

- Object of syndicate. **5.** The association has for its object the protection and defence of agricultural interests.
- For that purpose it may buy, for re-sale to its associates only, articles necessary for the support of life or the works of their industry ; open up credits for them and make loans to them ; establish works in common for the associates or permit of their devoting themselves to processes of production and selling the products thereof either collectively or individually.
- Certain clubs &c., may subscribe to shares. **6.** Farmers' clubs and agricultural societies may, with the permission of the Minister of Agriculture, subscribe to shares in such syndicate.
- Number required to form syndicate. **7.** Ten associates at least are required to form a co-operative association under this act.
- Amount of shares. **8.** The amount of each share in the association shall be five dollars.
- Capital of association. **9.** The capital of the association shall be variable, being liable to increase by successive payments made by the associates, or the admission of new associates, and to decrease by the total or partial withdrawal of the contributions made ; provided always that the capital may never be reduced to an amount less than the figure established when it was founded.
- Transfer of shares. **10.** The shares shall be to order and can only be transferred according to the by-laws of the association.
- Association how constituted. **11.** The association shall be constituted by a declaration in conformity with schedule A of this act, signed in duplicate before two witnesses, by the members founding the same.
- Disposal of duplicate declarations. One of the duplicates shall remain in the archives of the association, and the other shall be transmitted, without delay, to the secretary-treasurer of the municipal council having jurisdiction over the municipality in which the head office of the association shall be situated ; which secretary-treasurer shall give an authentic copy thereof to any person requiring the same, the whole upon payment of the customary fees.
- Declaration by subsequent members. **12.** A similar declaration shall also be signed by any person subsequently becoming a member ; and the adherence of every new member shall be notified to the said secretary-treasurer at the end of each fiscal term by the production of the minutes hereinafter mentioned.

13. Saving the case of dissolution hereinafter provided for, each association shall continue for at least five years or five fiscal terms, to be computed from the first of January following the date of the foundation, each fiscal term corresponding to the calendar year and ending on the thirty-first of December. Duration of association.

14. The duration of the association may be prolonged for a new period, the length whereof shall be determined by the general meeting. Prolongation of association.

15. The active members of the association, in general meeting assembled, may pass by-laws which shall determine the conditions of the admission of new members, the manner and amount of the instalments to be paid, the system of accounting to be adopted, and in general all that concerns the internal management of the association. Power to pass by-laws for certain purposes.

A duplicate of such by-laws and of the amendments thereto shall be deposited in the office of the municipal council as above mentioned. Deposit of duplicate of by-laws, &c.

16. The association shall be managed by a board, known as the board of management, composed of five members. Board of management.

They shall execute their mandate during the year immediately following the annual meeting and until the election of their successors ; they may be re-elected. Duration of board, &c.

17. (1) The board of management, within the limits of this act and the by-laws of the association, deliberates, transacts, compromises and enacts upon everything connected with the interests of the association, and, especially, may : General powers of board of management, &c.

(a). Settle the special conditions of any contract, particularly seeing that the interests of the association be fully secured ;

(b). Borrow money and lend it to the associates ;

(c). Take hypothecary security for the profit of the association and give discharges therefor ; acquire immoveable property by sale with faculty of redemption or otherwise, and resell the same, either publicly or privately ;

(d). Represent the association, either as plaintiff or defendant, in any judicial proceeding ; take appeals, and carry out any seizure of moveable or immoveable property under execution until it is satisfied.

2. The total amount of the sums borrowed by any syndicate shall not at any time exceed twice the amount of its paid up and unimpaired capital. Limit of borrowing power.

Officers of board, &c., their appointment.

President and vice-president of association.

18. The board of management annually chooses among its members, at its first meeting after the annual general meeting, a president, a vice-president and a manager.

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

Board's special duties.

19. The board of management's special duty is :

(a) To cause to be deposited in the office of the secretary-treasurer of the municipality the duplicate of the declaration mentioned in article 12, as well as the duplicate of the by-laws and of the amendments thereto ; and also the names of those who under any title are charged with its management or direction ;

(b) To supervise the condition of the funds and the book-keeping.

Meetings of board.

20. The board meets at least once every month, upon being convened by the president, the vice-president, the manager or by two members of the board.

Board of supervision.

21. In addition to the board of management, the general meeting appoints from amongst its members a " board of supervision " of three members. They execute their mandate during the year immediately following the annual meeting and until the election of their successors ; they may be re-elected.

Powers and duties of board of supervision, &c.

22. The board of supervision oversees the board of management in all the details of its management. It shall have a right to inspect, at any time, all the acts and the keeping of the books of the association, and to require the production of the cash in hand.

Whenever a member of the board of management shall borrow from the association or become security for any borrower, it shall be necessary that the loan be previously approved by at least two members of the board of supervision.

The board of supervision or two of its members may, at any time, convene an extraordinary general meeting of the association.

The proceedings of the board of supervision are entered in registers kept and written up by the manager.

Services of members of boards gratuitous.

23. The services of the members of the board of management and of the board of supervision are gratuitous.

24. In case of a vacancy in the board of management or in the board of supervision, the remaining members of each board shall have the right to provide a substitute for the remainder of the term.

Vacancies in boards.

25. The general meeting of the association is composed of all the associates. It shall be constituted whatever be the number of members present.

Composition of general meeting.

The associates can cause themselves to be represented thereat by an associate.

Proxies allowed.

26. The decisions of the general meeting are given by the majority of votes ; in case the votes are equally divided the president has a casting vote.

Decisions of general meeting.

27. The general meeting shall *de jure* meet each year between the first and fifteenth of January to take cognizance of the annual report for the term ended on the previous thirty-first of December, and to consider generally the business of the association.

Annual general meeting and its duties.

Such meeting shall be convened by public notice given in the manner prescribed for municipal notices in the locality.

Notice convening.

The first meeting held for the organization of a newly formed syndicate and for the election of officers, may be held at any time ; but the public notice in such case shall be signed by the mayor or by a councillor of the municipality in which the syndicate is to have its head office. The person who has so convened such first meeting has the right to preside over it until the election of the president. The officers elected at such meeting shall remain in office during the current year, and in all cases until the election of their successors.

First meetings to organize syndicates,

Notice convening, officer to preside.

Term of office of persons then elected.

28. The general meeting appoints, from among the associates, the members of the board of management and of the board of supervision.

Appointment of members of boards.

29. It decides upon the continuation of the association, its dissolution or the amendment of the by-laws. It reverses or approves the decisions of the board of management whenever there is an appeal therefrom for that purpose by two associates ; provided that the contracts entered into with third parties be not affected.

Powers of general meeting.

Amendments to the by-laws can only be validly voted by three-fourths of the associates present, at a meeting specially adjourned for that purpose to a future date.

The dissolution before the term fixed cannot be decided upon, if at least ten members object thereto.

Appointment of liquidators. **30.** The meeting which decides upon the dissolution shall appoint one or three liquidators by a mere majority vote.

Extraordinary meetings and convocation thereof. **31.** In addition to the annual general meeting in January, extraordinary meetings may be held and convened in the same manner, at any time, either upon the decision of the board of management, of two members of the board of supervision or upon the requisition of one tenth of the associates.

Notice therefor. The manager, in every such case, shall convene the association by public notice, as mentioned in article 27.

Convening by president, &c. The president himself or the vice president may also convene the meeting.

What to come before meeting. At such extraordinary meeting, no subjects shall be considered except those specially announced in the notice.

Meetings may be held on Sundays, &c. **32.** General meetings, either annual or extraordinary, as well as meetings of the board of management and of the board of supervision, may be validly held on Sundays or holidays.

Keeping of accounts. **33.** The by-laws of the association shall determine upon the manner of keeping accounts to be followed in the management of the business.

Who keeps accounts. **34.** The accounts shall be kept by the manager according to the said by-laws, under the control of the board of management.

Closing of accounts. The accounts of the association shall be closed every year on the thirty-first of December.

Report upon closing of accounts. **35.** Upon the closing of the fiscal term and during the first week of January a report of the situation shall be prepared in duplicate by the manager, duly attested, and a duplicate thereof shall be deposited in the office of the secretary-treasurer of the municipality.

What report to contain. **36.** Such report shall contain :

(a) The list of the associates upon the thirty-first of December ;

(b) A separate and distinct list of the members admitted or withdrawn during the last fiscal term ;

(c) A summary statement of the assets and liabilities of the association ;

(d) A statement of the operations of the year, with an indication of the profits and losses ;

(e) All other information required for the purpose by the by-laws of the association.

- 37.** The correctness of such report shall be attested on oath before a justice of the peace by the manager Attestation of report.
- 38.** The general meeting, taking the report as a basis, determines the amount of the profits which it shall allot. Determination of profits.
- 39.** Any person, whether a member of the association or not, may obtain from the secretary-treasurer of the municipality, on paying him the requisite fees, a copy of all documents concerning a co-operative association, which may be in the possession of the said secretary-treasurer. Copy of documents may be obtained from secretary-treasurer of municipality.
- 40.** The associates cannot under any pretext apply for the affixing of seals upon the books and property of the association, nor demand the division or licitation of its property, nor interfere in any manner with the management. They shall, for the exercise of their rights, be bound by the decisions of the general meeting. Seals not to be affixed to association's property.
- 41.** During the first six months of the fiscal year, any member may withdraw therefrom, by sending a notice or a mere letter notifying the president or vice-president or manager of the association to that effect. Withdrawal of members.
- Such withdrawal and the date upon which it shall be given shall be regularly noted in the registers of the association. Any omission of this formality shall constitute an infringement of the law on the part of such president, vice-president or manager. Entry of notice of such withdrawal.
- 42.** The board of management may dismiss any member who has not carried out his engagements with the association. Dismissal of member in certain event.
- It may also dismiss from the association any member who has been convicted of a criminal offence, who refuses to comply with the provisions of the by-laws, whose private life is a source of scandal, or who becomes insolvent, bankrupt or interdicted.
- The minutes of the meeting of the board of management respecting the dismissal of any associate shall set forth the facts giving rise to such dismissal, and a true copy shall be addressed to the dismissed associate within two days by registered letter.
- 43.** No associate who has withdrawn or been dismissed can demand the liquidation of the association. Effect of withdrawal or dismissal.
- After the general meeting shall have determined upon the accounts of the fiscal term during which the withdrawal was effected or the dismissal pronounced, the balance of the account of the share of such associate shall be transferred to current account.

The amounts entered on the current account of associates who have withdrawn or been dismissed, shall be paid to them as soon as the funds realized by the association, not absorbed by the association's debts then exigible, are paid in. The payments shall be made in the order of the withdrawal, or dismissal, without prejudice to the provisions of article 9 as to the minimum figure of the capital.

- 44.** Every associate who has withdrawn or been dismissed, remains personally liable for all engagements entered into, up to the amount of the unpaid part of his shares.
- 45.** In case of the death, insolvency, bankruptcy or interdiction of an associate, his heirs, creditors or representatives shall recover his share in the manner determined by article 43 ; provided always that the capital cannot be reduced under the amount of the original capital as declared in article 9.
- 46.** All extracts from minutes, all contracts, promissory notes, cheques, orders or documents binding the association, shall be signed by the president or the vice-president and by the manager.
- 47.** In all deeds, bills of parcels, advertisements, publications and other printed or written documents issued by a syndicate, mention must always be made legibly and in full that such association exists under the present act.
- 48.** Agricultural syndicates regularly organized under this act may freely agree to unite in a joint action to protect their common interests.
- 49.** The members entrusted with the management or direction of the syndicate are personally liable for the wrongs done by the violation of this act.
- 50.** This act may be cited as the "Quebec Agricultural Syndicates' Act, 1902."
- 51.** This act shall come into force on the day of its sanction.

SCHEDULE A

QUEBEC AGRICULTURAL SYNDICATES' ACT, 1902

The undersigned declare that they become members of a co-operative association with limited liability, under the name of The (*Ploughmen's*) Agricultural Syndicate, with its head office at (*name of the place*) in the county of (*name of the county*) and that they subscribe the number of shares respectively indicated opposite their names.

Dated at _____, this _____, 19 .

Name.	Surname.	Occupation.	Residence.	Number of shares.

Witness.