



NATIONAL ASSEMBLY

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Bill 228

(Private)

An Act to amend the Act respecting the charter of the Coopérative fédérée de Québec

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(Private)

AN ACT TO AMEND THE ACT RESPECTING THE CHARTER OF THE COOPÉRATIVE FÉDÉRÉE DE QUÉBEC

WHEREAS it is in the interest of the Coopérative fédérée de Québec and of its members that its charter, chapter 116 of the statutes of 1968 as amended by chapter 93 of the statutes of 1973, chapter 109 of the statutes of 1977, section 324 of chapter 26 of the statutes of 1982, chapter 137 of the statutes of 1986 and chapter 87 of the statutes of 1995, be again amended

— to allow the Coopérative fédérée de Québec, hereinafter called “the association”, to admit as a member a cooperative, a federation of cooperatives, a confederation of federations of cooperatives, a mutual assistance body, a person or a group of persons constituted under an Act of Québec or of another legislative authority and carrying on an activity consistent with those of the association ;

— to delegate to the general meeting of the members of the association the power, by by-law, to weight the number of members of member associations and of sections according to the nature of their activities, the qualifications required to become a member of the association or section, the amount of business transacted with the association or the nature of the decisions, resolutions and by-laws to be made, adopted or passed, including the election of directors, in the determination of the number of delegates and the number of votes assigned to each delegate, to which the associations and sections are entitled to represent them at the general meetings of the association for the purpose of protecting the agri-food vocation of the association and the cooperative agri-food heritage of Québec that the association represents ;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

1. Section 2 of the Act respecting the charter of the Coopérative fédérée de Québec (1968, chapter 116) is amended by adding the following paragraph :

“However, the general meeting of the members may by by-law change the name of the association in accordance with the provisions of Chapter XV of the Cooperatives Act (R.S.Q., chapter C-67.2), with the necessary modifications.”

2. Section 6 of the said Act is amended by replacing “16” in the first and second paragraphs by “17”.

3. Section 7 of the said Act is amended by replacing “a cooperative governed by the Cooperatives Act (R.S.Q., chapter C-67.2)” in the second paragraph by “an association”.

4. Section 14 of the said Act is repealed.

5. Section 15 of the said Act is replaced by the following section :

“15. The following may be members :

(a) a cooperative, a federation of cooperatives, a confederation of federations of cooperatives or a mutual assistance body, having a domicile or a place of business in Québec or elsewhere, created under the laws of Québec, of Canada or of another legislative authority, and whose aims or activities are consistent with those of the association and hereinafter called “Association”;

(b) a person or group of persons that, in Québec or elsewhere, carries on an agricultural or agri-food activity or an activity consistent with the aims and activities of the association.”

6. Section 16 of the said Act is repealed.

7. Section 17 of the said Act is replaced by the following section :

“17. To become and remain a member :

(a) an association must subscribe and pay for the number and the par value of the qualifying shares determined by by-law of the general meeting of the members of the association; however, the class of those qualifying shares, their privileges, rights, priorities, restrictions, limitations and conditions of redemption as well as the terms and conditions of payment of the subscription price are those determined by the board of directors.

The number and the par value of the qualifying shares that an association must subscribe and pay for to be a member of the association may vary according to the nature of its activities or the qualifications required to be a member;

(b) a person other than an association must subscribe and pay for the number and the par value of qualifying shares determined by by-law of the board of directors of the association.

The class of those qualifying shares, their privileges, rights, priorities, restrictions, limitations and conditions of redemption as well as the terms and conditions of payment of the subscription price are those also determined by the board of directors of the association.

The number and the par value of the qualifying shares that a person other than an association must subscribe and pay for to be a member of the association may vary according to the nature of its activities.”

8. Section 18 of the said Act is replaced by the following section :

“18. In addition to subscribing and paying for the number of qualifying shares determined under section 17, an association or a person eligible to become a member of the association must, in order to become a member,

(a) apply for membership ;

(b) sign a shareholder’s contract the provisions of which must be approved by the board of directors of the association. However, the provisions of the shareholder’s contract may differ for each association or other member, according to the nature of its activities or, in the case of an association, according to the qualifications required to become a member ;

(c) sign any contract to do business, purchase or sell in conformity with the nature of the operations of the association ;

(d) undertake to comply with the by-laws of the association ; and

(e) be admitted as a member by the board of directors of the association.”

9. Section 19 of the said Act is amended by replacing paragraph *o* by the following paragraph :

“(o) retain, for the recovery of any claim it has against a person and up to the amount of the claim, any amounts it may owe the person, or confiscate the shares of the capital stock of the association held by the person and effect compensation.”

10. Section 20 of the said Act is amended in the French text by replacing “assemblée spéciale” by “assemblée extraordinaire”.

11. Section 22 of the said Act is amended in the French text by replacing “spéciale” by “extraordinaire”.

12. Section 23 of the said Act is amended by replacing “special general meeting” by “special meeting”.

13. Section 29 of the said Act is replaced by the following section :

“29. The associations and sections shall be represented at general meetings of the members of the association by delegates of which the number as well as the number of votes assigned to each delegate shall be determined by by-law of the general meeting of the members of the association, in accordance with section 31.”

14. Section 30 of the said Act is replaced by the following section :

“30. The association shall, by by-law passed by the general meeting of the members, determine

(1) the manner in which the associations and sections are represented at general meetings ;

(2) the number of delegates and the number of votes assigned to each delegate to which an association or section is entitled, and the manner in which they are established.

To that end, the association may determine a minimum and a maximum number of delegates and a minimum and a maximum number of votes to be assigned to each delegate to which an association or section is entitled ;

(3) the qualifications a person must have to be a delegate.

The qualifications required to be a delegate may vary according to the nature of the activities, the associations and sections or the qualifications required to be a member thereof.”

15. Section 31 of the said Act is replaced by the following sections :

“31. The number of delegates and the number of votes assigned to each delegate to which an association or section is entitled and the manner in which they are determined may be established

(a) on the basis of the number of members of each association or section ;
or

(b) on the basis of the number of members of each association or section and the participation of the association or section in the business of the association.

In such a case, the number of units related to participation in business used to determine the number of delegates or the number of votes to which each delegate is entitled shall not be greater than the number of units related to the number of members ;

and may vary according to the nature of the activities of the associations and sections or according to the qualifications required to be a member.

“31.1. The number of votes assigned to the delegates of associations or sections may also vary according to the nature of the decisions to be made and the resolutions to be adopted by the general meeting of the members, in particular the election of the directors of the association.

“31.2. Upon the determination of the number of delegates of the sections and associations and the number of votes to which each delegate is entitled under sections 30, 31 and 31.1 of this Act, the proportion of units related to the number of members and to the amount of business transacted with the association by the sections and associations that are cooperatives constituted under the Cooperatives Act (R.S.Q., chapter C-67.2), the majority of whose members are farm producers carrying on a farming or agri-food business or a business of furnishing goods and services required for agricultural activities, shall not be less than that of any other association or section.”

16. Section 34 of the said Act is amended by striking out the second paragraph.

17. Section 35 of the said Act is replaced by the following section :

“35. In the case of a special meeting of the members of the association, the number of delegates and the number of votes assigned to each delegate to which an association or section is entitled shall be that to which the association or section was entitled at the last annual general meeting of the members of the association.”

18. Section 37*a* of the said Act is replaced by the following section :

“37*a*. At least 30 days before each general meeting, the secretary of the association shall issue a certificate establishing :

(*a*) the number of units used for establishing the number of delegates ;

(*b*) the total number of delegates to which each association or section is entitled, the number of votes assigned to each, and the qualifications required to be a delegate.”

19. Section 37*b* of the said Act is repealed.

20. Section 41 of the said Act is replaced by the following section :

“41. The board of directors shall meet at the call of the president, either of the two vice-presidents or two directors. Unless otherwise provided in the by-laws of the board of directors of the association, the meeting is called on six days' notice.”

21. Section 42 of the said Act is replaced by the following section :

“42. Subject to the by-laws of the board of directors of the association, the directors may, if a majority of them agree, take part in a meeting of the board by means of telephone or other communications equipment enabling all participants to hear one another. The participants are, in such a case, deemed to have attended the meeting.”

22. Section 44 of the said Act is amended by replacing “special general meeting” by “special meeting”.

23. Section 47 of the said Act is amended by replacing “general meeting specially called for such purpose” by “special meeting”.

24. Section 63 of the said Act is amended in the French text by replacing “l’assemblée spéciale” by “une assemblée extraordinaire”.

25. This Act comes into force on 16 June 2000.