

C.C.S.M. c. A10

The Agricultural Credit Corporation Act

(Assented to July 14, 1999)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Manitoba, enacts as follows:

PART 1

DEFINITIONS AND INTERPRETATION

Definitions

1 In this Act,

"agricultural enterprise" means an undertaking or operation that

(a) relates to farming or to the processing, manufacturing or marketing of any agricultural product or commodity, or

(b) is of a kind that is designated as an agricultural enterprise in the regulations;
(« entreprise agricole »)

"board" means the board of directors of the corporation; (« conseil »)

"borrower" means a person to whom a loan is made by the corporation or to whom a guaranteed loan is made by another lender; (« emprunteur »)

"corporation" means The Manitoba Agricultural Credit Corporation; (« Société »)

"director" means a member of the board appointed under subsection 5(1), and does not include the general manager; (« administrateur »)

"farming" means

(a) the growing of plant crops of any kind,

(b) the raising or keeping of livestock,

(c) aquaculture, and

(d) any other activity undertaken to produce an agricultural product or commodity that the corporation determines to be farming; (« activité agricole »)

"general manager" means the general manager of the corporation; (« directeur général »)

"guaranteed loan" means a loan made to a farmer or other eligible borrower by a lender other than the corporation and guaranteed by the corporation under Part 3; (« prêt garanti »)

"livestock" includes

(a) horses, cattle, sheep, swine, goats, poultry, bees, fur breeding stock, bison and wild boar,

(b) elk that are game production animals within the meaning of *The Livestock Industry Diversification Act*, and

(c) any other animal designated as livestock in the regulations; (« animaux de ferme »)

"minister" means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Act. (« ministre »)

Determination of farmer

2 The corporation shall determine who is a farmer for the purposes of this Act.

PART 2

OBJECTS, ORGANIZATION AND POWERS OF THE CORPORATION

Corporation continued

3 The Manitoba Agricultural Credit Corporation is continued as a body corporate consisting of the directors appointed under this Act.

Objects

4 The objects of the corporation are to assist farmers in obtaining credit and to assist in the development and diversification of farms and other agricultural enterprises in the province.

Board of directors

5(1) The business and affairs of the corporation shall be managed by a board of directors consisting of not fewer than five and not more than nine members appointed by the Lieutenant Governor in Council.

Composition of board

5(2) In determining the composition of the board, the Lieutenant Governor in Council shall consider the corporation's need for directors with particular expertise or experience, including, without limitation, experience in relation to agricultural enterprises.

Term of office

5(3) A director shall be appointed to hold office for a term of not more than three years.

Term continues

5(4) Despite subsection (3), a director shall continue to hold office until he or she is reappointed, a successor is appointed or the appointment is revoked.

Limitation on terms

5(5) Where a director has served consecutive terms totalling six years or more, he or she shall not be reappointed as a director.

Designation of officers

6 The Lieutenant Governor in Council shall designate one director as chairperson of the board and another as vice-chairperson of the board.

Duties of vice-chairperson

7 In the absence or incapacity of the chairperson, or if there is a vacancy in that office, the vice-chairperson may act in place of the chairperson.

Remuneration of directors

8 The corporation shall pay each director such remuneration as may be authorized by the Lieutenant Governor in Council, and any travelling and other out-of-pocket expenses necessarily incurred by him or her in discharging his or her duties.

Quorum of board

9 A majority of the directors constitute a quorum for the transaction of business at meetings of the board.

By-laws

10 The board may pass by-laws for the regulation of its proceedings and generally for the conduct and management of the business and affairs of the corporation.

Appointment and responsibilities of general manager

11(1) Subject to the approval of the Lieutenant Governor in Council, the corporation may appoint a general manager who shall be the corporation's chief executive officer and who, under the control and direction of the board, shall be responsible for the overall management

and day-to-day operations of the corporation and the supervision and direction of the corporation's staff.

General manager *ex officio* member of board

11(2) The general manager is an *ex officio*, non-voting member of the board.

Appointment of officers and staff

12 The corporation may

- (a) appoint such officers and employ such staff as are necessary to carry on the business and affairs of the corporation;
- (b) determine the duties of its officers and employees and the terms and conditions of their employment; and
- (c) determine the salaries, the non-salary benefits and the travel and other expenses of its officers and employees.

Protection from liability

13 No member of the board of directors, no employee of the corporation and no person acting under the instructions of any of them or under the authority of this Act or the regulations is personally liable for any loss or damage suffered by any person by reason of anything done or omitted to be done in good faith in the exercise or purported exercise of any power conferred by this Act or the regulations.

Capacity of corporation

14(1) The corporation has the capacity, rights and powers of a natural person for carrying out its objects.

Specific powers of corporation

14(2) Without limiting the generality of subsection (1), the corporation has the power to

- (a) acquire, hold and sell or otherwise dispose of real and personal property for use in the operation and management of its business and affairs;
- (b) acquire, by foreclosure or other proceedings or in any other manner, any interest in real or personal property that is collateral under security for a loan made by the corporation or a guaranteed loan;
- (c) receive real or personal property in settlement of debts owed to the corporation;
- (d) hold, exchange, lease, sell or otherwise dispose of any property referred to clauses (b) and (c);

(e) take, accept, acquire, hold, sell, transfer, or otherwise in any way deal with, security of any kind and in any form acceptable to the corporation;

(f) realize on security, and collect debts owed to it, in the same manner as a private individual;

(g) engage the services of appraisers, consultants, counsellors or other persons who may be necessary in the conduct of the corporation's business and affairs; and

(h) take any steps and do anything that the corporation considers necessary or advisable to protect its interests.

Non-application of Part XXIV of Corporations Act

15(1) Part XXIV of *The Corporations Act* does not apply to the corporation.

Conflicts with Corporations Act

15(2) Where any provision of this Act conflicts with any provision of *The Corporations Act*, the provision of this Act prevails.

PART 3

BUSINESS OF THE CORPORATION

Authority for loans, guarantees, etc.

16 Subject to such terms and conditions as the corporation considers appropriate, it may

(a) make loans to farmers and other eligible borrowers;

(b) guarantee loans made by other lenders to farmers and other eligible borrowers; and

(c) make equity investments in agricultural enterprises providing rights, interests or shares in assets, earnings or profits;

in order to achieve its objects.

Security

17 The corporation shall take such security as it considers necessary or advisable to secure repayment of each loan made by it.

Subrogation

18 If the corporation makes a payment to a lender under a guarantee, the corporation is subrogated as against the borrower to all rights, remedies and securities of the lender with respect to the loan, to the extent of the payment.

PART 4

FINANCES OF THE CORPORATION

Advances to corporation

19 Subject to *The Financial Administration Act* and such conditions as the Lieutenant Governor in Council may approve, the Minister of Finance may advance to the corporation out of the Consolidated Fund such money as the corporation requires from time to time for the purposes of achieving its objects.

Loans by government

20(1) To the extent permitted by any Act of the Legislature, the Lieutenant Governor in Council may authorize the raising by way of loan, in the manner provided in *The Financial Administration Act*, of such amounts as the Lieutenant Governor in Council may approve for any of the purposes of the corporation under this Act, and such amounts may be advanced by the government to the corporation.

Repayment by corporation

20(2) The corporation shall repay all money received by it from the government under subsection (1) at such times and on such terms as the Lieutenant Governor in Council may direct, together with interest on such money as determined by the Lieutenant Governor in Council.

Power of corporation to borrow

21 With the prior approval of the Lieutenant Governor in Council, the corporation may borrow or otherwise raise money to achieve its objects.

Administration of funds

22(1) The corporation shall account to the minister for the due expenditure and administration of the money advanced to it under this Act, as the minister may require.

Audit of accounts

22(2) The accounts of the corporation shall be examined, checked and audited by the Auditor General at least once in relation to each fiscal year of the corporation.

Fiscal year

22(3) The fiscal year of the corporation shall begin on April 1 and end on March 31 of the following year.

S.M. 2001, c. 39, s. 31.

PART 5

GENERAL PROVISIONS, REPEAL AND COMING INTO FORCE

Annual report

23 Not later than September 30 in each year, the corporation shall submit to the minister a report of its operations during the fiscal year ending on March 31 in that year, and the minister shall lay a copy of the report before the Legislative Assembly within 15 days after receiving it if the Assembly is sitting or, if it is not, within 15 days after the beginning of the next sitting.

Other programs

24(1) The corporation has all the powers necessary to

- (a) administer any agricultural or other government program; and
- (b) to carry out any duties or functions in relation to such a program;

that may be assigned to it by the Lieutenant Governor in Council.

Regulations in relation to other programs

24(2) The Lieutenant Governor in Council may make regulations respecting a program to be administered by the corporation under subsection (1).

Regulations

25 With the approval of the minister, the corporation may make regulations

- (a) respecting loans and guarantees;
- (b) respecting the eligibility of persons seeking to qualify as borrowers;
- (c) respecting applications for loans and guarantees, including the conditions to be met by applicants;
- (d) respecting interest on loans and guarantees;
- (e) respecting security for loans and guarantees;
- (f) respecting the duties and obligations of a borrower during the period that his or her indebtedness under a loan or guarantee is outstanding;
- (g) respecting the corporation's making of equity investments in agricultural enterprises;
- (h) designating kinds of undertakings and operations as agricultural enterprises;
- (i) designating kinds of animals as livestock;
- (j) defining any word or phrase used but not defined in this Act;
- (k) respecting any matter necessary or advisable to carry out the purpose of this Act.

C.C.S.M. reference

26 This Act may be referred to as chapter A10 of the *Continuing Consolidation of the Statutes of Manitoba*.

Repeal

27 *The Agricultural Credit Corporation Act*, R.S.M. 1987, c. A10, is repealed.

Coming into force

28 This Act comes into force on the day it receives royal assent.