECTING STOCK-BREEDING SYNDICATES

(Mentioned in art. 1675nnn)

The undersigned declare that they become members of a stock-breeding syndicate, with limited liability, under the name of The *Stock-Breeding Syndicate*, with its principal place of business at *(name of the place)* in the county of *(name of the county)*, and that they subscribe the amount of capital respectively indicated opposite their names.

Dated at _____, this _____ 19____
day of _____

Witnesses	Names	Sur- names	Occu- pation	Resi- dence	Number of shares of \$10.00

FORM B

NOTICE OF THE FORMATION OF A STOCK-BREEDING SYNDICATE PUBLISHED IN THE *QUEBEC OFFICIAL GAZETTE*.*(Mentioned in art. 1675nnn)*

Notice is hereby given that a stock-breeding syndicate has been formed in the county of _____ (or as the case may be) under the name of "The _____ Stock-breeding Syndicate."

Minister of Agriculture.

FORM C

NOTICE TO THE PROTHONOTARY AND TO THE REGISTRAR

(Mentioned in art. 1675nnn)

Notice is hereby given that a stock-breeding syndicate has been formed in the county of _____ (or as the case may be) under the name of "The _____ Stock-breeding Syndicate," the principal place of business whereof is in the parish of _____

Secretary.

FORM D

SECURITY-BOND OF SECRETARY-TREASURER

(Mentioned in article 1675jjjj)

Province of Quebec }

We, _____ residing in the _____ of _____ and _____ residing in the _____ of _____, bondsmen of _____ secretary-treasurer of The _____ Stock-breeding Syndicate, respectively acknowledge ourselves to be indebted to The _____ Stock-breeding Syndicate, hereof accepting through its president and vice-president, in the sum of _____ dollars for the use and profit of the said syndicate.

And by these presents we do bind ourselves, jointly and severally, our heirs and successors, one of us for the whole, without division or discussion, to the faithful and complete payment of the above mentioned sum in accordance with article 1675jjjj of the Revised Statutes.

The present bail-bond is made subject to the following conditions, viz:

In case the said _____ should well and truly fulfill all the duties and obligations imposed on him in his capacity of secretary-treasurer of The Stock-breeding Syndicate, in the county of _____ and should apply the moneys in his hands for the purposes and in the manner indicated by the board of management of the syndicate and according to law, and should render a faithful and honest account of the said moneys and of his operations as such secretary-treasurer—then and in such case the present bail-bond shall be void and of no effect; but, in the contrary case, it shall remain valid and binding for the purposes of article 1675jjjj of the Revised Statutes.

Done and signed, at _____, this _____ day of the month of _____, one thousand nine hundred and _____

Bondsman.

Bondsman.

Accepted by

The _____ President of
Stock-breeding Syndicate.

The _____ Vice-President of
Stock-breeding Syndicate.

CHAP. 21

An Act to amend the law respecting the protection of settlers and the establishment of Homesteads

[Assented to 9th March, 1906]

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

1. Article 1744 of the Revised Statutes, as enacted by the R. S., 1744, act 60 Victoria, chapter 27, section 1, is amended by adding amended. thereto the following clause:

“The owner of the Homestead may, however, under the Homestead same conditions and upon observing the same formalities as may be for its alienation, hypothecate it and thereby render it sub-hypothecated, &c. ject to seizure and sale.”

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