

chapter C-67.2

COOPERATIVES ACT

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TITLE I

PROVISIONS APPLICABLE TO COOPERATIVES

CHAPTER I

APPLICATION AND INTERPRETATION

1. This title applies to every cooperative constituted, continued or resulting from an amalgamation under this Act or governed by the Cooperative Associations Act (chapter A-24) or the Act respecting cooperative agricultural associations (chapter S-24) before their replacement by this Act.

1982, c. 26, s. 1; 1995, c. 67, s. 173.

2. Cooperatives whose objects come under the legislative authority of Québec may be constituted under this title; however, no cooperative may be constituted under this title to engage in trust company activities within the meaning of the Trust Companies and Savings Companies Act (chapter S-29.02) or deposit institution activities within the meaning of the Deposit Institutions and Deposit Protection Act (chapter I-13.2.2), for investment or venture purposes, or for purposes provided for in the Act respecting financial services cooperatives (chapter C-67.3).

1982, c. 26, s. 2; 1988, c. 64, s. 587; 1993, c. 75, s. 47; 1995, c. 67, s. 1, s. 173; 2000, c. 29, s. 722; 2003, c. 18, s. 1; 2018, c. 23, s. 751

3. A cooperative is a legal person in which persons or partnerships having economic, social and cultural needs in common unite for the prosecution of an enterprise according to the rules of cooperative action to meet those needs.

1982, c. 26, s. 3; 1995, c. 67, s. 165; 2003, c. 18, s. 2.

4. The rules of cooperative action are as follows:

(1) membership of the cooperative is subject to the member actually using the services offered by the cooperative and to the cooperative's ability to provide him with them;

(2) no member is entitled to more than one vote, irrespective of the number of shares held, or to vote by proxy;

(3) the payment of interest on the capital stock must be limited;

(4) a reserve must be established;

(5) the surplus earnings or operating surplus must be allocated to the reserve and to rebates to members in proportion to the business carried on between each of them and the cooperative, or to other accessory purposes determined by law;

(6) cooperation must be promoted among the members, between the members and the cooperative and between the cooperative and other cooperative organizations;

(7) the training of the members, directors, executive officers and employees of the cooperative in the field of cooperation must be promoted and the public must be informed of the nature and advantages of cooperation;

(8) cooperatives must support development efforts in their community.

1982, c. 26, s. 4; 1995, c. 67, s. 2; 2003, c. 18, s. 3.

CHAPTER II

REPRESENTATION OF THE COOPERATIVE BEFORE ITS CONSTITUTION

1995, c. 67, s. 171.

5. A cooperative is bound by any deed performed in its interest before its constitution, provided it ratifies the deed after its constitution.

The ratification transfers to the cooperative the rights and obligations of the party who performed the deed, but does not of itself effect a novation; moreover, the person who performed the deed has the same rights and is bound by the same obligations as a mandatary of the cooperative.

1982, c. 26, s. 5; 1995, c. 67, s. 171; 2003, c. 18, s. 4.

6. The person who performs a deed in the interest of a cooperative before its constitution is bound by that deed unless the contract entered into for the cooperative includes a clause excluding or limiting his liability and a statement to the effect that the cooperative might not be constituted or might not assume its obligations.

1982, c. 26, s. 6; 1995, c. 67, s. 171, s. 173.

CHAPTER III

CONSTITUTION OF THE COOPERATIVE

1995, c. 67, s. 171.

7. A minimum of five founders is required to request the constitution of a cooperative. The request is made by means of an application for constitution addressed to the Minister.

The founders must have common needs that can be met by the cooperative and be capable of actually being users of the services the cooperative provides, and they must meet the requirements of paragraph 1 of section 4.

1982, c. 26, s. 7; 1995, c. 67, s. 171; 2003, c. 18, s. 5; 2015, c. 3, s. 1.

8. A minor may be a founder of a cooperative whose object concerns him. However, if he is 14 years of age or over, the minor is, in that respect, deemed to be a person of full age.

1982, c. 26, s. 8; 1995, c. 67, s. 3; 2003, c. 18, s. 6.

9. The articles of the cooperative must set out

- (1) its name;
- (2) *(paragraph repealed)*;
- (3) the object of its constitution;
- (4) *(paragraph repealed)*;

(5) the name and domicile of each founder and, where applicable, the name of the founding partnership with the name and domicile of its members, or the name and domicile of the founding legal person together with the Act under which it is constituted.

1982, c. 26, s. 9; 1993, c. 48, s. 357; 1995, c. 67, s. 4, s. 171; 2003, c. 18, s. 7.

10. The articles may set out any other provision permitted by law to be set out in the by-laws, in addition to the provisions permitted by this Act to be set out.

1982, c. 26, s. 10.

11. The application, signed by the founders, and the articles must be sent to the Minister.

1982, c. 26, s. 11; 1993, c. 48, s. 358; 2003, c. 18, s. 8; 2015, c. 3, s. 2.

12. The following documents must accompany the application and the articles:

- (1) *(paragraph repealed)*;
- (2) a notice of the name and domicile of the person designated as provisional secretary of the cooperative;
- (3) a notice of the manner and time in which the organization meeting will be called;
- (4) a notice of the domicile of the cooperative;
- (4.1) a document describing the cooperative's business plan and the needs it can meet;
- (5) any other document or information required by the Minister for the examination of the application.

1982, c. 26, s. 12; 1995, c. 67, s. 5, s. 171; 2003, c. 18, s. 9; 2015, c. 3, s. 3.

13. On receiving the application, the articles, the documents accompanying them, the fees prescribed by government regulation and any other document or information required by the Minister, the Minister shall send a notice to the Conseil québécois de la coopération et de la mutualité advising it of the application for constitution, together with a copy of the application and of the articles. Not later than 15 days after the sending of the notice or as soon as the Conseil has responded, the Minister may, if he deems it advisable, constitute the cooperative.

For that purpose, the Minister

- (1) shall endorse on the articles the words “cooperative constituted” and the date of constitution, followed by his signature or that of his designee;
- (2) registers the application and the articles;
- (3) sends a copy of the articles to the cooperative or its representative;
- (4) sends a certified copy of the articles accompanied with the notices referred to in paragraphs 2 and 4 of section 12 to the enterprise registrar, who deposits them in the register referred to in Chapter II of the Act respecting the legal publicity of enterprises (chapter P-44.1).

However, the notices prescribed in paragraphs 2 and 4 of section 12 need not accompany the articles if a certified copy of the articles is sent to the enterprise registrar with the initial declaration under the Act respecting the legal publicity of enterprises.

1982, c. 26, s. 13; 1993, c. 48, s. 359; 1995, c. 67, s. 6, s. 171, s. 172, s. 173; 2002, c. 45, s. 295; 2003, c. 18, s. 10; 2010, c. 7, s. 282; 2015, c. 3, s. 55; 2015, c. 3, s. 4.

14. From the date indicated in the articles of constitution, the cooperative is a legal person.

1982, c. 26, s. 14; 1995, c. 67, s. 7, s. 171.

CHAPTER IV

NAME OF COOPERATIVE

1995, c. 67, s. 8.

15. The name of the cooperative must be in accordance with section 17 of the Act respecting the legal publicity of enterprises (chapter P-44.1).

1982, c. 26, s. 15; 1993, c. 48, s. 360; 1995, c. 67, s. 166; 2003, c. 18, s. 11; 2010, c. 7, s. 211.

16. The name of a cooperative must, to indicate the cooperative nature of the enterprise, include the term “cooperative”, “cooperation” or “coop”.

No person or partnership may include any of those terms in its name or use them with reference to itself.

1982, c. 26, s. 16; 1995, c. 67, s. 9; 2003, c. 18, s. 12.

17. The Minister may order a cooperative to change its name if it is not in conformity with the laws and regulations in force when it was granted.

1982, c. 26, s. 17; 1995, c. 67, s. 166.

17.1. Before rendering a decision, he must give all interested parties an opportunity to submit their observations.

1993, c. 48, s. 361.

18. If the cooperative fails to comply with an order of the Minister within 60 days of its notification, the Minister may assign another name to it *ex officio*.

1982, c. 26, s. 18; 1995, c. 67, s. 166; I.N. 2016-01-01 (NCCP).

19. Where the Minister assigns a name to a cooperative *ex officio*, he shall issue a certificate in triplicate establishing the change.

The Minister shall register one copy of the certificate, send one copy to the cooperative and transmit the third copy to the enterprise registrar, who shall deposit it in the register. The change has effect on the date appearing on the certificate.

1982, c. 26, s. 19; 1993, c. 48, s. 362; 1995, c. 67, s. 166; 2002, c. 45, s. 295.

20. A cooperative may identify itself under a name other than the name appearing in its articles. It must file a declaration to that effect in accordance with the Act respecting the legal publicity of enterprises (chapter P-44.1).

However, the name appearing in its articles must be legibly indicated in all its negotiable instruments, contracts, invoices and orders for goods or services.

1982, c. 26, s. 20; 1995, c. 67, s. 10; 2003, c. 18, s. 13; 2010, c. 7, s. 282.

20.1. *(Repealed).*

1984, c. 28, s. 1; 1993, c. 48, s. 363.

20.2. *(Repealed).*

1984, c. 28, s. 1; 1993, c. 48, s. 363.

CHAPTER V

GENERAL ORGANIZATION MEETING

21. The founders must hold an organization meeting at the latest six months after the date the cooperative is constituted.

1982, c. 26, s. 21; 1995, c. 67, s. 171; 2003, c. 18, s. 14.

22. The meeting is called by the provisional secretary.

If the provisional secretary is absent or is unable or refuses to act, the meeting may be called by two founders.

1982, c. 26, s. 22; 2003, c. 18, s. 15.

23. Any person or partnership that, before the sending of the notice calling the meeting, transmitted to the provisional secretary a memorandum of membership indicating that he or it is capable of actually being a user of the cooperative's services, shall be called to the meeting.

That person or partnership shall also be a founder of the cooperative if, before the beginning of the meeting, the founders who signed the articles of the cooperative have not rejected his or its memorandum of membership.

1982, c. 26, s. 23; 1995, c. 67, s. 11; 2003, c. 18, s. 16.

24. At the meeting, the founders must

- (1) adopt the by-laws of the cooperative;
- (2) elect the members of the board of directors;
- (3) *(subparagraph repealed)*;
- (4) appoint an auditor.

In addition, they may adopt any measure relating to the affairs of the cooperative and, as the case may be, apply for the affiliation of the cooperative to a federation.

1982, c. 26, s. 24; 1995, c. 67, s. 12.

25. *(Repealed).*

1982, c. 26, s. 25; 1995, c. 67, s. 13; 2003, c. 18, s. 17.

CHAPTER VI

POWERS OF A COOPERATIVE

26. A cooperative has the full enjoyment of civil rights for the attainment of its objects.

It has capacity to carry on its activities and exercise its powers outside Québec.

1982, c. 26, s. 26.

27. In addition to the powers conferred on it by this title, a cooperative may also

(1) give to its members or auxiliary members, as the case may be, in payment of a portion of the price of produce delivered or services rendered to it, shares, bonds or other securities, up to 10% of the price of such produce or services;

(2) sell its debts or book accounts, present or future, or payments due or accruing on its shares, in accordance with the provisions of the Civil Code relating to the assignment of claims;

(3) *(paragraph repealed)*;

(4) *(paragraph repealed)*;

(5) hypothecate or otherwise give as security property delivered to it by its members if there is a contract between the cooperative and the members to that effect;

(6) retain, for the recovery of any claim it has against a person or partnership and up to the amount of the claim, any amounts it may owe him or it, or confiscate the person's or partnership's shares and effect compensation.

1982, c. 26, s. 27; 1984, c. 28, s. 2; 1992, c. 57, s. 523; 1995, c. 67, s. 14.

28. A cooperative may, in the pursuit of its object, grant financial assistance to

(1) a person or partnership, if the assistance enables the cooperative to do business with or increase its volume of business with the person or partnership, or is intended to enable the person to acquire the equipment necessary to perform the work provided to him by the cooperative;

(2) a member or an employee to enable him to invest in the cooperative, provided the assistance is for a maximum period of 12 months;

(3) a legal person or partnership in which it holds shares or other securities.

Nothing in this section shall restrict the powers of the cooperative as regards the conditions of employment of its employees.

1982, c. 26, s. 28; 1995, c. 67, s. 15; 2015, c. 3, s. 5.

29. Third persons are not presumed to have knowledge of the contents of a document concerning a cooperative by reason only that the document has been registered, filed or deposited or is available for inspection.

1982, c. 26, s. 29; 1995, c. 67, s. 16.

30. Third persons may presume that

(1) the cooperative pursues its objects and exercises its powers in accordance with its articles and by-laws or, as the case may be, the agreement on administration by the meeting of its members contemplated in section 61;

(2) the documents sent to the Minister and filed under this Act contain true information;

(3) the directors and executive officers of the cooperative validly hold office and lawfully exercise the powers arising therefrom;

(4) the documents of the cooperative issued by one of its directors, executive officers or other mandataries are valid and binding.

1982, c. 26, s. 30; 2003, c. 18, s. 18.

31. Sections 29 and 30 do not apply to third persons in bad faith or to persons who ought to have had knowledge of the situation by virtue of their position with or relationship to the cooperative.

1982, c. 26, s. 31.

32. In no case may third persons invoke against the cooperative that its actions are not in accordance with the pursuit of its objects or the exercise of its powers.

1982, c. 26, s. 32.

CHAPTER VII

HEAD OFFICE OF A COOPERATIVE

1995, c. 67, s. 17.

33. The head office of a cooperative must at all times be located in Québec.

The general meeting may change the location of the cooperative's head office. The cooperative must give notice of the change by filing a declaration to that effect in accordance with the Act respecting the legal publicity of enterprises (chapter P-44.1).

1982, c. 26, s. 33; 1995, c. 67, s. 18; 2003, c. 18, s. 19; 2010, c. 7, s. 282.

33.1. *(Repealed).*

1987, c. 4, s. 3; 2003, c. 18, s. 20.

34. *(Repealed).*

1982, c. 26, s. 34; 2003, c. 18, s. 20.

35. *(Repealed).*

1982, c. 26, s. 35; 2003, c. 18, s. 20.

36. *(Repealed).*

1982, c. 26, s. 36; 1995, c. 67, s. 19; 2003, c. 18, s. 20.

CHAPTER VIII

CAPITAL STOCK OF A COOPERATIVE

DIVISION I

GENERAL PROVISIONS

37. The capital stock of a cooperative consists of common shares, preferred shares and participating preferred shares.

The capital stock is variable.

1982, c. 26, s. 37; 2003, c. 18, s. 21.

38. No cooperative may repay or redeem a share or pay interest on a share if

- (1) it is insolvent or would become insolvent as a result of the repayment, redemption or payment;

(2) the board of directors shows that the repayment, redemption or payment could adversely affect the financial stability of the cooperative;

(3) the repayment, redemption or payment would cause the cooperative to be unable to fulfil the undertakings made with any third party that grants it financial assistance.

1982, c. 26, s. 38; 1995, c. 67, s. 20; 2003, c. 18, s. 22.

38.1. In the case of the death, resignation or expulsion of a member, the cooperative shall, subject to the conditions set out in section 38, repay the sums paid in respect of the member's common shares. A member shall be presumed to have resigned if he has not done business with the cooperative or taken part in the activities of the cooperative for the last three years and there has been no communication from the member during that period.

Preferred shares are repaid on the conditions determined pursuant to section 46.

1995, c. 67, s. 20; 1997, c. 80, s. 57.

38.2. The sole fact of holding shares in the cooperative confers none of the rights reserved for members other than the right to apply for repayment in accordance with law and the by-laws and resolutions of the cooperative.

1995, c. 67, s. 20; 2003, c. 18, s. 23.

DIVISION I.1

QUALIFYING SHARES

1995, c. 67, s. 20.

38.3. Every member must hold the minimum number of common shares or common and preferred shares prescribed by by-law. Such shares are called qualifying shares.

The number of qualifying shares may vary depending on the nature of the services the member intends to use. The terms and conditions of payment of the qualifying shares are determined by by-law.

1995, c. 67, s. 20.

DIVISION II

COMMON SHARES

39. The common shares are registered. They may be transferred only with the approval of the board of directors. However, additional transfer conditions may be prescribed by by-law.

1982, c. 26, s. 39; 1995, c. 67, s. 21.

40. *(Repealed).*

1982, c. 26, s. 40; 1995, c. 67, s. 22.

41. The price of a common share is \$10.

1982, c. 26, s. 41; 1995, c. 67, s. 23.

42. No interest is payable on common shares.

1982, c. 26, s. 42.

43. The board of directors may confiscate the qualifying shares of a member if an instalment two years or more overdue has not been paid within two months from the sending of a demand for payment of the instalment. The demand for payment must be made by registered mail.

Confiscation of the shares entails the expulsion of the member.

1982, c. 26, s. 43; 1995, c. 67, s. 24; I.N. 2016-01-01 (NCCP).

44. At the request of a member and subject to the conditions set out in section 38, the cooperative may repay, on the conditions prescribed by by-law, the sums paid by the member in respect of common shares other than qualifying shares.

1982, c. 26, s. 44; 1989, c. 54, s. 165; 1995, c. 67, s. 25.

45. A cooperative may by by-law determine the order in which common shares are to be repaid.

1982, c. 26, s. 45.

DIVISION III

PREFERRED SHARES

46. The board of directors, if authorized by by-law, may issue preferred shares to any person or partnership.

The board shall determine the amount of and the preferences, rights and restrictions attached to the shares and the conditions of their redemption, repayment or transfer.

Such shares may be issued in series of the same class. The interest rate may be different for each series.

1982, c. 26, s. 46; 1995, c. 67, s. 26; 2003, c. 18, s. 24.

47. If a cooperative decides to issue certificates of preferred shares, the certificates must state the amount of and the preferences, rights and restrictions attaching to the shares and the conditions of redemption, repayment or transfer or they must be attached to a copy of the resolution that determines the characteristics of the shares.

1982, c. 26, s. 47; 1995, c. 67, s. 27; 2003, c. 18, s. 25.

48. No preferred share may entitle its holder to redemption or repayment of the share before the expiry of three years from its issue.

1982, c. 26, s. 48; 1995, c. 67, s. 28.

49. No preferred share may entitle its holder to receive notice of a general meeting, to attend such a meeting, to vote thereat or to be eligible for any office in the cooperative.

1982, c. 26, s. 49.

DIVISION III.1

PARTICIPATING PREFERRED SHARES

1995, c. 67, s. 29.

49.1. The board of directors may, if so authorized by a by-law, issue participating preferred shares to any person or partnership who is not a member or auxiliary member of the cooperative.

The by-law may provide for more than one class of participating preferred shares and must determine the amount of, the preferences, rights and restrictions attaching to, and the conditions governing the redemption, repayment or transfer of, each class of participating preferred shares.

Each class may be divided into series. The interest rate may be different for each series.

1995, c. 67, s. 29; 2003, c. 18, s. 26.

49.2. The cooperative must issue certificates of participating preferred shares. The certificates must state the amount of, the preferences, rights and restrictions attaching to, and the conditions of redemption, repayment or transfer of the shares or be accompanied by a copy of the by-law that determines the characteristics of the shares.

1995, c. 67, s. 29; 2003, c. 18, s. 27.

49.3. Participating preferred shares may confer on their holders the right to be convened to and attend a general meeting but not the right to speak.

1995, c. 67, s. 29.

49.4. Participating preferred shares may entitle their holders to receive annual interest of up to 25% of the amount paid for the shares. The interest may include a participation in the operating surplus or surplus earnings of the cooperative up to a maximum of 25% of the operating surplus or surplus earnings.

The operating surplus or surplus earnings referred to in the first paragraph are the operating surplus or surplus earnings appearing in the income statement of the cooperative once the interest allocated to preferred shares and participating preferred shares, other than interest allocated as participation in the operating surplus or surplus earnings, has been deducted.

1995, c. 67, s. 29; 2001, c. 36, s. 34.

DIVISION IV

INITIATION FEE

50. No initiation fee may be charged to a person or partnership admitted as a member or auxiliary member of a cooperative.

1982, c. 26, s. 50; 1995, c. 67, s. 30; 2003, c. 18, s. 28.

CHAPTER IX

MEMBERS

DIVISION I

GENERAL PROVISIONS

51. To be a member of a cooperative, a person or a partnership must

- (1) be capable of actually being a user of the cooperative's services;
- (2) apply for membership, except in the case of a founder;
- (3) subscribe and pay for the required qualifying shares in accordance with the by-laws;
- (4) undertake to comply with the by-laws of the cooperative;

(5) be admitted by the board of directors, except in the case of a founder.

1982, c. 26, s. 51; 1995, c. 67, s. 31; 2003, c. 18, s. 29.

51.1. A minor may be a member of a cooperative whose object concerns him. However, if he is 14 years of age or over, the minor is, in that respect, deemed to be a person of full age.

1995, c. 67, s. 32.

51.2. A cooperative may determine by by-law the territory in which or the group from which it may recruit its members.

1995, c. 67, s. 32.

51.3. The founders have the same rights and obligations as any other member.

1995, c. 67, s. 32.

52. A cooperative may by by-law provide for one or more classes of auxiliary members and determine the conditions of their admission and their rights and obligations. The by-law shall indicate the reasons for creating the class of auxiliary members. However, a person or a partnership may not be admitted as an auxiliary member unless that person or partnership is capable of actually being a user of the cooperative's services.

Auxiliary members have no vote and are ineligible for office.

1982, c. 26, s. 52; 1995, c. 67, s. 33; 2003, c. 18, s. 30.

52.1. In addition to the provisions of a by-law made under section 52, the auxiliary members are governed by the provisions of this Act that apply expressly to them and by paragraphs 1, 5, 6 and 7 of section 4, paragraph 5 of section 27, subparagraph 2 of the first paragraph of section 28, sections 38.1, 38.2, 43, 44, 51.1, 51.2 and 55 to 60, paragraphs 6 and 7 of section 90, section 128, paragraph 3 of section 132 and sections 140, 152, 193.1, 193.3, 219.1, 220, 221.1, 221.6 and 224.1.

2003, c. 18, s. 31.

53. If the by-laws so require and on the conditions determined therein, the members must undertake to deliver, sell, purchase or receive property or services through the cooperative.

1982, c. 26, s. 53; 1995, c. 67, s. 34.

54. A cooperative may, by by-law, require a contribution from its members to pay all or part of its operating expenses.

Unless otherwise provided for in the by-laws, the amount of the contribution is determined by the board of directors.

1982, c. 26, s. 54; 1995, c. 67, s. 35.

54.1. The cooperative may by by-law determine conditions for the use of mediation to facilitate the settlement of any dispute between a member or auxiliary member and the cooperative.

2003, c. 18, s. 32.

DIVISION II

RESIGNATION, SUSPENSION AND EXPULSION

55. A member may resign by giving the board of directors a 30-day written notice.

However, the board of directors may accept a resignation before the expiry of the time.

1982, c. 26, s. 55; 1995, c. 67, s. 36.

56. Except with the consent of the board of directors, no member may resign during the term of a contract by which he has undertaken to deliver, sell, purchase or receive property or services through the cooperative.

If the contract provides for a notice of non-renewal, such a notice is equivalent to a notice of resignation effective at the expiry of the contract.

1982, c. 26, s. 56.

57. The board of directors may suspend or expel a member

- (1) if he is not a user of the cooperative's services;
 - (1.1) if he no longer is capable of actually being a user of the cooperative's services;
- (2) if he does not comply with the by-laws of the cooperative;
- (3) if he has not paid for his qualifying shares in accordance with the terms and conditions prescribed in the by-laws;
- (4) if he is dispossessed of his qualifying shares;
- (5) if he does not carry out his engagements with the cooperative;
- (6) if, for one fiscal year, he has neglected to do the amount of business with the cooperative determined by by-law;
- (7) if he carries on any activity in competition with the cooperative.

However, the board of directors may not expel a member who is a director before he has been dismissed from his position as director.

1982, c. 26, s. 57; 1995, c. 67, s. 37; 2003, c. 18, s. 33; 2015, c. 3, s. 6.

58. Before deciding to suspend or expel a member, the board of directors shall give him written notice of the grounds invoked for the suspension or expulsion and of the place, date and time of the meeting at which the board of directors will render its decision. The notice must be given within the time prescribed for the calling of the meeting.

At the meeting, the member may oppose his suspension or expulsion by making representations or by transmitting a written statement to be read by the chairman.

The decision is taken by two-thirds of the votes cast by the directors present.

Within 15 days of its decision, the cooperative shall give the member written notice with reasons of his suspension or expulsion, which shall become effective on the date specified in the said notice.

1982, c. 26, s. 58; 1995, c. 67, s. 38; 2003, c. 18, s. 34.

59. In no case may a member be suspended for a period exceeding six months.

1982, c. 26, s. 59.

60. Notwithstanding the non-repayment of his shares, a member who has resigned or been expelled loses all his rights as a member.

A member who has been suspended loses, for the duration of the suspension, all his rights as a member unless the board of directors decides otherwise.

1982, c. 26, s. 60; 1995, c. 67, s. 39.

60.1. The board of directors may, if authorized by by-law, suspend a member's right to vote at a meeting if, in the two fiscal years preceding the meeting,

(1) the member has not done business with the cooperative;

(2) the member has not done business with the cooperative for the amount determined by by-law;

(3) in the case of a work cooperative, a shareholding workers cooperative or a solidarity cooperative consisting of members who are workers of the cooperative, the member has not performed the number of days of work determined by by-law.

A written notice informing the member that his right to vote at the meeting has been suspended must be sent to him at least 30 days before the date of the meeting.

1995, c. 67, s. 40; 2003, c. 18, s. 35.

60.2. A member whose right to vote has been suspended by the board of directors may, within 15 days of receiving the notice, contest the decision in writing.

After examining the grounds raised in support of the member's objection, the board of directors shall render its decision and, if it cancels the suspension, inform the member in writing thereof before the meeting.

1995, c. 67, s. 40.

DIVISION III

AGREEMENT ON ADMINISTRATION BY THE MEETING OF THE MEMBERS

2003, c. 18, s. 36.

61. If a cooperative has fewer than 25 members, they may agree not to elect directors for one year.

The agreement must be made annually in writing and be approved by at least 90% of the members.

1982, c. 26, s. 61; 1995, c. 67, s. 41; 2003, c. 18, s. 37.

62. The members shall then administer the business of the cooperative as if they were the directors; they have the rights of the directors and assume their obligations.

They must, however, designate a president, a vice-president and a secretary from among their number. They are not bound to hire a general manager or a manager.

1982, c. 26, s. 62; 1995, c. 67, s. 42.

62.1. Sections 92 to 98, adapted as required, apply to the meetings of the members.

1995, c. 67, s. 43.

62.2. If the members have agreed not to elect directors, the cooperative is only required to give notice of its annual meeting to the federation of which it is a member.

2003, c. 18, s. 39.

CHAPTER X

MEETING OF THE MEMBERS

DIVISION I

GENERAL MEETING

§ 1. — *General provisions*

63. The members of a cooperative constitute its general meeting, whether convened at an annual meeting or a special meeting.

1982, c. 26, s. 63.

64. Unless otherwise provided by by-law, the members and representatives attending a general meeting constitute a quorum.

If the quorum determined by by-law is not present, the meeting may be reconvened. If the quorum is not present at the second meeting, the meeting may validly be held and must concern itself with the same matters as those indicated in the first notice of a meeting.

1982, c. 26, s. 64; 2003, c. 18, s. 40.

65. Notice of a meeting must be given in the manner prescribed by by-law. The notice must indicate the place, date and time of the meeting and the matters to be discussed.

Unless otherwise provided by by-law, notice of a meeting must be given in writing to the members at least five days before the date fixed for the meeting. The notice must also be given to the federation of which the cooperative is a member within the same time.

A representative of the federation may attend and speak at the meeting.

1982, c. 26, s. 65; 1995, c. 67, s. 44; 2003, c. 18, s. 41.

66. A member may waive a notice of a meeting of the members.

His sole attendance at a meeting is a waiver except where he attends a meeting for the express purpose of objecting to the holding of the meeting on the ground that the manner of calling it was irregular.

1982, c. 26, s. 66.

67. A resolution in writing, signed by all the members, is as valid as if it had been passed at a general meeting.

The resolution is kept with the minutes of the general meetings.

1982, c. 26, s. 67.

68. No member is entitled to more than one vote, irrespective of the number of shares held.

1982, c. 26, s. 68.

69. Unless otherwise provided for in the by-laws, a member may authorize in writing his or her spouse or children of full age to take part in the deliberations of the meeting, in his absence, and to vote in his or her place, except if that person is already a member.

For the purposes of this section, spouses are persons who are married to, or in a civil union with, each other and cohabit or persons, of opposite sex or of the same sex, who have been living together in a *de facto* union for at least one year.

1982, c. 26, s. 69; 1995, c. 67, s. 46; 1999, c. 14, s. 11; 2002, c. 6, s. 131; 2003, c. 18, s. 42.

70. A legal person or partnership that is a member of a cooperative may be represented at a general meeting.

However, no representative of such a legal person or partnership may represent another member of the cooperative.

1982, c. 26, s. 70; 1995, c. 67, s. 47.

71. (*Repealed*).

1982, c. 26, s. 71; 1995, c. 67, s. 48.

72. Decisions are taken by the majority of the votes of the members or representatives present.

In case of a tie, the president of the cooperative has a casting vote.

In the election of a director, the election officer, if he is a member of the cooperative, also has a casting vote, unless otherwise provided for in the by-laws.

1982, c. 26, s. 72; 1995, c. 67, s. 49.

§ 2. — *Special provisions*

73. A cooperative having more than 100 members or members in more than one judicial district may by by-law allow its members to be represented by one or more of them.

The by-law must prescribe the division of the members into groups, the number of representatives to be elected and the mode of appointment of the representatives and their substitutes.

1982, c. 26, s. 73; 1995, c. 67, s. 50.

74. No representative is entitled to more than one vote unless he is entitled by by-law to as many votes as the number of members he represents.

When absent, a representative may be replaced by his substitute.

1982, c. 26, s. 74.

75. Unless otherwise prescribed by by-law, members may attend general meetings even where they are represented.

1982, c. 26, s. 75.

DIVISION II

ANNUAL MEETING

76. The annual meeting of the members must be held within six months from the end of the fiscal year. The members are convened to

- (1) take communication of the auditor's report and of the annual report;

- (1.1) *(paragraph repealed)*;
- (2) decide upon the apportionment of the surplus earnings or operating surplus;
- (3) elect directors;
- (4) appoint the auditor;
- (5) fix the attendance allowance, if any, of the members of the board of directors or of the executive committee;
- (6) determine the remuneration, if any, of the secretary or the treasurer where he is also a member of the board of directors;
- (7) take any decision reserved to the meeting by this title;
- (8) take part in a question period on any matter within the competence of the meeting.

If the cooperative fails to hold an annual meeting of its members within the prescribed time, the board of directors of the federation of which the cooperative is a member may call the annual meeting. The cooperative shall reimburse the federation for reasonable expenses incurred by the federation to hold the meeting.

1982, c. 26, s. 76; 1995, c. 67, s. 51; 2001, c. 36, s. 35; 2003, c. 18, s. 43; 2015, c. 3, s. 7.

76.1. The cooperative may by by-law prescribe that a copy of the annual report be sent with the notice of its annual meeting or that it be made available in a place specified in the notice of a meeting.

2003, c. 18, s. 44.

DIVISION III

SPECIAL MEETING

77. The board of directors, the president of the cooperative or the board of directors of the federation of which the cooperative is a member may order that a special meeting be held whenever he or it deems it expedient.

The board of directors must also order that a meeting be held upon the requisition of 500 members if the cooperative has 2,000 members or more, or of a quarter of the members if it has fewer than 2,000 members. The requisition must specify the matters to be put on the agenda of the special meeting.

The secretary of the cooperative must in each case call a special meeting.

1982, c. 26, s. 77; 1995, c. 67, s. 53; 2003, c. 18, s. 45.

78. If the meeting is not held within twenty-one days from the date of the request of the federation or the members, the federation or two signatories of the requisition made by the members, as the case may be, may call the meeting.

In such a case, the federation or the signatories may obtain a copy of the list referred to in paragraph 5 of section 124.

Unless the members object thereto by resolution at the meeting, the cooperative shall reimburse those who called the meeting for reasonable expenses incurred by them to hold the meeting.

1982, c. 26, s. 78; 2003, c. 18, s. 46.

79. Nothing may be considered or decided at a special meeting except the matters mentioned in the notice calling it. The matters specified in the requisition must also be stated in the notice, with an indication of those which may be deliberated on and decided by the general meeting.

1982, c. 26, s. 79; 2003, c. 18, s. 47.

79.1. The cooperative may by by-law authorize participation in a special meeting by means of communication enabling all participants to communicate with each other. The by-law sets out the requirements that apply to the holding of such a meeting, including those that apply to a vote.

Those who participate in the meeting in this manner are deemed to have attended the meeting.

2003, c. 18, s. 48.

CHAPTER XI

DIRECTORS

DIVISION I

GENERAL PROVISIONS

80. The board of directors of a cooperative consists of not fewer than three nor more than 15 directors.

The number of directors is determined by by-law.

1982, c. 26, s. 80; 2003, c. 18, s. 49.

81. Every member of the cooperative or representative of a legal person or partnership that is a member may be a director.

The representative of a financial services cooperative within the meaning of the Act respecting financial services cooperatives (chapter C-67.3) and the representative of a federation or confederation within the meaning of this Act may be a director, provided the financial services cooperative or the federation or confederation is a group within the meaning of section 83.

However, no employee of the cooperative may be elected as a director, except in a work cooperative, in a shareholding workers cooperative or in a solidarity cooperative consisting of members who are workers of the cooperative.

1982, c. 26, s. 81; 1988, c. 64, s. 587; 1995, c. 67, s. 54; 1997, c. 17, s. 1; 2000, c. 29, s. 628; 2003, c. 18, s. 50.

81.1. The by-laws may provide that persons other than those referred to in section 81 may be eligible as directors.

Such persons shall be recommended as candidates to the meeting by the board of directors.

During their terms of office, these directors also have the right to be convened to and attend a general meeting with the right to speak.

1995, c. 67, s. 55; 2003, c. 18, s. 51.

81.1.1. The number of positions held by persons referred to in the second paragraph of section 81 and in section 81.1 must not exceed one-third of the total number of directors' positions.

2003, c. 18, s. 52.

81.2. Minors may be directors of a cooperative whose object concerns them.

1995, c. 67, s. 55.

82. The cooperative may by by-law provide that a member is ineligible as a director

(1) if he has not paid the instalments due on his shares or any other amount due;

(2) if, during the preceding fiscal year, he has not done the amount of business with the cooperative fixed by by-law;

(3) if, in the case of a work cooperative, a shareholding workers cooperative or a solidarity cooperative consisting of members who are workers of the cooperative, he has not in the preceding fiscal year done business with the cooperative for the amount determined by by-law, or performed the number of days of work determined by by-law.

1982, c. 26, s. 82; 1995, c. 67, s. 56; 2003, c. 18, s. 53.

83. For the formation of its board of directors, a cooperative may by by-law divide its members into groups, or its territory into districts, or so divide both, and grant to each of the groups or districts, or of both, the right to elect a certain number of directors.

The by-laws must also prescribe the manner of establishing such groups and districts and the modalities of nomination and election of directors.

A financial services cooperative governed by the Act respecting financial services cooperatives (chapter C-67.3) or a federation or a confederation governed by this Act may constitute a group even though it is not a member of the cooperative.

1982, c. 26, s. 83; 1988, c. 64, s. 587; 2000, c. 29, s. 629; 2003, c. 18, s. 54.

84. The term of office of a director is one year unless otherwise prescribed by by-law, in which case it must not exceed three years.

The term of office of the directors may be two years or three years; in such a case, they are replaced each year according to the mode of rotation determined by by-law.

At the expiry of his term, a director remains in office until re-elected or replaced.

1982, c. 26, s. 84; 1995, c. 67, s. 57.

85. In case of vacancy, the directors may appoint a person entitled to become a director for the unexpired portion of the term of office. Should the directors fail to do so, the vacancy may be filled at a general meeting.

However, if the directors remaining in office do not make a quorum, a director or two members of the cooperative, or the board of directors of the federation of which it is a member, may order the secretary to call a special meeting to fill the vacancies.

If the secretary fails to act, those who may order that the meeting be held may call it. The cooperative shall reimburse those who called the meeting for reasonable expenses incurred by them to hold the meeting.

1982, c. 26, s. 85; 1995, c. 67, s. 58; 2003, c. 18, s. 55.

86. A director may resign from office by giving written notice to that effect to the board of directors.

The resignation of a member who is a director entails his disqualification as a director.

1982, c. 26, s. 86; 1995, c. 67, s. 59.

87. A decrease in the number of directors does not end the term of the directors then in office.

1982, c. 26, s. 87.

88. Within 15 days from any change in the composition of the board of directors, the cooperative shall give notice of the change by filing a declaration to that effect in accordance with the Act respecting the legal publicity of enterprises (chapter P-44.1).

On application by any interested person, the court may require the cooperative to comply with this section and may take any other measure it deems expedient.

1982, c. 26, s. 88; 1995, c. 67, s. 60; 2003, c. 18, s. 56; 2010, c. 7, s. 282; I.N. 2016-01-01 (NCCP).

DIVISION II

POWERS AND DUTIES

89. The board of directors has all the powers necessary to manage the affairs of the cooperative.

The general meeting may, by by-law, determine the powers that cannot be exercised by the board of directors except with the authorization of the general meeting. The meeting may not require that the board of directors obtain its authorization to exercise the powers expressly granted to the board under other provisions of this Act.

However, the board of directors may not borrow or hypothecate or otherwise give as security any property of the cooperative or property delivered to the cooperative by members or auxiliary members unless it is authorized to do so in a by-law adopted by 2/3 of the votes cast by the members or their representatives present at a general meeting.

The board of directors may not sell, rent or exchange all or substantially all the property of the cooperative, outside the normal course of its business, unless it is authorized to do so by a by-law adopted by three quarters of the votes cast by the members or their representatives present at a general meeting.

1982, c. 26, s. 89; 1992, c. 57, s. 524; 1995, c. 67, s. 61; 2003, c. 18, s. 57.

90. The board of directors shall, in particular,

- (1) appoint a general manager or a manager, unless otherwise provided for in the by-laws;
- (2) insure the cooperative against the risks it determines, subject to the requirements and restrictions set out in the by-laws;
- (3) designate the persons authorized to sign contracts or other documents on behalf of the cooperative;
- (4) at the annual meeting, give an account of its management and submit the annual report;
 - (4.1) make a recommendation to the annual meeting concerning the allocation of any operating surplus or surplus earnings that takes into account the repayment of shares anticipated in the annual report;
 - (4.2) make a recommendation to the general meeting in connection with the election of the persons referred to in section 81.1;
- (5) facilitate the work of the auditor;

(6) promote the training of the members, directors, executive officers and employees of the cooperative in the field of cooperation and encourage information of the public on the nature and advantages of cooperation;

(7) promote cooperation among the members, between the members and the cooperative and between the cooperative and other cooperative organizations;

(7.1) encourage support of development efforts in the community where the cooperative operates;

(8) furnish the Minister, at his request, with a copy of the by-laws and with any information or documents he may require regarding the carrying out of this Act.

1982, c. 26, s. 90; 1995, c. 67, s. 62; 2003, c. 18, s. 58.

91. The directors, executive officers and other representatives of the cooperative are considered to be mandataries of the cooperative.

1982, c. 26, s. 91.

DIVISION III

MEETINGS

92. The board of directors shall meet at the call of the president or two directors. Unless otherwise provided in the by-laws, the meeting is convened on five day's notice.

The board of directors of the federation of which the cooperative is a member may call a meeting of the board of directors. A representative of the federation may attend the meeting and be heard.

1982, c. 26, s. 92.

93. A majority of the number of directors determined by by-law in accordance with section 80 constitutes a quorum of the board of directors.

The decisions of the board of directors are taken by the majority of the votes of the directors present. In case of a tie, the chairman of the meeting has a casting vote.

1982, c. 26, s. 93; 2003, c. 18, s. 59.

94. A director may in writing waive a notice of a meeting of the board of directors.

His sole attendance at a meeting is a waiver except where he attends a meeting for the express purpose of objecting to the holding of the meeting on the ground that the manner of calling it was irregular.

1982, c. 26, s. 94.

95. Subject to the by-laws, the directors may, if a majority of them agree, participate in a meeting of the board by using means of communication enabling all participants to communicate with each other. Those who participate in the meeting in this manner are deemed to have attended the meeting.

1982, c. 26, s. 95; 1995, c. 67, s. 63; 2003, c. 18, s. 60.

96. A resolution in writing signed by all the directors is as valid as if it had been passed at a meeting of the board.

A duplicate of the resolution is kept with the minutes of the proceedings of the board.

1982, c. 26, s. 96.

97. A director present at a meeting of the board is deemed to have acquiesced in every resolution passed or to have participated in every measure taken while he is present at the meeting, except

(1) if at the meeting he requests that his dissent be recorded in the minutes;

(2) if, before the adjournment or closing of the meeting, he informs the secretary of the meeting in writing of his dissent.

1982, c. 26, s. 97.

98. A director absent from a meeting of the board is deemed not to have approved any resolution or participated in any measure taken in his absence.

1982, c. 26, s. 98.

DIVISION IV

DISMISSAL OF A DIRECTOR

99. A director may be dismissed by the members entitled to elect him, at a special meeting to which only such members are called.

1982, c. 26, s. 99; 1995, c. 67, s. 64.

100. A vacancy resulting from the dismissal of a director may be filled at the meeting where the dismissal takes place or, if not, in accordance with section 85.

The notice calling the meeting must mention the holding of such an election if the resolution of dismissal is passed.

1982, c. 26, s. 100.

101. No director may be dismissed at a special meeting unless he has been informed in writing, within the time prescribed for calling the meeting, of the grounds for dismissal and of the place, date and time of the meeting.

At the meeting, the director may oppose his dismissal by making representations or by transmitting a written statement to be read by the chairman.

1982, c. 26, s. 101; 1995, c. 67, s. 65.

DIVISION V

SPECIAL PROVISIONS

102. The directors are not entitled to any remuneration.

However, they are entitled to the reimbursement of justifiable expenses incurred in carrying out their duties and may receive an attendance allowance fixed by the annual meeting.

In addition, where a director, pursuant to a mandate given by the board of directors, represents the cooperative outside the meetings of the board of directors, the board may decide to remunerate him and shall fix the amount.

1982, c. 26, s. 102; 1995, c. 67, s. 66.

103. A cooperative shall assume the defence of its director or other mandatary prosecuted by a third party for any act done or omission made in the exercise of his functions, or in the execution of a mandate on behalf

of the cooperative. The cooperative shall pay any damages resulting from the act or omission, unless the director or mandatary is guilty of a gross or intentional fault.

However, in a penal or criminal proceeding, the cooperative shall assume only the payment of the expenses of its director or other mandatary, if he had reasonable grounds to believe that his conduct was in conformity with the law, or the payment of the expenses of the director or other mandatary, if he has been freed or acquitted, or if the proceeding has been withdrawn or dismissed.

1982, c. 26, s. 103; 1995, c. 67, s. 67; 2003, c. 18, s. 61.

104. A cooperative shall, where the court so decides, assume the expenses of its director or other mandatary if, having prosecuted him for an act done or omission made in the exercise of his functions or the execution of a mandate on behalf of the cooperative, it loses its case.

If the cooperative wins its case only in part, the court may determine the amount of the expenses the cooperative shall assume.

1982, c. 26, s. 104; 1995, c. 67, s. 68.

105. A cooperative shall assume the obligations contemplated in sections 103 and 104 in respect of any person who acted at its request as a director of a legal person of which it is a shareholder or creditor.

1982, c. 26, s. 105; 1995, c. 67, s. 165.

106. Any director having a direct or indirect interest in an enterprise, a contract or an economic activity placing his personal interest in conflict with the interest of the cooperative, other than an interest arising from his capacity as a member, must under pain of forfeiture of office disclose his interest, abstain from voting on any matter concerning the enterprise, contract or economic activity in which he has an interest and refrain from influencing the decision pertaining to that matter. The disclosure shall be made in writing and shall be entered in the minutes of the deliberations of the board of directors.

He must, in addition, leave the meeting for the duration of the deliberation and for the decision regarding the enterprise, contract or economic activity in which he has an interest.

1982, c. 26, s. 106; 1995, c. 67, s. 69; 2003, c. 18, s. 62.

106.1. Any other mandatary of the cooperative who is in the situation described in section 106 must disclose his interest in writing to the board of directors, under pain of dismissal or cancellation of contract or of other measures determined by the board. Such mandatary must also refrain from influencing the decision of the board of directors and must, where applicable, leave the meeting.

1995, c. 67, s. 69.

CHAPTER XII

EXECUTIVE COMMITTEE AND OTHER COMMITTEES

1995, c. 67, s. 70.

107. If the board of directors is composed of at least six members, it may, if so authorized by the by-laws, establish an executive committee composed of directors.

The number of members of the executive committee may not exceed half the number of directors and may not be less than three.

1982, c. 26, s. 107; 2003, c. 18, s. 63.

108. The executive committee has the powers delegated to it by the board of directors.

1982, c. 26, s. 108.

108.1. The board of directors of a cooperative with revenues of at least \$10,000,000 for the preceding fiscal year may, if authorized by the by-laws, establish other committees composed of directors, determine their mandate and delegate certain powers to them.

Such committees shall report to the board of directors.

1995, c. 67, s. 71.

109. Sections 92 to 98 and section 102 apply, with the necessary modifications, to this chapter.

1982, c. 26, s. 109.

110. The board of directors may replace any member of a committee.

1982, c. 26, s. 110; 1995, c. 67, s. 72.

CHAPTER XIII

Repealed, 1995, c. 67, s. 73.

1995, c. 67, s. 73.

111. *(Repealed).*

1982, c. 26, s. 111; 1995, c. 67, s. 73.

112. *(Repealed).*

1982, c. 26, s. 112; 1995, c. 67, s. 73.

CHAPTER XIV

EXECUTIVE OFFICERS OF THE COOPERATIVE

112.1. The executive officers of the cooperative are the president, the vice-president and the secretary and, where applicable, the treasurer and the general manager or manager.

1995, c. 67, s. 74.

112.2. The board of directors may, if authorized by the by-laws, create other executive positions.

1995, c. 67, s. 74.

113. The board of directors, at or following the general organization meeting or annual meeting, shall choose a chairman and a vice-chairman from among its members.

1982, c. 26, s. 113.

114. The chairman and vice-chairman of the board of directors are president and vice-president of the cooperative.

1982, c. 26, s. 114.

115. If the chairman is absent or unable to act, the vice-chairman shall replace him.

1982, c. 26, s. 115.

116. The board of directors shall appoint a secretary and, if necessary, a treasurer, and fix their remuneration.

If the office of secretary or treasurer is held by a member of the board of directors, his remuneration must be fixed by the general meeting.

1982, c. 26, s. 116.

117. The powers and duties of the executive officers are determined by by-law. The by-laws may, however, authorize the board of directors to determine the powers and duties of the executive officers who are not directors.

The office of general manager or manager is incompatible with the position of director.

1982, c. 26, s. 117; 1995, c. 67, s. 75.

CHAPTER XV

AMENDMENTS TO THE ARTICLES OF THE COOPERATIVE

118. To amend the articles of a cooperative, the general meeting must adopt a by-law.

1982, c. 26, s. 118.

119. The by-law amending the articles must be adopted by two-thirds of the votes cast by the members or representatives present at an annual meeting or at a special meeting called for that purpose.

The by-law must authorize one of the directors to sign an application for the amendment of the articles addressed to the Minister.

1982, c. 26, s. 119; 2015, c. 3, s. 8.

120. The application and the articles of amendment must be accompanied with an attestation from a director establishing that the cooperative has met the requirements of section 119 and with any other document or information required by the Minister for the examination of the application.

The application, signed by the authorized director, and the articles of amendment must be sent to the Minister.

1982, c. 26, s. 120; 1993, c. 48, s. 364; 2003, c. 18, s. 64; 2015, c. 3, s. 9.

121. On receiving the application, the articles of amendment, the accompanying documents, the fees prescribed by government regulation and any other required document or information, the Minister may, if he or she considers it advisable, accept the amendment.

For that purpose, the Minister, in addition to the procedure set out in subparagraphs 2 and 3 of the second paragraph of section 13, shall endorse “articles amended” on the articles of amendment, with the date of approval, followed by the signature of the Minister or of the Minister’s designee.

The Minister shall send a certified copy of the articles of amendment to the enterprise registrar, who shall deposit them in the register.

The amendment is effective from the date of the Minister's approval appearing on the articles of amendment or any subsequent date that is mentioned in the articles.

1982, c. 26, s. 121; 1993, c. 48, s. 365; 2002, c. 45, s. 295; 2003, c. 18, s. 65; 2015, c. 3, s. 10.

CHAPTER XV.1

CORRECTION OF ARTICLES

2015, c. 3, s. 11.

121.1. The board of directors may, without the authorization of a meeting of the members, correct obvious reference, typographical, transcription and similar errors in the articles.

The Minister may, of the Minister's own motion or at the request of any interested person, ask a cooperative to correct an obvious error in the articles.

In all cases, a correction request must be addressed to the Minister.

2015, c. 3, s. 11.

121.2. The board of directors shall authorize one of the directors to sign the correction request.

2015, c. 3, s. 11.

121.3. The correction request and the corrected articles must be accompanied with a copy of the articles containing errors and, if applicable, with any other documents or information required by the Minister.

The correction request, signed by the authorized director, and the corrected articles must be sent to the Minister.

2015, c. 3, s. 11.

121.4. On receiving the correction request, the corrected articles, the accompanying documents, the fees prescribed by government regulation and any other required documents or information, the Minister shall replace the articles containing an error by the corrected articles.

The Minister shall send a certified copy of the corrected articles to the enterprise registrar, who shall replace the articles in the register by the corrected articles.

2015, c. 3, s. 11.

121.5. The articles of the cooperative as corrected are deemed correct since their origin. However, in the case of the correction of a date, the correction prevails if it is later than the date being corrected.

2015, c. 3, s. 11.

CHAPTER XVI

BY-LAWS OF THE COOPERATIVE

122. The by-laws of a cooperative must be adopted by the general meeting.

1982, c. 26, s. 122.

123. The notice of a general meeting other than the general organization meeting must mention any by-law that may be adopted or amended at that general meeting.

Where the notice of meeting is given in writing, it shall be accompanied with a copy or summary of any draft by-law appearing on the agenda. Where another manner of calling the meeting is used, the cooperative must make a copy of those documents available at a place designated in the notice of the meeting.

1982, c. 26, s. 123; 2003, c. 18, s. 66.

CHAPTER XVII

REGISTER OF THE COOPERATIVE

124. Every cooperative shall keep a register at its head office containing

(1) its articles and by-laws, the agreement on administration by the meeting of its members referred to in section 61 and the latest notice of the address of its head office;

(2) a list of its directors and executive officers stating their names and domiciles and stating, where applicable, the starting date and duration of their terms of office;

(3) the minutes and resolutions of its general meetings;

(4) the minutes of the meetings and the resolutions of the board of directors, of the executive committee and of any other committee;

(5) a list of the members, auxiliary members and other shareholders stating their names and their last known addresses;

(6) the number of common shares, preferred shares and participating preferred shares held by the members and shareholders;

(7) the subscription, redemption, repayment or transfer dates of each share and the amount, if any, owing on each share.

1982, c. 26, s. 124; 1995, c. 67, s. 76; 2003, c. 18, s. 67.

124.1. The register may be stored on any information storage device that is capable of reproducing data in intelligible written form.

1995, c. 67, s. 76.

125. *(Repealed).*

1982, c. 26, s. 125; 1995, c. 67, s. 77.

126. *(Repealed).*

1982, c. 26, s. 126; 1995, c. 67, s. 77.

127. Any member may consult the documents referred to in paragraphs 1 to 3 and 5 to 7 of section 124 contained in the cooperative's register during the cooperative's usual office hours. In addition, the member may obtain a copy of the articles and by-laws, a copy of the resolutions that determine the characteristics of the shares issued by the cooperative and of the agreement referred to in section 61 and a copy of the last annual report.

The cooperative may require the payment of fees for the reproduction and transmission of the documents.

1982, c. 26, s. 127; 1995, c. 67, s. 78; 2003, c. 18, s. 68.

127.1. A holder of shares in the cooperative may obtain a copy of the resolution or by-law that determines the characteristics of those shares.

A shareholder may also consult the last annual report, during the cooperative's usual office hours.

2003, c. 18, s. 69.

127.2. The cooperative may require that a member or shareholder declare in writing that the information obtained under section 127 or 127.1 will be used solely for the exercise of the rights of the member or shareholder under this Act.

2003, c. 18, s. 69.

CHAPTER XVIII

ACTIVITIES

128. The activities of a cooperative with its members do not constitute a means of earning a profit.

1982, c. 26, s. 128; 1995, c. 67, s. 79.

128.1. A cooperative must carry on with its members a proportion of its total business according to a percentage determined by government regulation.

In the case of a solidarity cooperative, this proportion is calculated separately for the members who are users of the cooperative and for those who are workers of the cooperative.

The total business of a cooperative includes business done by a subsidiary of the cooperative or by a trust company to which the cooperative transfers property that is part of its patrimony.

2003, c. 18, s. 70.

128.2. Where the cooperative does not indicate in its annual report the proportion of its business done with its members, that proportion is deemed to be less than the proportion prescribed by government regulation, except if the cooperative establishes that proportion by attestation from its auditor within 90 days of receipt of a notice to that effect.

2003, c. 18, s. 70.

129. *(Repealed).*

1982, c. 26, s. 129; 1995, c. 67, s. 80.

130. Unless otherwise provided in the by-laws, the fiscal year of a cooperative is the calendar year.

If the fiscal year ends on another date, the cooperative shall notify the Minister.

1982, c. 26, s. 130; 2003, c. 18, s. 71.

131. The cooperative shall keep the necessary books for the preparation of the financial statements.

The form and tenor of the financial statements are determined by government regulation.

1982, c. 26, s. 131.

132. Within six months after the close of the fiscal year, the board of directors shall prepare an annual report containing, in particular,

- (1) the name and domicile of the cooperative and any other name under which it is identified;
- (2) the names of the directors and executive officers;
 - (2.1) a mention, if such is the case, that the members have agreed not to elect any directors for that year;
- (3) the number of members and of associate members, if any, of the cooperative;
- (4) the financial statements for the last fiscal year;
 - (4.1) a statement of the capital stock, including requests for repayment of shares, and the anticipated repayment of the shares;
- (5) the auditor's report;
 - (5.1) the date of the annual meeting;
- (6) the number of persons, if any, employed by the cooperative;
 - (6.1) where applicable, the name of the federation with which the cooperative is affiliated;
- (7) the other information required by by-law.

1982, c. 26, s. 132; 1995, c. 67, s. 81; 2003, c. 18, s. 72; 2015, c. 3, s. 12.

133. The annual financial statements must be approved by the board of directors and their approval certified by two directors authorized for that purpose.

1982, c. 26, s. 133.

134. Within 30 days after the annual meeting, the board of directors shall send a copy of the annual report to the Minister, and, where that is the case, to the federation of which the cooperative is a member.

1982, c. 26, s. 134; 1995, c. 67, s. 82.

CHAPTER XIX

AUDIT

135. At each annual meeting, the cooperative shall appoint an auditor whose term of office expires at the next annual meeting.

The auditor must be a member of the professional order of accountants mentioned in the Professional Code (chapter C-26).

The Government, by regulation, may exempt a cooperative from the application of the second paragraph, in consideration of its volume of business.

1982, c. 26, s. 135; 1984, c. 28, s. 3; 1994, c. 40, s. 457; 1995, c. 67, s. 83; 2012, c. 11, s. 32.

136. If no auditor is appointed at the annual meeting, the Minister, on the application of three members of the cooperative or of the federation of which the cooperative is a member, may appoint an auditor.

The directors may appoint an auditor if that office becomes vacant.

1982, c. 26, s. 136.

136.1. Every auditor, except an auditor appointed by the Minister under section 136, may be dismissed at a special meeting called for that purpose.

The vacancy created by the dismissal of an auditor may be filled during the meeting at which the dismissal takes place or, failing that, in accordance with the second paragraph of section 136.

1995, c. 67, s. 84.

137. *(Repealed).*

1982, c. 26, s. 137; 1995, c. 67, s. 85.

138. No director, executive officer or employee of a cooperative may be appointed auditor of his cooperative.

1982, c. 26, s. 138.

139. Subject to the agreement of all the members attending the annual meeting, a cooperative may give the auditor a mandate to conduct a review engagement as defined by government regulation.

1982, c. 26, s. 139; 1995, c. 67, s. 86.

140. The auditor has access to the books, accounts, securities and vouchers of the cooperative and may require the directors, executive officers, members and employees of the cooperative to furnish any documents and information necessary for the performance of his duties.

1982, c. 26, s. 140.

141. The auditor shall make a report to the members in accordance with the modalities determined by regulation of the Government.

1982, c. 26, s. 141; 1984, c. 28, s. 4.

142. The auditor shall send his report to the board of directors. This report forms part of the annual report.

1982, c. 26, s. 142.

CHAPTER XX

OPERATING SURPLUS, SURPLUS EARNINGS AND RESERVE

2015, c. 3, s. 13.

143. At the general meeting, the members of the cooperative, after considering the recommendations of the board of directors and in accordance with the income statement for the preceding fiscal year, shall allocate the amount of the operating surplus or surplus earnings, once the interest allocated to preferred shares and participating preferred shares has been deducted including interest allocated as participation in the operating surplus or surplus earnings,

(1) to the reserve;

(2) to the allotment of rebates to persons or partnerships who were members of the cooperative during the fiscal year;

(3) to the allotment of rebates to persons or partnerships who were auxiliary members of the cooperative during the fiscal year, in accordance with the by-laws;

(4) *(subparagraph repealed).*

The rebates are allotted to the members and to the auxiliary members, if any, in proportion to the business done by each of them, during that fiscal year, with the cooperative.

However, where a cooperative allots any rebates from the operating surplus or surplus earnings derived from a business corporation or a partnership in which it holds shares or other securities, the general meeting shall determine the volume of business done by the members and auxiliary members, if any, with the business corporation or partnership during that fiscal year, which shall be taken into account by the cooperative for the allotment of such rebates.

1982, c. 26, s. 143; 1984, c. 28, s. 5; 1995, c. 67, s. 87; 2001, c. 36, s. 36; 2009, c. 52, s. 558.

144. The operating surplus or surplus earnings referred to in section 143 may be paid into the reserve or allotted as rebates, subject to sections 146, 148, 148.1 and 149.

1982, c. 26, s. 144; 1995, c. 67, s. 88; 2001, c. 36, s. 37.

145. The reserve is composed of the aggregate, after deduction of deficits, of the operating surplus or surplus earnings paid into the reserve every year and any devolved sums.

1982, c. 26, s. 145; 2015, c. 3, s. 14.

146. The members must allocate at least 10% of the operating surplus or surplus earnings to the reserve and, in addition, they must allocate to the reserve or allot as rebates in the form of shares an additional percentage of at least 10% of the operating surplus or surplus earnings.

The cooperative must comply with this total obligation of allocation until equity is equal to at least 40% of the debts of the cooperative.

The operating surplus or surplus earnings referred to in the first paragraph are the operating surplus or surplus earnings appearing in the income statement of the cooperative once the interest allocated to preferred shares and participating preferred shares, including interest allocated as participation in the operating surplus or surplus earnings, has been deducted.

1982, c. 26, s. 146; 1995, c. 67, s. 89; 2001, c. 36, s. 38; 2003, c. 18, s. 73.

146.1. Any sum devolved to a cooperative under section 185, 210 or 221.2.10 must be allocated to the reserve.

The Conseil québécois de la coopération et de la mutualité is not subject to that requirement if the sum devolved to it is redistributed to a cooperative, a federation or a confederation in accordance with a redistribution policy adopted by its board of directors.

2015, c. 3, s. 15.

147. In no case may the reserve be divided among the members or auxiliary members or drawn upon in any manner, including by the allotment of a rebate.

1982, c. 26, s. 147; 2015, c. 3, s. 16.

148. The articles of a cooperative may include a clause prohibiting the allotment of rebates and the payment of interest on any category of preferred shares it has determined.

1982, c. 26, s. 148; 1995, c. 67, s. 90; 2003, c. 18, s. 74.

148.1. The board of directors of a cooperative may, where authorized by the by-laws and on the conditions and for the maximum period fixed in the by-laws, make an undertaking with a person granting financial

assistance to the cooperative that its members will not allot rebates to themselves or if rebates are allotted, that they authorize their payment only in the form prescribed in the first paragraph of section 152.

1984, c. 28, s. 6; 1995, c. 67, s. 91.

149. Only the proportion of the operating surplus or surplus earnings equal to the proportion of business done by the members or the auxiliary members, as the case may be, with the cooperative or with a business corporation or partnership in which the cooperative holds shares or other securities, may be allotted to members and auxiliary members. Such operating surplus or surplus earnings shall be allotted in the form of rebates.

1982, c. 26, s. 149; 1995, c. 67, s. 92; 2009, c. 52, s. 559.

149.1. A producers cooperative, a work cooperative or a shareholding workers cooperative may by by-law constitute a reserve, to be known as an “enhancement reserve”, in order to enhance the use of the cooperative’s services.

2003, c. 18, s. 75.

149.2. The by-laws may provide that the sums making up the enhancement reserve may be allotted in the form of rebates to the persons or partnerships who ceased to be members or auxiliary members of the cooperative following their resignation or otherwise.

The by-laws may also provide that, should there be a winding-up of the cooperative, the sums making up the enhancement reserve will be remitted in the manner and under the conditions set out in section 185.

2003, c. 18, s. 75.

149.3. The board of directors of a cooperative that has constituted an enhancement reserve may, to the extent that the reserve presents a positive balance and within the limits set in the second paragraph, allocate to the enhancement reserve part of the operating surplus or surplus earnings that cannot be allotted to the members or auxiliary members.

Only a proportion of the operating surplus or surplus earnings equal to the proportion of business done by the members or auxiliary members with the cooperative or with a business corporation or partnership in which the cooperative holds shares or other securities may be allocated to the enhancement reserve.

Any deficit must first be charged to the enhancement reserve.

2003, c. 18, s. 75; 2009, c. 52, s. 560.

149.4. Where the by-laws of the cooperative contain provisions for the purposes of the first paragraph of section 149.2, the board of directors may, as part of a policy it establishes, allot a rebate to the persons or partnerships referred to in that section.

The rebate shall be allotted in proportion to the business done by those persons or partnerships with the cooperative or with a business corporation or partnership in which the cooperative holds shares or other securities during the period determined by the by-laws.

The allotment of the rebate is subject to the conditions set out in section 38, with the necessary modifications.

2003, c. 18, s. 75; 2009, c. 52, s. 561.

149.5. Where the by-laws of the cooperative contain provisions for the purposes of the second paragraph of section 149.2, a shareholding workers cooperative which, upon its winding-up, earns a profit on the disposal of its shares may pay into the enhancement reserve a portion of this profit equal to the average

proportion of the business done by the cooperative with its members and auxiliary members, if any, during the five fiscal years preceding the year the winding-up was voted.

2003, c. 18, s. 75.

149.6. The annual report of a cooperative that has constituted an enhancement reserve must, in addition to the other requirements of this Act, present a statement concerning the enhancement reserve, including the total amount of the rebates allotted from the enhancement reserve for the fiscal year concerned.

2003, c. 18, s. 75.

150. *(Repealed).*

1982, c. 26, s. 150; 1995, c. 67, s. 93.

151. The rate of rebates may vary with the nature or quality of the produce or services dealt in.

1982, c. 26, s. 151.

152. Instead of paying rebates, the annual general meeting may decide to allot common or preferred shares or decide that the rebates allotted shall be loaned to the cooperative by its members, or it may avail itself of both methods of allotment and determine the conditions attached to each method of payment.

The methods of payment and the conditions attached thereto may also be determined in the by-laws of the cooperative.

The repayment of such loans to the members is also subject to the conditions set out in section 38.

The members are then deemed to have subscribed for the shares allotted to them and to have paid for them out of the rebates or, as the case may be, to have lent to the cooperative the amount of the rebates.

1982, c. 26, s. 152; 1995, c. 67, s. 94.

CHAPTER XXI

AMALGAMATION

DIVISION I

GENERAL PROVISIONS

1995, c. 67, s. 95.

152.1. Every amalgamation takes effect on the date on which the articles of amalgamation are approved by the Minister or on any later date specified in the articles.

1995, c. 67, s. 95.

152.2. The Minister shall send a notice to the Conseil québécois de la coopération et de la mutualité advising it of the application for amalgamation, together with a copy of the application and of the articles.

1995, c. 67, s. 95; 2015, c. 3, s. 55.

DIVISION II

ORDINARY AMALGAMATION

1995, c. 67, s. 95.

153. Cooperatives having similar or related objects may amalgamate.

1982, c. 26, s. 153.

154. In no case may cooperatives amalgamate, however, if there is reasonable ground to believe that

- (1) the cooperative resulting from the amalgamation could not discharge its liabilities when due;
- (2) the book value of the assets of the cooperative resulting from the amalgamation would be less than the sum of its liabilities and the sums representing the value of the paid-up capital stock.

1982, c. 26, s. 154.

154.1. Notwithstanding paragraph 2 of section 154, two or more cooperatives may amalgamate even if the book value of the assets of the cooperative resulting from the amalgamation is less than the sum of its liabilities and the sums representing the value of the paid-up capital stock, provided that all the creditors consent to the amalgamation.

1995, c. 67, s. 96.

155. Cooperatives that propose to amalgamate shall enter into an agreement that, in addition to the terms and conditions of amalgamation, indicates

- (1) the name of the cooperative resulting from the amalgamation, its objects and the provisions referred to in section 10;
- (2) the name and domicile of each of its first directors;
- (3) where applicable, the mode of election of subsequent directors;
- (4) the number of shares subscribed in each of the amalgamating cooperatives, the price of each of the shares and the modalities of converting them into common shares, preferred shares or other securities of the cooperative resulting from the amalgamation;
- (5) where shares of one of the cooperatives are not converted into shares of the cooperative resulting from the amalgamation, the amount of money or any other form of payment to be received by the holders of such shares in addition to or instead of shares of the cooperative resulting from the amalgamation;
 - (5.1) the amount of money or any other form of payment to stand in lieu of fractions of shares of the cooperative resulting from the amalgamation;
 - (5.2) the date on which the amalgamation is to take effect if that date differs from the date of approval;
 - (5.3) in the case of the amalgamation of cooperatives pursuing agricultural purposes, mention to the effect that the cooperative resulting from the amalgamation is or is not governed by Division I of Chapter I of Title II of this Act;
- (6) where such is the case, the provisions necessary to complete the amalgamation and to ensure the organization and management of the cooperative resulting from the amalgamation, in particular, the holding

of meetings to decide on the allocation of the operating surplus or surplus earnings of the amalgamating cooperatives, as provided for in section 163.

1982, c. 26, s. 155; 1995, c. 67, s. 97; 2003, c. 18, s. 76.

156. The members of each of the amalgamating cooperatives shall, at a special meeting called for that purpose, adopt

(1) a by-law to approve the agreement of amalgamation and to authorize a director to sign an application for amalgamation addressed to the Minister;

(2) the by-laws of the cooperative resulting from the amalgamation.

Only the board of directors may call such a meeting.

1982, c. 26, s. 156; 1995, c. 67, s. 98; 2015, c. 3, s. 17.

157. The by-law concerning the approval of the amalgamation must be adopted by two-thirds of the votes cast by the members or representatives present at the special meeting.

1982, c. 26, s. 157.

158. The notice of the special meeting must be accompanied with a duplicate or a summary of the agreement of amalgamation.

1982, c. 26, s. 158.

159. The articles of amalgamation must contain, in addition to the other provisions that may be inserted under this title, the provisions contemplated in paragraphs 1 and 5.2 of section 155.

1982, c. 26, s. 159; 1995, c. 67, s. 99.

160. The application and the articles of amalgamation must be accompanied with

(1) *(paragraph repealed)*;

(2) the agreement of amalgamation;

(3) a notice indicating its domicile;

(4) *(paragraph repealed)*;

(5) an attestation that the by-laws were adopted at the special meeting;

(6) an attestation, signed by the auditor appointed by the special general meetings which approved the articles of amalgamation, establishing that the cooperative resulting from the amalgamation meets the requirements of sections 154 and 154.1;

(7) any other document or information required by the Minister for the examination of the application.

1982, c. 26, s. 160; 1995, c. 67, s. 100; 2003, c. 18, s. 77; 2015, c. 3, s. 18.

161. The application, signed by the authorized director of each of the cooperatives, and the articles of amalgamation must be sent to the Minister.

1982, c. 26, s. 161; 1993, c. 48, s. 366; 2003, c. 18, s. 78; 2015, c. 3, s. 19.

162. On receiving the application, the articles of amalgamation, the accompanying documents, the fees prescribed by government regulation and any other required document or information, the Minister may authorize the amalgamation if he considers it advisable.

For that purpose, the Minister, in addition to the procedure set out in subparagraphs 2 and 3 of the second paragraph of section 13, shall endorse on the articles of amalgamation “cooperative resulting from an amalgamation” and the date of its approval followed by his signature or that of his designee.

1982, c. 26, s. 162; 1993, c. 48, s. 367; 1995, c. 67, s. 101; 2003, c. 18, s. 79; 2015, c. 3, s. 20.

162.1. The Minister shall send a certified copy of the articles of amalgamation accompanied with the notice indicating the domicile of the cooperative resulting from the amalgamation to the enterprise registrar, who shall deposit them in the register.

1993, c. 48, s. 368; 1995, c. 67, s. 170; 2002, c. 45, s. 295; 2003, c. 18, s. 80.

163. From the date of taking effect appearing on the articles of amalgamation, the cooperatives that have amalgamated continue in existence as one and the same cooperative.

The resulting cooperative acquires the rights of the amalgamated cooperatives and assumes their obligations. Proceedings pending by or against the amalgamating cooperatives may be continued without continuance of suit.

However, the cooperatives that have amalgamated may, if so authorized in the agreement and notwithstanding the date on which the amalgamation takes effect, call and hold a general meeting of their members to allocate the operating surplus or surplus earnings from their last fiscal year to the allotment of rebates to their members and auxiliary members, if any, or to the reserve of the cooperative resulting from the amalgamation; where applicable, the latter cooperative is empowered to carry out any decision made at the meetings.

1982, c. 26, s. 163; 1995, c. 67, s. 102; 2001, c. 36, s. 39; 2003, c. 18, s. 81.

DIVISION III

AMALGAMATION BY ABSORPTION

1995, c. 67, s. 95.

164. A cooperative may absorb one or several cooperatives if each cooperative is pursuing similar or related objects and if the number of members of each cooperative to be absorbed or the amount of business it has done for the last fiscal year does not exceed 25% of the number of members or of the amount of business for the last fiscal year, as the case may be, of the absorbing cooperative.

1982, c. 26, s. 164.

165. Cooperatives that propose to amalgamate by absorption shall enter into an agreement that, in addition to the modalities of absorption, indicates

- (1) the name of the absorbing cooperative, its objects and the provisions referred to in section 10;
- (2) the new number of directors, the new composition of the board of directors and the new manner of forming the board of directors, where applicable, of the absorbing cooperative;
- (3) the number of members of each of the cooperatives or, as the case may be, the amount of business done by each of them;

(4) the number of shares subscribed in the absorbed cooperative, the amount of the shares and the manner of converting them into common shares, preferred shares or other securities of the absorbing cooperative;

(5) where shares of the absorbed cooperative are not converted into shares of the absorbing cooperative, the amount of money or any other form of payment to be made to the holders of such shares in addition to or in lieu of shares in the absorbing cooperative;

(6) the amount of money or any other form of payment to stand in lieu of fractions of shares of the absorbing cooperative;

(7) the date on which the amalgamation is to take effect if that date differs from the date of approval.

1982, c. 26, s. 165; 1995, c. 67, s. 103; 2003, c. 18, s. 82.

166. In the case of an absorbed cooperative, the members must, at a special meeting called for that purpose, adopt a by-law to approve the agreement and to authorize a director to sign an application for the amalgamation of the cooperatives addressed to the Minister.

The by-law must be adopted by two-thirds of the votes cast by the members or representatives present at the special meeting.

Only the board of directors may call such a meeting.

1982, c. 26, s. 166; 1995, c. 67, s. 104; 2015, c. 3, s. 21.

167. The notice of the meeting must be accompanied with a duplicate or a summary of the agreement of amalgamation.

1982, c. 26, s. 167.

168. In the case of an absorbing cooperative, the directors shall approve the agreement and authorize, by resolution, one among them to sign the application.

1982, c. 26, s. 168; 2015, c. 3, s. 22.

169. The articles of absorption must contain, in addition to the other provisions that may be inserted therein under this title, the provisions contemplated in paragraphs 1 and 7 of section 165.

1982, c. 26, s. 169; 1995, c. 67, s. 105.

170. The application and the articles of absorption must be accompanied with

(1) *(paragraph repealed)*;

(2) the agreement of absorption;

(3) a notice indicating the domicile of the absorbing cooperative;

(4) an attestation of the absorbed cooperative establishing that the cooperative has met the requirements of section 166;

(5) an attestation of the absorbing cooperative establishing that the cooperative has met the requirements of section 168;

(6) an attestation of the auditor of the absorbing cooperative establishing that the cooperative has met the requirements of sections 154 and 154.1;

(7) any other document or information required by the Minister for the examination of the application.

1982, c. 26, s. 170; 1995, c. 67, s. 170; 2003, c. 18, s. 83; 2015, c. 3, s. 23.

171. Sections 154, 154.1, 161 and 162 apply to amalgamation by absorption.

1982, c. 26, s. 171; 2003, c. 18, s. 84.

171.1. The Minister shall send a certified copy of the articles of absorption accompanied with the notice indicating the domicile of the absorbing cooperative to the enterprise registrar, who shall deposit them in the register.

1993, c. 48, s. 369; 1995, c. 67, s. 170; 2002, c. 45, s. 295; 2003, c. 18, s. 85.

172. From the date of taking effect appearing on the articles, the absorbing cooperative acquires the rights of the absorbed cooperative and assumes its obligations; the absorbed cooperative is then deemed to continue in existence as the absorbing cooperative and its members and auxiliary members to become members and auxiliary members of the absorbing cooperative.

However, the absorbed cooperative may, if so authorized in the agreement and notwithstanding the date on which the amalgamation takes effect, call and hold a general meeting of its members to allocate the operating surplus or surplus earnings from its last fiscal year to the allotment of rebates to its members and auxiliary members, if any, or to the reserve of the absorbing cooperative; where applicable, the latter cooperative is empowered to carry out any decision made at the meetings.

1982, c. 26, s. 172; 1995, c. 67, s. 106; 2001, c. 36, s. 40; 2003, c. 18, s. 86.

DIVISION IV

AMALGAMATION OF A COOPERATIVE AND A BUSINESS CORPORATION

1995, c. 67, s. 95; 2009, c. 52, s. 562.

173. A cooperative and a business corporation governed by the Business Corporations Act (chapter S-31.1) whose shares are wholly held by the cooperative may amalgamate if their boards of directors adopt a resolution which provides that

(1) the shares of the business corporation will be cancelled without reimbursement of the capital represented by these shares;

(2) the articles of amalgamation will be identical to those of the cooperative, taking account, however, of this Act;

(3) the directors of the cooperative resulting from the amalgamation will be those of the amalgamating cooperative and the by-laws of the cooperative resulting from the amalgamation will be those of the amalgamating cooperative.

In such a case, an application for amalgamation must be addressed to the Minister.

1982, c. 26, s. 173; 2003, c. 18, s. 87; 2009, c. 52, s. 563; 2015, c. 3, s. 24.

174. The articles of amalgamation must contain the provisions of the articles of the amalgamating cooperative and the date on which the amalgamation is to take effect if that date is later than the date of approval, taking account, however, of this Act.

The application and the articles of amalgamation must be accompanied with the documents referred to in paragraphs 3 and 7 of section 160 and with the following documents:

(1) an attestation of the amalgamating cooperative establishing that the cooperative has met the requirements of section 173;

(2) an attestation of the amalgamating business corporation establishing that the business corporation has met the requirements of section 173;

(3) an attestation of the auditor of the amalgamating cooperative establishing that the cooperative resulting from the amalgamation meets the requirements of sections 154 and 154.1.

1982, c. 26, s. 174; 1995, c. 67, s. 107; 2003, c. 18, s. 88; 2009, c. 52, s. 564; 2015, c. 3, s. 25.

175. Sections 154, 154.1, 161, 162 and 162.1 apply, with the necessary modifications, to an amalgamation provided for in this division.

1982, c. 26, s. 175; 1993, c. 48, s. 370; 2003, c. 18, s. 89.

176. From the date of taking effect appearing on the articles of amalgamation, the cooperative and the business corporation that have amalgamated continue in existence as the cooperative resulting from the amalgamation.

The resulting cooperative acquires the rights of the cooperative and of the business corporation that have amalgamated and assumes their obligations.

1982, c. 26, s. 176; 1995, c. 67, s. 108; 2009, c. 52, s. 565.

DIVISION V

AMALGAMATION BETWEEN A COOPERATIVE AND A LEGAL PERSON GOVERNED BY PART III OF THE COMPANIES ACT

2003, c. 18, s. 90.

176.1. A cooperative and a legal person governed by Part III of the Companies Act (chapter C-38) having similar or related objects may amalgamate to constitute a cooperative.

2003, c. 18, s. 90.

176.2. Sections 154 to 163 apply to the amalgamation, with the necessary modifications, except paragraphs 4, 5, 5.1 and 6 of section 155 and the third paragraph of section 163, which apply only to the amalgamating cooperative.

In addition to the requirements set out in section 155, the agreement of amalgamation must provide for the subscription and payment by the members of the legal person of shares of the cooperative resulting from the amalgamation.

2003, c. 18, s. 90.

CHAPTER XXII

INSPECTION

177. The Minister may, of his own motion or on the application of members of a cooperative, of the Conseil québécois de la coopération et de la mutualité or of the board of directors of the federation of which the cooperative is a member, appoint a person to inspect the affairs of the cooperative.

1982, c. 26, s. 177; 2015, c. 3, s. 55.

178. The person appointed by the Minister is vested for his inspection with the powers and immunity of a commissioner appointed under the Act respecting public inquiry commissions (chapter C-37), but not the power to punish for contempt of court.

Articles 282 to 285 of the Code of Civil Procedure (chapter C-25.01) apply to witnesses at the inspection.

1982, c. 26, s. 178; I.N. 2016-01-01 (NCCP).

179. The inspector shall render an account to the Minister.

Where the inspection has been carried out on the application of a person or body, the Minister shall communicate any information he considers relevant to the person or body concerned.

1982, c. 26, s. 179.

180. Following the report on the inspection, the Minister may call a special meeting of the members of the cooperative to communicate to them any information he considers relevant and to make his recommendations to them.

If the cooperative does not take account of his recommendations, the Minister may apply to the court to order the cooperative to comply with his recommendations, or to render any other decision it considers expedient.

1982, c. 26, s. 180; I.N. 2016-01-01 (NCCP).

CHAPTER XXIII

WINDING-UP

DIVISION I

ORDINARY WINDING-UP

1995, c. 67, s. 109.

181. A cooperative may decide to wind up its affairs and to dissolve by a resolution adopted by three-fourths of the votes cast by the members or representatives present at a special meeting called for that purpose. The cooperative exists and operates thenceforth only with a view to winding up its affairs.

Upon deciding to wind up, the special meeting shall, by a resolution adopted by the majority of the votes cast by the members or representatives present at the meeting, appoint one or three liquidators empowered to take immediate possession of the property of the cooperative.

1982, c. 26, s. 181; 1995, c. 67, s. 110.

181.1. Notice of the resolution adopted by the members for the winding-up and dissolution of the cooperative must be sent to the Minister. The Minister shall send a copy to the enterprise registrar who shall deposit it in the register referred to in Chapter II of the Act respecting the legal publicity of enterprises (chapter P-44.1).

1995, c. 67, s. 111; 2002, c. 45, s. 295; 2010, c. 7, s. 282.

182. Divisions II and III of the Winding-up Act (chapter L-4) apply to the winding-up of a cooperative, except section 9 and any provisions inconsistent with this chapter.

For that purpose, the Minister shall exercise the rights and assume the obligations conferred on the enterprise registrar by the said Act, except with respect to deposits and registration in the register that are provided for in sections 17 to 19 of that Act.

1982, c. 26, s. 182; 1995, c. 67, s. 112; 2002, c. 45, s. 295.

183. As soon as winding-up has been accepted by the general meeting, every action and all proceedings by way of seizure in the hands of a third person, seizure before judgment or seizure in execution, or otherwise, against the property of the cooperative shall be suspended.

The costs incurred by a creditor after he has himself or by his attorney had knowledge of the winding-up, cannot be collocated against the proceeds of the property of the cooperative distributed in consequence of the winding-up.

A judge of the Superior Court of the district in which the head office of the cooperative is located may, however, on such conditions as he considers proper, authorize the institution or continuance of any proceeding.

1982, c. 26, s. 183; I.N. 2016-01-01 (NCCP).

184. The liquidator shall, within the time and in respect of the period determined by the Minister, transmit, at the request of the Minister, a summary report of the liquidator's activities or any document or information required by the Minister concerning the conduct of the winding-up.

1982, c. 26, s. 184; 2003, c. 18, s. 91.

185. The liquidator shall first pay the debts of the cooperative and the costs of winding-up, and secondly, the amounts paid on the shares according to the priorities established by the by-laws or a resolution.

The sums representing the shares that could not be repaid shall be transferred to the Minister of Revenue together with a statement of the sums indicating the name and last known address of the interested parties and the date on which such sums were transferred to the Minister of Revenue; the Unclaimed Property Act (chapter B-5.1) applies to sums so transferred to the Minister of Revenue.

Where the by-laws of a producers cooperative, a work cooperative or a shareholding workers cooperative contain provisions for the purposes of the second paragraph of section 149.2, the balance remaining in the enhancement reserve, if any, shall be paid to the persons or partnerships that were members or auxiliary members of the cooperative during the period covering the five fiscal years preceding the year the winding-up was voted, in proportion to the business done with the cooperative or with a business corporation or partnership in which the cooperative held shares or other securities during the period determined by the cooperative's by-laws by those persons or partnerships.

The balance remaining in the enhancement reserve mentioned in the preceding paragraph is the balance appearing on the balance sheet of the cooperative established by the liquidator, minus the net loss from the disposal of the cooperative's assets.

In the case of a cooperative to which section 149.5 applies, the balance includes, as the case may be, the portion of any profit earned on the disposal of the shares of the cooperative that may be paid into the enhancement reserve.

Once such payments have been made and such sums have been transferred, the balance of the assets is devolved to a cooperative, a federation, a confederation or the Conseil québécois de la coopération et de la mutualité by the meeting of the members by means of a resolution adopted by a majority of the votes cast.

1982, c. 26, s. 185; 1995, c. 67, s. 113; 1997, c. 80, s. 58; 2003, c. 18, s. 92; 2005, c. 44, s. 54; 2009, c. 52, s. 566; 2011, c. 10, s. 98; 2015, c. 3, s. 26, s. 55.

185.1. Where the members have not made a decision concerning the balance of the assets of the cooperative, that balance devolves to the Conseil québécois de la coopération et de la mutualité.

1995, c. 67, s. 114; 2015, c. 3, s. 27, s. 55.

DIVISION II

SIMPLIFIED WINDING-UP

1995, c. 67, s. 114.

185.2. A cooperative having assets of \$25,000 or less is exempted from appointing a liquidator.

In that case, the board of directors shall prepare an asset disposal plan, with a view to winding up the cooperative, and submit the plan to a special meeting called for that purpose.

1995, c. 67, s. 114; 2003, c. 18, s. 93.

185.3. The special meeting may accept the asset disposal plan and decide to wind up the cooperative by a resolution adopted by 3/4 of the votes cast by the members or representatives present. The directors shall in such case assume the tasks incumbent upon the liquidator under section 185 and shall send notice of the resolution to the Minister along with a report describing the manner in which they have disposed of the assets of the cooperative.

1995, c. 67, s. 114.

185.4. The Minister shall inform the enterprise registrar that the report has been produced. The enterprise registrar shall make an entry in the register to that effect and the cooperative shall be dissolved from the date of that entry.

1995, c. 67, s. 114; 2002, c. 45, s. 295.

CHAPTER XXIV

DISSOLUTION ORDER

185.5. When, upon examination of its annual report, the Minister finds that the cooperative has failed to comply with the requirements of the law, the Minister may require that the board of directors produce, within a specified time, a cooperative compliance program in accordance with the Minister's recommendations and a report on the implementation of the program.

The Minister may also require that the board of directors present the recommendations submitted to the cooperative, the compliance program and the program implementation report at the annual meeting following their production.

2003, c. 18, s. 94.

186. The Minister may order the dissolution of a cooperative if

(1) the number of members becomes less than the minimum number referred to in section 7 or 223.1, as the case may be;

(2) *(paragraph repealed)*;

(3) it fails to hold an annual meeting of its members within the prescribed time;

(4) it does not send him a copy of the annual report within the prescribed time;

(5) *(paragraph repealed)*;

(6) if the compliance program referred to in section 185.5 has not been produced or implemented within the time prescribed in the notice provided for in section 188.

1982, c. 26, s. 186; 1995, c. 67, s. 115, s. 171; 2003, c. 18, s. 95.

187. Except in the case of paragraph 6 of section 186, the Minister, before ordering the dissolution of a cooperative, shall give notice to the cooperative of the alleged default and of the penalty to which the cooperative is liable.

The Minister may order the cooperative dissolved if it fails to remedy the alleged default within 60 days after the date of the notice.

1982, c. 26, s. 187; 2003, c. 18, s. 96.

188. If the cooperative fails to produce the compliance program provided for in section 185.5 or fails to implement the program to the Minister's satisfaction within the time prescribed, the Minister shall give notice to the cooperative of the default and of the penalty to which the cooperative is liable.

If the cooperative fails to remedy the default within 60 days after the date of the notice, the Minister, after requesting the cooperative to continue under the Business Corporations Act (chapter S-31.1) or Part III of the Companies Act (chapter C-38) within a specified time, may order the cooperative dissolved.

If the cooperative continues under the Business Corporations Act or the Companies Act, it must, in accordance with the terms of an agreement with the Conseil québécois de la coopération et de la mutualité, pay to that council an amount equal to the amount of the reserve that appears in its financial statements at the end of the last fiscal year prior to the continuance.

1982, c. 26, s. 188; 2003, c. 18, s. 97; 2009, c. 52, s. 567; 2015, c. 3, s. 55.

188.1. *(Repealed)*.

1995, c. 67, s. 116; 2003, c. 18, s. 98.

189. The Minister shall send a copy of every notice given under sections 187 and 188 to the enterprise registrar, who shall deposit it in the register.

1982, c. 26, s. 189; 1993, c. 48, s. 371; 2002, c. 45, s. 295.

189.1. If the cooperative proves to the Minister that it has remedied the default, the Minister shall send a notice evidencing the same to the enterprise registrar, who shall deposit the notice in the register.

1993, c. 48, s. 371; 2002, c. 45, s. 295.

190. The dissolution order shall be sent to the enterprise registrar, who shall deposit it in the register. The order has effect from the date of deposit.

However, the cooperative referred to in the dissolution order is deemed to continue in existence in order to terminate any judicial or administrative proceeding.

1982, c. 26, s. 190; 1993, c. 48, s. 372; 2002, c. 45, s. 295; 2005, c. 14, s. 50.

191. The Minister of Revenue is *ex officio* the liquidator of the property of the dissolved cooperative. He shall render an account to the Minister.

1982, c. 26, s. 191; 1997, c. 80, s. 59; 2005, c. 44, s. 54.

192. The balance of the assets of the dissolved cooperative devolves to the Conseil québécois de la coopération et de la mutualité.

1982, c. 26, s. 192; 1995, c. 67, s. 117; 2015, c. 3, s. 28, s. 55.

193. The Minister, at the request of any person concerned and on such conditions as the Minister determines, may revoke the dissolution retroactively by drawing up a notice to that effect and sending it to the enterprise registrar, who shall deposit the notice in the register. In no case may the revocation of a dissolution impair rights acquired by the Conseil québécois de la coopération et de la mutualité in accordance with section 192 or rights acquired by any person after the dissolution.

1982, c. 26, s. 193; 1993, c. 48, s. 373; 1995, c. 67, s. 118; 2002, c. 45, s. 295; 2015, c. 3, s. 55.

TITLE II

SPECIAL PROVISIONS ON CERTAIN COOPERATIVES

CHAPTER I

PRODUCERS COOPERATIVES

2003, c. 18, s. 99.

193.1. A producers cooperative is a cooperative whose principal object is to provide its members, who are producers within the meaning of section 193.2, with goods and services necessary to their professional practice or the operation of an enterprise.

2003, c. 18, s. 99.

193.2. A producer is a person or partnership that provides services or produces goods within a profession or as a business, in order to earn a livelihood or professional or business income that is the person's or partnership's principal professional or business income.

2003, c. 18, s. 99.

193.3. A cooperative may by by-law establish supplementary conditions in respect of the admission, expulsion or suspension of members.

2003, c. 18, s. 99.

193.4. A cooperative may by by-law subject any producer to a trial period of not more than 12 months. During the trial period, the producer is an auxiliary member.

In that case, the cooperative must also adopt the by-law provided for in section 52.

2003, c. 18, s. 99.

DIVISION I

AGRICULTURAL COOPERATIVES

2003, c. 18, s. 99.

194. An agricultural cooperative is a cooperative whose principal objects are connected with agricultural or related activities, with the furnishing of goods and services required for such activities, or with the production, processing, storing, marketing, handling and transport of produce connected with such activities.

1982, c. 26, s. 194.

195. *(Repealed).*

1982, c. 26, s. 195; 1995, c. 67, s. 119.

196. To be a founder of an agricultural cooperative, a person or partnership applying for its constitution must be an agricultural producer.

1982, c. 26, s. 196; 1995, c. 67, s. 120, s. 171.

197. Every agricultural cooperative that elects to be governed by this division must indicate that election in its articles.

1982, c. 26, s. 197; 1995, c. 67, s. 121; 2003, c. 18, s. 100.

198. *(Repealed).*

1982, c. 26, s. 198; 2003, c. 18, s. 101.

199. *(Repealed).*

1982, c. 26, s. 199; 1995, c. 67, s. 122.

200. To be a member of an agricultural cooperative, a person or partnership must

- (1) be an agricultural producer;
- (2) apply for membership except in the case of a founder;
- (3) subscribe and pay for the required qualifying shares in accordance with the by-laws;
- (4) undertake to observe the by-laws of the cooperative;
- (5) be admitted by the board of directors, except in the case of a founder.

In the case of a cooperative whose objects are connected with marketing, the person or partnership must also undertake to deliver goods or sell goods or services through the cooperative for one year or for a longer period determined under paragraph 2 of section 205.

1982, c. 26, s. 200; 1995, c. 67, s. 123.

201. *(Repealed).*

1982, c. 26, s. 201; 1995, c. 67, s. 124.

202. In case of the death, resignation or expulsion of a member or auxiliary member, the agricultural cooperative may repay the sums paid on his common shares.

1982, c. 26, s. 202; 1989, c. 54, s. 165; 2003, c. 18, s. 102.

203. The representative of a legal person or partnership must be involved in the agricultural operations of the legal person or partnership that he represents.

1982, c. 26, s. 203; 1995, c. 67, s. 165.

204. *(Repealed).*

1982, c. 26, s. 204; 1995, c. 67, s. 124.

205. The board of directors may

(1) *(paragraph repealed)*;

(2) regulate the conditions and establish the term of the contracts that must be signed by each member pursuant to sections 53 and 200;

(3) expel any member who neglects or refuses upon the expiry of the contract contemplated in sections 53 and 200 to sign another contract or observe its requirements.

1982, c. 26, s. 205; 1995, c. 67, s. 125.

206. *(Repealed)*.

1982, c. 26, s. 206; 1995, c. 67, s. 126.

207. *(Repealed)*.

1982, c. 26, s. 207; 1995, c. 67, s. 126.

208. In case of a winding-up, the balance of the assets must be distributed to the persons or partnerships that were members of the cooperative during the three fiscal years preceding the year in which the winding-up was voted, in proportion to the amount of business done by them during the period determined by the general meeting.

The members may, however, decide to remit all or part of the balance to another agricultural cooperative or La Coop fédérée.

1982, c. 26, s. 208; 2003, c. 18, s. 103; 2015, c. 3, s. 29.

209. *(Repealed)*.

1982, c. 26, s. 209; 1995, c. 67, s. 126.

210. In case of a dissolution order, the balance of the assets devolves, according to the decision of the Minister, to another agricultural cooperative or to La Coop fédérée.

1982, c. 26, s. 210; 2015, c. 3, s. 29.

211. An agricultural cooperative may make a by-law to establish a class of associate members.

1982, c. 26, s. 211; 1995, c. 67, s. 127.

211.1. To be an associate member of an agricultural cooperative, a person or partnership must

- (1) be capable of actually being a user of the cooperative's services;
- (2) apply for membership;
- (3) subscribe and pay for the required qualifying shares in accordance with the by-laws;
- (4) undertake to comply with the by-laws of the cooperative;
- (5) be admitted by the board of directors.

1995, c. 67, s. 127; 2003, c. 18, s. 104.

211.2. The associate members of an agricultural cooperative are eligible to be directors and are entitled to rebates.

1995, c. 67, s. 127.

211.3. For the formation of the board of directors of the cooperative, associate members form a group within the meaning of section 83 which is entitled to elect a proportion of the number of directors equal to the proportion obtained by dividing the number of associate members by the total number of members and associate members of the cooperative.

If that proportion results in a number of directors that includes a decimal fraction greater than 0.5, the group is entitled to elect an additional director.

However, the number of directors that the group is entitled to elect may not be greater than 25% of the number of directors of the cooperative.

1995, c. 67, s. 127.

211.4. The associate members are entitled to a proportion of voting rights in the cooperative equal to the proportion obtained by dividing the number of associate members by the total number of members and associate members of the cooperative up to a maximum of 25% of the voting rights at the meeting of the cooperative.

1995, c. 67, s. 127; 2003, c. 18, s. 105.

211.5. If, during a fiscal year, the proportion of business done by the agricultural cooperative with its members is less than 20% of its business within the meaning of government regulations, the Minister may order the cooperative to amend its articles to specify that it is no longer governed by this division.

If the cooperative fails to comply with the Minister's order within 60 days of notification of the order, the Minister may of his own initiative amend the articles of the cooperative.

1995, c. 67, s. 127; 2003, c. 18, s. 106; I.N. 2016-01-01 (NCCP).

211.6. Where the Minister amends the articles of the cooperative of his own initiative, he shall produce a certificate in triplicate evidencing the amendment.

The Minister shall register one copy of the certificate and send a second copy to the cooperative. He shall send a third copy to the enterprise registrar, who shall deposit it in the register. The amendment takes effect on the date appearing on the certificate.

1995, c. 67, s. 127; 2002, c. 45, s. 295.

211.7. The associate members become members of the cooperative when the amendment to the articles made by the cooperative or by the Minister takes effect.

1995, c. 67, s. 127.

211.8. The term "member" includes the term "associate member", except for the purposes of sections 61, 62, 73, 77 and 139, paragraph 1 of section 186 and section 211.5.

1995, c. 67, s. 127.

CHAPTER II

Repealed, 1995, c. 67, s. 128.

1995, c. 67, s. 128.

212. *(Repealed).*

1982, c. 26, s. 212; 1995, c. 67, s. 128.

213. *(Repealed).*

1982, c. 26, s. 213; 1995, c. 67, s. 128.

214. *(Repealed).*

1982, c. 26, s. 214; 1995, c. 67, s. 128.

215. *(Repealed).*

1982, c. 26, s. 215; 1995, c. 67, s. 128.

CHAPTER III

Repealed, 1995, c. 67, s. 128.

1995, c. 67, s. 128.

216. *(Repealed).*

1982, c. 26, s. 216; 1995, c. 67, s. 128.

217. *(Repealed).*

1982, c. 26, s. 217; 1995, c. 67, s. 128.

218. *(Repealed).*

1982, c. 26, s. 218; 1993, c. 48, s. 374; 1995, c. 67, s. 128.

219. *(Repealed).*

1982, c. 26, s. 219; 1995, c. 67, s. 128.

CHAPTER IV

CONSUMER COOPERATIVES

2003, c. 18, s. 107.

219.1. A consumer cooperative is a cooperative whose principal object is to provide its members with goods and services for their personal use.

2003, c. 18, s. 107.

DIVISION I

HOUSING COOPERATIVES

2003, c. 18, s. 107.

§ 1. — *General provisions*

2015, c. 3, s. 30.

220. A housing cooperative is a cooperative whose principal object is to assist its members in acquiring the ownership or use of a house or dwelling.

1982, c. 26, s. 220; 1995, c. 67, s. 129.

221. A housing cooperative that rents dwellings to its members may, where authorized by the by-laws, allow two members per dwelling unit.

1982, c. 26, s. 221; 1995, c. 67, s. 130.

221.1. To be admitted as a member of a cooperative referred to in section 221, a person must be a party to a lease for the rental of a dwelling unit owned by the cooperative.

A member whose lease is resiliated, cancelled or not renewed is deemed to have resigned from the cooperative on the date of the resiliation, cancellation or expiry of the lease.

1995, c. 67, s. 130.

221.2. A cooperative that rents dwellings to its members may, by by-law, make any person's admission subject to a trial period of not more than six months. During that period, the person is an auxiliary member.

1995, c. 67, s. 130; 2003, c. 18, s. 108.

221.2.1. A housing cooperative must adopt the by-law provided for in section 54.1 during its general organization meeting.

A housing cooperative constituted before 17 November 2005 has up to 12 months from that date to adopt the by-law referred to in the first paragraph.

2003, c. 18, s. 109.

221.2.2. In addition to the requirements set out in section 132, the annual report of a housing cooperative must state the number of dwelling units that belong to the cooperative.

2003, c. 18, s. 109.

§ 2. — Cooperative owning a building built, acquired, restored or renovated under a housing assistance program

2015, c. 3, s. 31.

221.2.3. Where a building belonging to a housing cooperative has been built, acquired, restored or renovated under a housing assistance program of the Government, the federal government or one of their departments, agencies or bodies, the cooperative must

(1) set up a reserve sufficient to ensure the sound and prudent management, maintenance and preservation of the building;

(2) name an auditor in compliance with the second paragraph of section 135;

(3) have the building inspected by an expert at least every five years and submit the expert's report at the cooperative's meeting that follows the filing of the report;

(4) prepare a five-year plan for the maintenance and preservation of the building and the related budgets;

(5) in its annual report, in addition to the requirements set out in section 132, give the date of the last inspection of the building, and report on the maintenance and preservation work done and on the related budgets.

2003, c. 18, s. 109; 2015, c. 3, s. 32.

221.2.4. The cooperative must maintain the destination, in particular the social or community vocation, of the building.

2015, c. 3, s. 33.

221.2.5. The alienation of the building, other than by expropriation or forced sale, the establishment of emphyteusis on it or a change in its destination by any cooperative, other than a cooperative whose principal object is to assist its members in acquiring the ownership of a house or dwelling, must be authorized by the Minister, who may subject such authorization to the conditions the Minister determines.

The first paragraph does not apply if the building is taken in payment or another hypothecary right relating to the building is exercised

(1) by a hypothecary creditor whose business is making loans on real security;

(2) by the Government, the federal government or one of their departments, agencies or bodies, or by a legal person established in the public interest.

2015, c. 3, s. 33.

221.2.6. The application for authorization must contain the name and domicile of the cooperative, a description of the building, the total amount obtained under any assistance program referred to in section 221.2.3 and a certified statement from the Land Registrar of the charges encumbering it. In the case of an alienation or the establishment of emphyteusis, it must also state the nature and conditions of the juridical act contemplated, the name of the acquirer, assignee or future beneficiary, and the sale price of the building; in the case of a change in destination, it must specify the proposed destination.

On receiving an application for authorization, the Minister shall inform the Confédération québécoise des coopératives d'habitation and, if applicable, the federation of housing cooperatives operating in the region where the building is located, which have 30 days to submit their observations.

In analyzing the application, in addition to the elements specified in the first paragraph, the Minister takes into account the impact of the act contemplated on the destination, in particular the social or community vocation, of the building and the observations submitted by the cooperative sector.

Before denying an authorization, the Minister must notify the applicant as prescribed by section 5 of the Act respecting administrative justice (chapter J-3) and give the applicant the opportunity to submit observations.

2015, c. 3, s. 33.

221.2.7. The Minister may require the registration in the land register of a statement specifying that the building is subject to the provisions of section 221.2.5. The registration is required by way of a notice sent to the registry office.

2015, c. 3, s. 33.

221.2.8. Any act done in contravention of this division is absolutely null.

2015, c. 3, s. 33.

221.2.9. The Attorney General may obtain from the Superior Court an order to stop any act or transaction undertaken or continued without the Minister's authorization.

The application of the Attorney General is heard and decided by preference.

2015, c. 3, s. 33; I.N. 2016-01-01 (NCCP).

221.2.10. In the case of a winding-up, the balance of the assets is devolved to a housing cooperative, a federation of housing cooperatives, a confederation of such federations or the Conseil québécois de la coopération et de la mutualité by the meeting of the members by means of a resolution adopted by a majority of the votes cast.

If the members do not make a decision with regard to the balance of the cooperative's assets, that balance devolves to the Conseil québécois de la coopération et de la mutualité.

2015, c. 3, s. 33.

DIVISION II

STUDENTS' COOPERATIVES

1995, c. 67, s. 130; 2003, c. 18, s. 110.

221.3. A students' cooperative is a cooperative whose members are the students and staff of the educational institution in which it has a permanent place of business and offers its services. The educational institution may also be a member of the cooperative.

Where the educational institution is a school, a vocational training centre or an adult education centre governed by the Education Act (chapter I-13.3), the governing board shall decide on the institution's membership in the cooperative.

1995, c. 67, s. 130; 2003, c. 18, s. 111.

221.3.1. A students' cooperative shall at all times have a head office in at least one educational institution where it offers its services.

2003, c. 18, s. 111.

221.4. An application for the constitution of a students' cooperative must be accompanied with a written statement from the educational institution in which the cooperative intends to offer services, authorizing it to have its head office and a permanent place of business in a facility of the educational institution.

1995, c. 67, s. 130; 1999, c. 40, s. 88; 2003, c. 18, s. 112.

221.4.1. The board of directors of a students' cooperative may designate persons authorized to admit members in its name.

2003, c. 18, s. 113.

221.5. The price for a common share in a students' cooperative must be fixed by by-law. The price may vary from \$2 to \$10.

1995, c. 67, s. 130.

221.5.1. The students and the staff of the educational institution constitute groups of members within the meaning of section 83, and each group has the right to elect at least one director.

Where a cooperative offers its services in more than one institution, the students of the educational institutions and the staff of the educational institutions constitute two distinct groups of members within the meaning of section 83, and each group has the right to elect at least one director.

The cooperative may by by-law provide for the election of other directors by the meeting.

2003, c. 18, s. 114.

221.6. The cooperative may by by-law provide that a member who does not request the repayment of his qualifying shares in the year following his resignation is deemed to have donated them to the cooperative.

1995, c. 67, s. 130; 2003, c. 18, s. 115.

221.6.1. The name of a students' cooperative may include one of the following expressions: "students' cooperative", "students' coop", "students cooperative", "students coop", "student cooperative", "student coop", "school community cooperative" and "school community coop".

Only a students' cooperative may use those expressions or include any of them in its name.

2003, c. 18, s. 116.

221.7. A students' cooperative may include the term "Coopsco" in its name or use it for other purposes if so authorized by the Fédération des coopératives québécoises en milieu scolaire.

A cooperative constituted under a name including the term "Coopsco" is not required to include in its name any of the terms mentioned in section 16.

No person or partnership may use the term "Coopsco" in its name or otherwise.

1995, c. 67, s. 130.

221.8. Where the authorization to use the term "Coopsco" is revoked by the federation, the cooperative must cease using it and, where necessary, change its name within 60 days of the revocation.

If the cooperative fails to change its name, the Minister shall assign another name to the cooperative and evidence the change in a certificate that he shall send to the enterprise registrar; the latter shall deposit the certificate in the register.

1995, c. 67, s. 130; 2002, c. 45, s. 295.

CHAPTER V

WORK COOPERATIVES

1984, c. 28, s. 7; 1995, c. 67, s. 131.

222. A work cooperative is a cooperative made up exclusively of natural persons who, as workers, join together to operate an enterprise pursuant to the rules of cooperative action, and whose object is to provide work to its members and auxiliary members.

1982, c. 26, s. 222; 1984, c. 28, s. 8; 1995, c. 67, s. 132; 2003, c. 18, s. 117.

223. *(Repealed).*

1982, c. 26, s. 223; 1984, c. 28, s. 8; 1995, c. 67, s. 133.

223.1. At least three founders are required to apply for the constitution of a work cooperative.

1984, c. 28, s. 8; 1995, c. 67, s. 171; 2003, c. 18, s. 118.

223.2. *(Repealed).*

1984, c. 28, s. 8; 2003, c. 18, s. 119.

224. *(Repealed).*

1982, c. 26, s. 224; 1984, c. 28, s. 8; 2003, c. 18, s. 119.

224.1. A cooperative may, by by-law, establish supplementary conditions in respect of the admission, expulsion or suspension of members.

1984, c. 28, s. 8.

224.1.1. The number of qualifying shares may vary according to the nature of the transactions in which the member participates, and on the amount of work that the cooperative is in a position to offer him.

1995, c. 67, s. 134.

224.2. The cooperative may, by by-law, make any worker's admission subject to a trial period of not more than 250 work days extending over a period of not more than 18 months. During the trial period, the worker is an auxiliary member.

The cooperative shall pass the by-law provided for in section 52 in respect of workers on trial. It may not provide for other categories of auxiliary members.

1984, c. 28, s. 8; 1995, c. 67, s. 135; 2003, c. 18, s. 120.

224.2.1. At the end of a 30-day period following the end of the trial period, a worker on trial who is in the employ of the cooperative becomes a member of the cooperative.

2003, c. 18, s. 121.

224.3. *(Repealed).*

1984, c. 28, s. 8; 1995, c. 67, s. 136.

224.4. The cooperative must establish, by by-law, a procedure for work sharing, lay-offs and recalls.

1984, c. 28, s. 8; 1995, c. 67, s. 137.

224.4.0.1. The general manager or the manager may impose administrative or disciplinary measures, other than dismissal, on members and auxiliary members.

However, the board of directors may, by resolution, assign itself those powers or entrust them to another person or group of persons it designates. Such a decision must be made available to the members and auxiliary members.

2015, c. 3, s. 34.

224.4.1. The termination of the employer-employee relationship entails the loss of member or auxiliary member status.

In the case of a lay-off, a worker ceases to be a member or auxiliary member upon being informed in writing by the cooperative that it does not intend to recall the worker to work or 24 months after the worker's last period of work for the cooperative, whichever occurs first.

2003, c. 18, s. 122.

224.4.2. A cooperative that has more than 50 members and auxiliary members must by by-law

(1) form a liaison committee between the members and auxiliary members and the board of directors to greet new members or auxiliary members and to ensure that the enterprise implements the rules of cooperative action;

(2) determine the operating rules of the liaison committee.

COOPERATIVES

A by-law under this section must be passed at the latest during the first annual meeting following the date the cooperative's membership rises above 50 members and auxiliary members.

2003, c. 18, s. 122.

224.4.3. The cooperative is required to ensure the on-going cooperative training of its members, auxiliary members, directors and executive officers.

2003, c. 18, s. 122.

224.4.4. In its annual report, in addition to the requirements set out in section 132, the cooperative must report on

(1) any liaison committee activities;

(2) the participation of members, auxiliary members, directors and executive officers in cooperative training activities.

2003, c. 18, s. 122.

224.5. The cooperative may hire a person who does not have member or auxiliary member status to do short-term casual work.

1984, c. 28, s. 8; 2003, c. 18, s. 123.

224.6. A member may not be represented within the meaning of section 69.

1995, c. 67, s. 138; 2003, c. 18, s. 124.

224.7. Rebates are calculated on the basis of the amount of work performed by a member or auxiliary member during the last fiscal year for the cooperative or for the business corporation or partnership in which the cooperative is a shareholder or partner.

The amount of work may be measured by the income of the member or auxiliary member, the number of hours of work or any other scale determined by the by-laws.

Notwithstanding the first paragraph, the cooperative may by by-law provide that rebates are calculated on the basis of the volume of work performed during a period covering not more than its last four fiscal years.

The rebate rate may vary according to the nature of the transactions in which the member or auxiliary member has participated.

2003, c. 18, s. 125; 2009, c. 52, s. 568.

CHAPTER VI

SHAREHOLDING WORKERS COOPERATIVES

2003, c. 18, s. 126.

225. A shareholding workers cooperative is a cooperative made up exclusively of natural persons for the purpose of acquiring and holding shares in the business corporation that employs them and whose object is to provide work to its members and auxiliary members through the enterprise operated by that business corporation.

The cooperative enables its members and auxiliary members collectively to be shareholders in the business corporation through the cooperative and is deemed to prosecute an enterprise within the meaning of section 3.

1982, c. 26, s. 225; 1984, c. 28, s. 9; 1995, c. 67, s. 139; 2003, c. 18, s. 126; 2009, c. 52, s. 569.

225.1. The cooperative must be a party to a written agreement among the shareholders of the business corporation. This agreement must provide for the presence of at least one representative of the cooperative on the business corporation's board of directors.

1995, c. 67, s. 140; 2003, c. 18, s. 126; 2009, c. 52, s. 570.

225.2. The cost at which the cooperative acquires voting and participating shares must exceed 30% of the total cost of the shares it acquires in the business corporation.

2003, c. 18, s. 126; 2009, c. 52, s. 571.

225.3. A shareholder of the business corporation may not act as a founder of the cooperative for the purpose of constituting the cooperative and holding the organization meeting. Nor may a shareholder of the business corporation who holds more than 20% of the business corporation's voting shares be a member of the cooperative.

2003, c. 18, s. 126; 2009, c. 52, s. 572.

225.4. Any worker in the enterprise operated by the business corporation in which the cooperative holds shares who meets the requirements of the law and those set out in the by-laws of the cooperative has the right to become a member of the cooperative.

2003, c. 18, s. 126; 2009, c. 52, s. 573.

225.5. In addition to the powers conferred by section 82, the cooperative may by by-law provide that a member who holds shares in the business corporation in which the cooperative holds shares is ineligible as a director of the cooperative.

2003, c. 18, s. 126; 2009, c. 52, s. 574.

225.6. In its annual report, in addition to the requirements provided for in section 132, the cooperative must

- (1) state the name of the cooperative's representative on the business corporation's board of directors;
- (2) state the percentage of the business corporation's voting and participating shares held by the cooperative, the acquisition cost of those shares and the total acquisition cost of the shares the cooperative holds in the business corporation;
- (3) report on any liaison committee activities;
- (4) report on the participation of the members, auxiliary members, directors and executive officers in the cooperative training activities.

2003, c. 18, s. 126; 2009, c. 52, s. 575.

225.7. Sections 223.1, 224.1, 224.1.1, 224.2, 224.4.1 to 224.4.3, 224.6 and 224.7 apply, with the necessary modifications, to a shareholding workers cooperative.

2003, c. 18, s. 126.

225.8. Sections 225.1 to 225.3 and paragraphs 1 and 2 of section 225.6 apply only to cooperatives constituted after 17 November 2005.

2003, c. 18, s. 126.

226. *(Replaced).*

1982, c. 26, s. 226; 1995, c. 67, s. 141; 2003, c. 18, s. 126.

CHAPTER VII

SOLIDARITY COOPERATIVES

1997, c. 17, s. 2; 2003, c. 18, s. 127.

226.1. A solidarity cooperative is a cooperative consisting of at least two of the following categories of members:

(1) user members, that is, persons or partnerships that are users of the services provided by the cooperative as producers or consumers;

(2) worker members, that is, natural persons who are workers of the cooperative;

(3) supporting members, that is, any other person or partnership that has an economic, social or cultural interest in the pursuit of the objects of the cooperative.

1997, c. 17, s. 2; 2003, c. 18, s. 128; 2015, c. 3, s. 35.

226.1.1. A person or partnership that is a member of a solidarity cooperative may be part of only one category of members.

2003, c. 18, s. 128.

226.1.2. Notwithstanding the second paragraph of section 7, persons or partnerships that have an economic, social or cultural interest in the pursuit of the objects of the cooperative may apply for the constitution of a solidarity cooperative, provided they form a minority of the founders.

2003, c. 18, s. 128.

226.2. The name of a solidarity cooperative must include the expression “solidarity cooperative” or “solidarity coop”.

No person or partnership may use a name that includes either of those expressions.

1997, c. 17, s. 2.

226.3. Any person or partnership referred to in paragraph 3 of section 226.1 that, before the sending of the notice calling the general organization meeting, transmitted to the provisional secretary a memorandum of membership indicating the interest of the person or partnership in the pursuit of the objects of a solidarity cooperative shall be called to the meeting.

1997, c. 17, s. 2; 2003, c. 18, s. 129.

226.4. The number of qualifying shares that a member is required to hold may vary according to whether the member is a user, a worker or a supporting member.

1997, c. 17, s. 2.

226.5. The board of directors may, if so authorized by by-law, issue participating preferred shares to a supporting member.

1997, c. 17, s. 2.

226.6. The user producers, the user consumers, the workers and the supporting members shall constitute groups of members within the meaning of section 83, and each such group shall be entitled to elect at least one director.

The cooperative may, by by-law, provide for the election of other directors by the meeting.

The number of directors elected from among the supporting members and the persons referred to in the second paragraph of section 81 and in section 81.1 shall not exceed one-third of the total number of directors of the cooperative.

1997, c. 17, s. 2; 2003, c. 18, s. 130; 2015, c. 3, s. 36.

226.7. The annual report of a solidarity cooperative shall indicate the number of members of the cooperative who are user producers, the number who are user consumers, the number who are workers and the number who are supporting members.

1997, c. 17, s. 2; 2003, c. 18, s. 131; 2015, c. 3, s. 37.

226.8. Any rebates allotted shall be allotted to the members and to the auxiliary members, if any,

(1) in proportion to the amount of business conducted by each user with the solidarity cooperative during the preceding fiscal year;

(2) in proportion to the volume of work effected by each worker for the solidarity cooperative during the preceding fiscal year.

The volume of work effected may be measured according to the income of the member or auxiliary member or the number of hours worked or according to any other criterion determined by by-law.

No rebate may be allotted to supporting members.

1997, c. 17, s. 2; 2003, c. 18, s. 132.

226.9. Where the membership of a solidarity cooperative includes only users or workers, the Minister may order that the cooperative amend its articles to withdraw itself from the application of this Title.

If the cooperative fails to comply with such an order within 60 days of notification thereof, the Minister may, of his own motion, amend the articles of the cooperative.

1997, c. 17, s. 2; 2003, c. 18, s. 133; I.N. 2016-01-01 (NCCP).

226.10. Where the Minister, of his own motion, amends the articles of a solidarity cooperative, he shall issue a certificate in triplicate evidencing the amendment.

The Minister shall register one copy of the certificate, and shall send another copy to the cooperative. He shall transmit the third copy to the enterprise registrar, who shall deposit it in the register. The amendment has effect from the date set forth in the certificate.

1997, c. 17, s. 2; 2002, c. 45, s. 295.

226.11. *(Repealed).*

1997, c. 17, s. 2; 2003, c. 18, s. 134.

226.12. Where the membership of a solidarity cooperative no longer includes any users or workers, the Minister may order that the cooperative proceed with its winding-up and dissolution.

A director or two members of the cooperative may call a special meeting for that purpose.

The Minister shall transmit a copy of the order to the enterprise registrar, who shall deposit it in the register.

1997, c. 17, s. 2; 2002, c. 45, s. 295.

226.13. If the cooperative fails to comply with such an order of the Minister within 60 days of notification thereof, the Minister shall order the dissolution of the cooperative.

Such a dissolution order shall be transmitted to the enterprise registrar, who shall deposit it in the register. The order has effect from the date of deposit.

1997, c. 17, s. 2; 2002, c. 45, s. 295; I.N. 2016-01-01 (NCCP).

226.14. Where the services provided by a solidarity cooperative to its user members are the acquisition or use of a house or dwelling, sections 221 to 221.2.10 apply to the cooperative, with the necessary modifications.

1997, c. 17, s. 2; 2003, c. 18, s. 135; 2015, c. 3, s. 38.

226.15. Where one of the objects of a solidarity cooperative is to provide work to its members and auxiliary members, sections 224.1, 224.1.1, 224.2, 224.2.1 and 224.4 to 224.6 apply, with the necessary modifications, to the worker members and workers on trial of the cooperative.

2003, c. 18, s. 135.

TITLE III

FEDERATIONS

CHAPTER I

GENERAL PROVISIONS

227. Title I applies to federations, with the necessary modifications, except the provisions inconsistent with this title.

1982, c. 26, s. 227.

228. The Minister shall send a notice to the Conseil québécois de la coopération et de la mutualité advising it of any application for the constitution of a federation, together with a copy of the application and of the constituting articles. Not later than 15 days after the sending of the notice or as soon as the Conseil has responded, the Minister may, if he considers it advisable, constitute a federation of cooperatives pursuing similar or related objects.

1982, c. 26, s. 228; 1995, c. 67, s. 142; 2015, c. 3, s. 55.

229. To be a founder or member of a federation, a cooperative must have received prior authorization by resolution of its board of directors or of the general meeting.

1982, c. 26, s. 229; 2015, c. 3, s. 39.

230. The articles must contain, in addition to the particulars referred to in sections 9 and 10, the territory in which the federation may recruit its members.

The Minister shall notify the Conseil québécois de la coopération et de la mutualité of any change made to the territory of the federation.

1982, c. 26, s. 230; 1995, c. 67, s. 143; 2015, c. 3, s. 55.

230.1. In addition to the documents provided for in section 12, the application and the articles must be accompanied with an attestation by each of the founding cooperatives establishing that the cooperative meets

the requirements of section 229 and that it has designated the persons authorized to sign the articles in its name.

2003, c. 18, s. 136; 2015, c. 3, s. 40.

231. The name of the federation must include the expression “federation” and indicate the class of cooperatives that it groups together and the name of the region in which it recruits its members.

1982, c. 26, s. 231; 1995, c. 67, s. 166.

232. To be a member of a federation, a cooperative must

- (1) pursue objects similar or related to those pursued by the other members of the federation;
- (2) apply for membership, except in the case of a founding cooperative;
- (3) agree to respect the by-laws;
- (4) subscribe and pay for the required qualifying shares in accordance with the by-law;
- (5) agree, if a by-law of the federation requires it, to make its purchases, sales or any other transactions through the federation;
- (6) be admitted by the board of directors, except in the case of a founding cooperative.

1982, c. 26, s. 232; 1995, c. 67, s. 144.

232.1. To resign from a federation, the member cooperative must be so authorized by a resolution of its board of directors. The resolution must be ratified by the general meeting of the cooperative before the resignation.

2015, c. 3, s. 41.

CHAPTER II

POWERS

233. The object of a federation is to safeguard the interests of its members and promote their development. For such purposes, it may in particular

- (1) exercise the powers of a cooperative;
- (2) establish training, technical assistance and promotional services;
- (3) grant financial assistance to a member in addition to its powers under section 28;
- (4) *(paragraph repealed)*;
- (5) make agreements with any members to supervise, control or manage its affairs for a stated period;
- (6) cause the books and accounts of its members and of the cooperatives indebted to it to be inspected, audited or examined;
- (7) require from the members and other cooperatives contemplated in paragraph 6 copies of their annual reports and by-laws;

(8) supply persons or partnerships interested in forming a cooperative with the requisite information to determine its efficiency and to facilitate its constitution.

1982, c. 26, s. 233; 1995, c. 67, s. 145, s. 171; 2003, c. 18, s. 137.

233.1. In addition to the powers conferred by section 233, a federation may, if its by-laws so provide, cause the affairs of its members to be inspected.

The by-laws shall determine the cases and manner in which this power of inspection may be used.

Subject to the by-laws, the costs, fees and expenses of the inspection are chargeable to the cooperative that is inspected.

2003, c. 18, s. 138.

233.2. The federation must, within a reasonable time, present an inspection report to the general meeting of the cooperative and inform the meeting of its recommendations.

2003, c. 18, s. 138.

233.3. A cooperative that is inspected must maintain its membership in the federation for as long as the inspection report has not been presented to the general meeting.

2003, c. 18, s. 138.

234. *(Repealed).*

1982, c. 26, s. 234; 1995, c. 67, s. 146.

CHAPTER III

GENERAL MEETING

235. The general meeting of a federation is composed of the representatives of the cooperatives that are members thereof.

1982, c. 26, s. 235.

236. The federation shall by by-law

- (1) provide the manner in which its members are to be represented at general meetings;
- (2) determine the number of representatives to which each member is entitled and the manner of determining such number;
- (3) determine the number of votes to which each member is entitled.

That number of votes may be based on the number of members of the cooperatives affiliated to the federation. An additional number of votes may be granted based on the participation of the affiliated cooperatives in the business of the federation, but such number may not be greater than that based on the number of their members.

1982, c. 26, s. 236.

CHAPTER IV

BOARD OF DIRECTORS

237. The federation shall, by by-law,

- (1) establish the mode of constitution of its board of directors;
- (2) fix the number of members of the board of directors;
- (3) establish the mode of election of directors at the annual meeting or at the meeting of groups of members whose composition is provided for in section 83;
- (4) determine the quorum of the board of directors.

1982, c. 26, s. 237.

238. The board may be composed of more than 15 directors.

1982, c. 26, s. 238.

239. The majority of the directors of a federation must be chosen from among the directors of its members.

The representative of any financial services cooperative within the meaning of the Act respecting financial services cooperatives (chapter C-67.3) may also be a director if the financial services cooperative constitutes a group pursuant to section 83.

The federation may also provide by by-law that directors may be chosen from among the members or officers of its members.

No employee of the federation may be elected as a director.

1982, c. 26, s. 239; 1988, c. 64, s. 587; 2000, c. 29, s. 630; 2003, c. 18, s. 139.

239.1. The by-laws may provide that auxiliary members or persons other than those referred to in section 239 are eligible as directors.

The candidacy of such persons shall be recommended to the meeting by the board of directors.

2003, c. 18, s. 140.

239.2. The number of positions held by the representative of a financial services cooperative within the meaning of the Act respecting financial services cooperatives (chapter C-67.3) and by the persons referred to in section 239.1 must not exceed one third of the total number of directors' positions.

2003, c. 18, s. 140.

240. Unless otherwise provided by the by-laws, the chairman of the board of directors is the president of the federation.

1982, c. 26, s. 240.

240.1. If so authorized by the by-laws, the board of directors of a federation may establish, in addition to an executive committee, other committees composed of directors, determine their mandate and delegate certain powers to them.

Such committees shall report to the board of directors.

2003, c. 18, s. 141.

TITLE IV

SPECIAL PROVISIONS ON CONFEDERATIONS

241. The Minister shall send a notice to the Conseil québécois de la coopération et de la mutualité advising it of any application for the constitution of a confederation, together with a copy of the application and of the constituting articles. Not later than 15 days after the sending of the notice or as soon as the Conseil has responded, the Minister may, if he considers it advisable, constitute a confederation of federations.

Two federations are sufficient for the establishment of a confederation.

1982, c. 26, s. 241; 1995, c. 67, s. 147; 2015, c. 3, s. 55.

242. Not more than one confederation grouping together federations whose members have similar or related objects may be established.

1982, c. 26, s. 242.

243. Titles I and III apply to confederations with the necessary modifications.

1982, c. 26, s. 243.

TITLE V

REGULATIONS

244. The Government may, by regulation

(1) establish the fees payable for the preparation and examination of documents or for the measures that may or must be taken by the Minister under this Act;

(2) *(paragraph repealed)*;

(3) determine the manner of registering the documents whose registration is required under this Act and the manner of keeping these documents;

(4) *(paragraph repealed)*;

(5) *(paragraph repealed)*;

(6) determine the standards, terms and conditions respecting the name appearing in the articles of a cooperative, federation or confederation and any other name that it may use to identify itself;

(6.1) *(paragraph repealed)*;

(6.2) *(paragraph repealed)*;

(6.3) *(paragraph repealed)*;

(7) determine the standards respecting the form and tenor of financial statements and respecting auditing and the report of the auditor;

(8) determine, according to the amount of business done by a cooperative, the particular requirements as to auditing, the report of the auditor, the qualifications required to be an auditor and the nature, form and tenor of the financial statements that it must file;

(9) *(paragraph repealed)*;

(10) *(paragraph repealed)*;

(11) determine, for the purposes of section 128.1, the proportion of business that a cooperative must carry on with its members and with its auxiliary members, if any, and define, for any specified class of cooperatives, the meaning of the word “business” for the purposes of that section and of section 211.5;

(12) define the meaning of the word “subsidiary” for the purposes of section 128.1;

(13) define the meaning of the word “debts” for the purposes of section 146.

1982, c. 26, s. 244; 1987, c. 68, s. 70; 1993, c. 48, s. 375; 1995, c. 67, s. 148; 2003, c. 18, s. 142.

245. The regulations made under this Title and Title VIII, except those respecting fees payable and those provided for in section 279, shall be made only on prior notice of thirty days published in the *Gazette officielle du Québec* reproducing the text thereof.

Such regulations come into force on the date of publication in the *Gazette officielle du Québec* of a notice indicating that they have been made by the Government or, if amended by it, of their final text, or on any later date fixed in the notice or in their final text.

1982, c. 26, s. 245.

TITLE VI

PENAL PROVISIONS

1992, c. 61, s. 235.

246. Whoever

(1) falsely holds out, by the title he assumes or otherwise, that he is a cooperative, a federation or a confederation;

(2) furnishes the Minister with false or inaccurate information;

(3) hinders or attempts to hinder in any manner any person who performs an act which this Act obliges or authorizes him to do;

(4) *(paragraph repealed)*;

(5) contravenes the second paragraph of section 16 or 20, paragraph 8 of section 90, any of the provisions of sections 33, 48, 124, 127, 127.1, 131, 132, 133, 135, 138, 140, 141 and 221.2.3, the second paragraph of section 221.6.1, the third paragraph of section 221.7 or the second paragraph of section 226.2

is guilty of an offence.

1982, c. 26, s. 246; 1995, c. 67, s. 149; 2003, c. 18, s. 143; 2015, c. 3, s. 42.

246.1. Whoever

(1) contravenes section 146 or 146.1, the third paragraph of section 188 or section 221.2.4;

(2) contravenes section 147, 149 or 149.3 or makes any other unlawful apportionment of sums belonging to a cooperative;

(3) transfers the balance of the assets of a cooperative being wound up to a person other than a person referred to in any of sections 185 and 185.1, the second paragraph of section 208 and sections 210 and 221.2.10;

(4) alienates a building that was built, acquired, restored or renovated under a housing assistance program without the authorization of the Minister required under section 221.2.5; or

(5) is able, through one or more transactions which resulted in evasion of the obligation to obtain the Minister's authorization required under section 221.2.5, to take in payment a building built, acquired, restored or renovated under a housing assistance program or to exercise another hypothecary right on such a building

is guilty of an offence.

2015, c. 3, s. 43.

247. Whoever, by an act or omission, aids, abets, counsels, allows, authorizes or orders a person to commit an offence under this Act is guilty of the offence.

1982, c. 26, s. 247; 2015, c. 3, s. 44.

248. Whoever is guilty of an offence under section 246 is liable to a fine of not less than \$500 nor more than \$10,000 for each offence, and to a fine of not less than \$1,000 nor more than \$20,000 for each subsequent conviction.

1982, c. 26, s. 248; 1990, c. 4, s. 346; 2003, c. 18, s. 144; 2015, c. 3, s. 45.

248.1. Whoever is guilty of an offence under section 246.1 is liable to a fine of not less than \$2,500 nor more than \$10,000 for each offence, and to a fine of not less than \$5,000 nor more than \$20,000 for each subsequent conviction.

On a finding of guilty for an offence under section 246.1, a judge may, in addition to imposing any other penalty and on an application by the prosecutor filed with the statement of offence, impose an additional fine equal to the value of the property involved in the offence even if the maximum fine under the first paragraph has been imposed on the offender.

2015, c. 3, s. 46.

248.2. Penal proceedings for an offence under this Title are prescribed three years from the date on which the offence was committed.

2015, c. 3, s. 46.

TITLE VII

CONTINUANCES

CHAPTER I

Repealed, 2003, c. 18, s. 145.

2003, c. 18, s. 145.

249. *(Repealed).*

1982, c. 26, s. 249; 2003, c. 18, s. 145.

250. *(Repealed).*

1982, c. 26, s. 250; 2003, c. 18, s. 145.

251. *(Repealed).*

1982, c. 26, s. 251; 2003, c. 18, s. 145.

252. *(Repealed).*

1982, c. 26, s. 252; 1993, c. 48, s. 376; 2003, c. 18, s. 145.

253. *(Repealed).*

1982, c. 26, s. 253; 1993, c. 48, s. 377; 2002, c. 45, s. 295; 2003, c. 18, s. 145.

254. *(Repealed).*

1982, c. 26, s. 254; 2003, c. 18, s. 145.

255. *(Repealed).*

1982, c. 26, s. 255; 2003, c. 18, s. 145.

256. *(Repealed).*

1982, c. 26, s. 256; 2003, c. 18, s. 145.

CHAPTER II

CONTINUANCE OF A COOPERATIVE AS A BUSINESS CORPORATION OR A LEGAL PERSON GOVERNED BY PART III OF THE COMPANIES ACT

1995, c. 67, s. 151; 2003, c. 18, s. 146; 2009, c. 52, s. 588.

257. A cooperative liable to dissolution under section 188 may continue as a business corporation governed by the Business Corporations Act (chapter S-31.1) or as a legal person governed by Part III of the Companies Act (chapter C-38).

To do so, the cooperative must submit a plan of continuance, which must be approved by the Minister and then authorized by its members.

1982, c. 26, s. 257; 1995, c. 67, s. 152; 2003, c. 18, s. 147; 2009, c. 52, s. 576.

258. The plan of continuance must contain

- (1) the names and domiciles of the directors;
- (2) the mode of election of subsequent directors;
- (3) the agreement between the cooperative and the Conseil québécois de la coopération et de la mutualité as regards the remittal of the reserve;
- (4) a statement indicating the amount of money or any other form of payment to be received by the holders of shares of the cooperative to stand in lieu of such shares;
- (5) a statement indicating the amount of money or any other form of payment to stand in lieu of fractions of shares of the cooperative;

(6) any other provision necessary to complete the continuance and ensure the organization and management of the business corporation or legal person governed by Part III of the Companies Act (chapter C-38) resulting from the continuance;

(7) any other information determined by the Minister.

If the cooperative is continued as a business corporation, the continuance plan must also contain the terms and conditions governing the conversion of shares into shares of the share capital or other securities of the business corporation resulting from the continuance.

1982, c. 26, s. 258; 1995, c. 67, s. 153; 2003, c. 18, s. 148; 2009, c. 52, s. 577; 2015, c. 3, s. 55.

259. The Minister may approve with or without amendment the plan of continuance.

1982, c. 26, s. 259.

259.1. The members must, at a special meeting called for that purpose, adopt a by-law authorizing the continuance of the cooperative as a business corporation governed by the Business Corporations Act (chapter S-31.1) or as a legal person governed by Part III of the Companies Act (chapter C-38).

2009, c. 52, s. 578.

259.2. The by-law must be adopted by two-thirds of the votes cast by the members or representatives present at the special meeting.

The by-law must authorize

(1) one of the directors to sign the articles of continuance required under the Business Corporations Act (chapter S-31.1) if the cooperative is to continue as a business corporation governed by that Act; or

(2) no fewer than three directors to sign the application required under Part III of the Companies Act (chapter C-38) if the cooperative is to continue as a legal person governed by that Part.

2009, c. 52, s. 578.

CHAPTER III

CONTINUANCE OF A BUSINESS CORPORATION AS A COOPERATIVE

2009, c. 52, s. 588.

260. A business corporation governed by the Business Corporations Act (chapter S-31.1) may be converted into a cooperative in order for it to continue under this Act.

The request is made by means of an application for continuance addressed to the Minister.

The continuance becomes effective on the date the articles of continuance are approved by the Minister or on a later date determined in the articles.

1982, c. 26, s. 260; 2003, c. 18, s. 149; 2009, c. 52, s. 579; 2015, c. 3, s. 47.

261. The directors of the business corporation must prepare a plan of continuance.

1982, c. 26, s. 261; 2009, c. 52, s. 580.

262. The plan of continuance must provide

(1) the name and domicile of each of the directors;

(2) the mode of election of subsequent directors;

(3) the terms and conditions of converting the shares into common shares or preferred shares or other securities of the cooperative resulting from the continuance;

(4) if all the shares are not converted into shares of the cooperative resulting from the continuance, the sum of money or any other form of payment that holders of shares must receive in addition to or instead of the shares of the cooperative resulting from the continuance;

(5) the by-laws of the cooperative resulting from the continuance;

(5.1) where the cooperative resulting from the continuance is an agricultural cooperative, whether or not it is governed by Division I of Chapter I of Title II of the Act;

(5.2) the effective date of the continuance, if that date is subsequent to the date of approval;

(6) where necessary, the provisions required to complete the continuance and to ensure the organization and management of the cooperative resulting from the continuance.

1982, c. 26, s. 262; 1995, c. 67, s. 154; 2003, c. 18, s. 150.

263. The continuance of the business corporation as a cooperative must be authorized by the shareholders, in accordance with section 298 of the Business Corporations Act (chapter S-31.1).

The shareholders may then exercise the same rights as may be exercised by shareholders following the adoption of a special resolution authorizing continuance under the laws of a jurisdiction other than Québec.

1982, c. 26, s. 263; 1995, c. 67, s. 155; 2009, c. 52, s. 581.

264. The directors may, if so authorized by a special resolution of the shareholders, decide not to proceed with the continuance.

1982, c. 26, s. 264; 2009, c. 52, s. 582.

265. The articles of continuance shall contain the provisions mentioned in paragraphs 1 and 3 of section 9, section 10 and paragraph 5.2 of section 262.

1982, c. 26, s. 265; 1984, c. 28, s. 10; 1995, c. 67, s. 156; 2003, c. 18, s. 151.

265.1. The application and the articles of continuance shall be accompanied with

(1) *(paragraph repealed)*;

(2) the continuance plan, except the by-laws of the cooperative resulting from the continuance;

(3) a list of the directors of the cooperative resulting from the continuance stating the name and domicile of each;

(4) a notice of the domicile of the cooperative;

(5) an attestation establishing that the business corporation has met the requirements of section 263;

(6) any other document or information required by the Minister for the examination of the application.

2003, c. 18, s. 151; 2009, c. 52, s. 583; 2015, c. 3, s. 48.

265.2. The application, signed by the authorized director, and the articles of continuance must be sent to the Minister.

2015, c. 3, s. 49.

266. On receiving the application, the articles of continuance, the accompanying documents, the fees prescribed by government regulation and any other required document or information, the Minister may, if he or she considers it advisable, continue the business corporation as a cooperative. The Minister shall send a notice to the Conseil québécois de la coopération et de la mutualité advising it of any application for the continuance of a business corporation as a cooperative, together with a copy of the articles of continuance.

For that purpose, the Minister shall

(1) endorse on the articles the words “business corporation continued as a cooperative” and the date of approval. The date is followed by the signature of the Minister or of the Minister’s designee;

(2) register the application and the articles of continuance;

(3) send a copy of the articles to the cooperative or its representative;

(4) send a certified copy of the articles and of the document referred to in paragraph 4 of section 265.1 to the enterprise registrar, who shall deposit them in the register.

1982, c. 26, s. 266; 1993, c. 48, s. 378; 1995, c. 67, s. 157; 2002, c. 45, s. 295; 2003, c. 18, s. 152; 2009, c. 52, s. 584; 2015, c. 3, s. 55; 2015, c. 3, s. 50.

267. *(Repealed).*

1982, c. 26, s. 267; 1995, c. 67, s. 158.

268. As of the effective date appearing on the articles of continuance,

(1) the articles attest the continuance of the business corporation as a cooperative and its continuance as a cooperative governed by this Act;

(2) the articles of continuance are deemed to be the articles of the cooperative.

1982, c. 26, s. 268; 2003, c. 18, s. 153; 2009, c. 52, s. 585.

269. Subject to this chapter, the rights and obligations of the business corporation continued as a cooperative, and those of its shareholders, are not affected by the continuance.

1982, c. 26, s. 269; 2009, c. 52, s. 586.

CHAPTER IV

CONTINUANCE OF A LEGAL PERSON GOVERNED BY PART III OF THE COMPANIES ACT AS A COOPERATIVE

1995, c. 67, s. 159; 2003, c. 18, s. 154.

269.1. A legal person governed by Part III of the Companies Act (chapter C-38) may continue under this Act.

Chapter III of this Title, with the necessary modifications, applies to the continuance, except the first paragraph of section 260, paragraphs 3 and 4 of section 262, sections 263 and 264 and paragraph 5 of section 265.1.

1995, c. 67, s. 159; 2003, c. 18, s. 155.

269.1.1. The directors of the legal person must adopt a by-law in order to approve the plan of continuance and authorize one among them to sign the application for continuance, and must adopt the by-laws of the cooperative resulting from the continuance.

2003, c. 18, s. 155; 2015, c. 3, s. 51.

269.1.2. The by-law must be confirmed by two-thirds of the votes cast by the members present at a special general meeting called for that purpose.

If the by-law authorizes them to do so, the directors may annul the by-law before the Minister issues the articles of continuance.

2003, c. 18, s. 155.

269.1.3. The application and the articles of continuance must be accompanied with an attestation establishing that the legal person has met the requirements of sections 269.1.1 and 269.1.2.

2003, c. 18, s. 155; 2015, c. 3, s. 52.

269.2. In addition to the requirements set out in section 262, the continuance plan must provide for the subscription and payment of shares of the cooperative resulting from the continuance.

1995, c. 67, s. 159; 2003, c. 18, s. 156.

TITLE VII.1

POWERS OF THE MINISTER AND ADMINISTRATION

2015, c. 3, s. 53.

CHAPTER I

DOCUMENTS RECEIVED OR ESTABLISHED BY THE MINISTER

2015, c. 3, s. 53.

DIVISION I

GENERAL PROVISIONS

2015, c. 3, s. 53.

269.3. The form of the documents that must be filed with the Minister and the manner in which they are to be sent are determined by the Minister according to the medium or technology used.

2015, c. 3, s. 53.

269.4. Where the law requires that a document accompany another, the documents are deemed to have been received by the Minister when the last is received.

2015, c. 3, s. 53.

269.5. The Minister must, in particular, refuse to issue any articles or documents that

- (1) do not contain the statements required by this Act;
- (2) are not accompanied with the prescribed fees and required documents; or

(3) propose a name that is not in conformity with section 16, 221.6.1, 221.7, 226.2 or 231 or any of subparagraphs 1 to 6 of the first paragraph of section 17 of the Act respecting the legal publicity of enterprises (chapter P-44.1).

2015, c. 3, s. 53.

269.6. The Minister shall register, in the manner determined by government regulation, all documents required to be registered under this Act.

The Minister may issue a certified copy of the documents to any person or partnership that so requests.

2015, c. 3, s. 53.

269.7. The documents issued by the Minister under this Act are authentic.

Any copy of a document that is required to be registered under this Act and that has been certified by the Minister or a person designated by the Minister has the same value as the original and is proof of its registration.

2015, c. 3, s. 53.

269.8. The Minister may, on request, issue a certificate attesting that a cooperative is governed by this Act and that no dissolution proceedings have been brought against the cooperative under this Act.

2015, c. 3, s. 53.

DIVISION II

FILING TECHNOLOGY-BASED DOCUMENTS

2015, c. 3, s. 53.

269.9. If a technology-based document within the meaning of the Act to establish a legal framework for information technology (chapter C-1.1) must be filed with the Minister, the signature requirements for the document, including what may stand in lieu of a signature, are determined by the Minister.

2015, c. 3, s. 53.

269.10. A person who sends to the Minister, by means of a technology-based medium, a document on behalf of a person required by law to sign and file the document, provided the person verifies the identity and consent of that person before sending the document, is presumed to be authorized to draw up, sign and send that document in that person's name.

If a representative of the person required to sign and file a document entrusts the sending of the document to a third person in the circumstances described in the first paragraph, it is the responsibility of the representative to verify the person's identity and consent in accordance with that paragraph.

2015, c. 3, s. 53.

269.11. The time as of which a technology-based document is considered received is determined by the Minister, according to the medium and the method of transmission used.

2015, c. 3, s. 53.

CHAPTER II

CORRECTION OF DOCUMENTS

2015, c. 3, s. 53.

269.12. The Minister may, of the Minister's own motion or at the request of an interested person, correct a document drawn up by the Minister if it is incomplete or contains an error.

If such a document has been sent to the enterprise registrar for the purposes of this Act, the Minister shall inform the cooperative concerned. In such a case, the Minister shall register a copy of the corrected document and send another copy to the enterprise registrar, who shall deposit it in the register. If the correction is substantial, the Minister shall send an additional copy to the cooperative.

2015, c. 3, s. 53.

269.13. The document as corrected is deemed correct since its origin.

2015, c. 3, s. 53.

TITLE VIII

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

270. *(Repealed).*

1982, c. 26, s. 270; 2003, c. 18, s. 157; 2015, c. 3, s. 54.

271. *(Repealed).*

1982, c. 26, s. 271; 2003, c. 18, s. 158.

272. *(Repealed).*

1982, c. 26, s. 272; 1993, c. 48, s. 379; 1995, c. 67, s. 160; 2003, c. 18, s. 159; 2010, c. 7, s. 211; 2015, c. 3, s. 54.

273. The price of a common share in a home economics cooperative must be fixed by by-law. The price may vary from \$2 to \$10.

1982, c. 26, s. 273; 1995, c. 67, s. 161.

274. A cooperative that was governed by the Cooperative Associations Act (chapter A-24) is not required to change the price of common shares issued if that price is not in accordance with the price provided for by this Act.

1982, c. 26, s. 274.

275. The agricultural cooperatives governed by the Act respecting cooperative agricultural associations (chapter S-24) are deemed to have chosen to be governed by Division I of Chapter I of Title II.

1982, c. 26, s. 275; 1995, c. 67, s. 162; 2003, c. 18, s. 160.

276. The common or preferred shares of the capital stock of an agricultural cooperative that was governed by the Act respecting cooperative agricultural associations (chapter S-24) are deemed to be common or preferred shares of the capital stock of the cooperative.

1982, c. 26, s. 276.

277. The deed of incorporation of a cooperative that was governed by the Cooperative Associations Act (chapter A-24) or by the Act respecting cooperative agricultural associations (chapter S-24) is deemed to be its articles.

The deed of incorporation of an agricultural cooperative that was governed by the Act respecting cooperative agricultural associations is deemed to contain the object provided for by section 194 if there are no provisions in that respect.

Similarly, the deed of incorporation of a cooperative governed by section 121 of the Cooperative Associations Act is deemed to contain a provision permitting the cooperative not to give a rebate.

1982, c. 26, s. 277.

278. *(Repealed).*

1982, c. 26, s. 278; 2003, c. 18, s. 161.

279. In addition to the transitional provisions contemplated in sections 275 to 278, the Government may, by regulation, adopt any other transitional provisions or other useful measures to enable the application of this Act.

Regulations made under this section come into force on the date of their publication in the *Gazette officielle du Québec* or any later date fixed therein. Such regulations may also, once published and if they so provide, apply from any date not earlier than 8 June 1983.

1982, c. 26, s. 279.

280. *(Repealed).*

1982, c. 26, s. 280; 2003, c. 18, s. 162; 2015, c. 3, s. 54.

281. *(Repealed).*

1982, c. 26, s. 281; 2015, c. 3, s. 54.

281.1. *(Repealed).*

1995, c. 67, s. 163; 2015, c. 3, s. 54.

282. *(Repealed).*

1982, c. 26, s. 282; 2003, c. 18, s. 163.

283. *(Amendment integrated into c. A-18, s. 2).*

1982, c. 26, s. 283.

284. *(Amendment integrated into c. A-32, s. 246).*

1982, c. 26, s. 284.

285. *(Amendment integrated into c. A-32, s. 247).*

1982, c. 26, s. 285.

286. *(Amendment integrated into c. A-32, s. 248).*

1982, c. 26, s. 286.

287. *(Amendment integrated into c. A-32, s. 255).*

1982, c. 26, s. 287.

288. *(Amendment integrated into c. A-32, s. 258).*

1982, c. 26, s. 288.

289. *(Amendment integrated into c. C-4, s. 83).*

1982, c. 26, s. 289.

290. *(Amendment integrated into c. C-25, a. 1048).*

1982, c. 26, s. 290.

291. *(Amendment integrated into c. I-8.1, s. 2).*

1982, c. 26, s. 291.

292. *(Amendment integrated into c. C-38, Division I, s. 123.131).*

1982, c. 26, s. 292.

293. *(Amendment integrated into c. C-38, Division II, ss. 123.139.1-123.139.7).*

1982, c. 26, s. 293.

294. *(Amendment integrated into c. C-48, s. 29).*

1982, c. 26, s. 294.

295. *(Amendment integrated into c. C-75, s. 1).*

1982, c. 26, s. 295.

296. *(Amendment integrated into c. C-75.1, s. 1).*

1982, c. 26, s. 296.

297. *(Amendment integrated into c. C-76, s. 1).*

1982, c. 26, s. 297.

298. *(Amendment integrated into c. C-77, s. 1).*

1982, c. 26, s. 298.

299. *(Amendment integrated into c. C-78, s. 1).*

1982, c. 26, s. 299.

300. *(Amendment integrated into c. E-20.1, s. 37).*

1982, c. 26, s. 300.

301. *(Amendment integrated into c. H-1, s. 12).*

1982, c. 26, s. 301.

302. *(Amendment integrated into c. I-3, s. 965.4).*

1982, c. 26, s. 302.

303. *(Amendment integrated into c. I-3, s. 1132).*

1982, c. 26, s. 303.

304. *(Amendment integrated into c. M-14, s. 2).*

1982, c. 26, s. 304.

305. *(Amendment integrated into c. M-14, s. 16).*

1982, c. 26, s. 305.

306. *(Amendment integrated into c. M-14, s. 19).*

1982, c. 26, s. 306.

307. *(Amendment integrated into c. M-35, s. 1).*

1982, c. 26, s. 307.

308. *(Amendment integrated into c. M-35, s. 20).*

1982, c. 26, s. 308.

309. *(Amendment integrated into c. M-35, s. 31).*

1982, c. 26, s. 309.

310. *(Amendment integrated into c. M-35, s. 58).*

1982, c. 26, s. 310.

311. *(Amendment integrated into c. M-36, s. 1).*

1982, c. 26, s. 311.

312. *(Amendment integrated into c. P-9.1, s. 44).*

1982, c. 26, s. 312.

313. *(Amendment integrated into c. P-40.1, s. 3).*

1982, c. 26, s. 313.

314. *(Amendment integrated into c. P-42, s. 30).*

1982, c. 26, s. 314.

315. *(Amendment integrated into c. Q-2, s. 1).*

1982, c. 26, s. 315.

316. *(Amendment integrated into c. R-22, s. 1).*

1982, c. 26, s. 316.

317. *(Amendment integrated into c. S-4.1, s. 4).*

1982, c. 26, s. 317.

318. *(Amendment integrated into c. S-4.1, s. 5).*

1982, c. 26, s. 318.

319. *(Amendment integrated into c. S-4.1, s. 7).*

1982, c. 26, s. 319.

320. *(Amendment integrated into c. S-8, s. 1).*

1982, c. 26, s. 320.

321. *(Amendment integrated into c. S-10, s. 1).*

1982, c. 26, s. 321.

322. *(Amendment integrated into c. S-38, s. 54).*

1982, c. 26, s. 322.

323. *(Repealed).*

1982, c. 26, s. 323; 1995, c. 67, s. 164.

324. *(Repealed).*

1982, c. 26, s. 324; 1995, c. 67, s. 164.

325. *(Omitted).*

1982, c. 26, s. 325.

326. Any reference to a provision replaced by this Act is a reference to the provision substituted for it.

1982, c. 26, s. 326; 1999, c. 40, s. 88.

327. *(Repealed).*

1982, c. 26, s. 327; 1982, c. 52, s. 41; 1984, c. 36, s. 34; 1988, c. 41, s. 89; 2003, c. 18, s. 164.

327.1. A company governed by Part I of the Companies Act (chapter C-38) may amalgamate with a cooperative before 14 February 2011 in accordance with the provisions of Division IV of Chapter XXI of Title I of this Act, as they read before that date.

2009, c. 52, s. 587.

327.2. A company governed by Part I of the Companies Act (chapter C-38) may be converted into a cooperative in order to continue under this Act before 14 February 2011 in accordance with the provisions of Chapter III of Title VII of this Act, as they read before that date.

2009, c. 52, s. 587.

328. The Minister of Economy and Innovation is responsible for the application of this Act.

1982, c. 26, s. 328; 1982, c. 52, s. 41; 1984, c. 36, s. 35; 1988, c. 41, s. 89; 1994, c. 16, s. 51; 1999, c. 8, s. 20; 2003, c. 29, s. 170; 2006, c. 8, s. 31; 2019, c. 29, s. 1.

329. *(Omitted).*

1982, c. 26, s. 329.

330. *(This section ceased to have effect on 30 March 1988).*

1982, c. 21, s. 2; U. K., 1982, c. 11, Sch. B, Part I, s. 33.

REPEAL SCHEDULES

In accordance with section 17 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), chapter 26 of the statutes of 1982, in force on 1 July 1983, is repealed, except section 329, effective from the coming into force of chapter C-67.2 of the Revised Statutes.

In accordance with section 17 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), sections 1 to 243, 246 to 270, 272 to 278, 280, 281 and 283 to 327 of chapter 26 of the statutes of 1982, in force on 1 January 1984, are repealed effective from the coming into force of the updating to 1 January 1984 of chapter C-67.2 of the Revised Statutes.

