

1992 BILL Pr 9

Fourth Session, 22nd Legislature, 41 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL Pr 9

UNITED FARMERS OF ALBERTA CO-OPERATIVE
LIMITED AMENDMENT ACT, 1992

MR. PASZKOWSKI

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill Pr 9
Mr. Paszkowski

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UNITED FARMERS OF ALBERTA CO-OPERATIVE LIMITED AMENDMENT ACT, 1992

(Assented to , 1992)

1. This Act Amends The United Farmers of Alberta Co-operative Limited Act, 1966.

2. Section 4 is struck and the following is substituted:

4(1) Notwithstanding anything in this Act, the Association has, and shall be deemed to have always had, the capacity and rights, powers and privileges of a natural person and no act of the Association, including without limitation any transfer of property to or by the Association, is invalid by reason only that the act is contrary to its by-laws or this Act.

(2) It is not necessary for a by-law to be passed in order to confer any particular power on the Association or its directors.

(3) The Association may adopt and change a corporate seal that shall contain the name of the Association.

(4) A document or instrument executed on behalf of the Association by a director or officer as an agent of the Association is not invalid only because the corporate seal is not affixed to the document or instrument.

3. The following is added after section 5(2):

(3) Subject to the by-laws, the director may designate the offices of the Association and appoint, from time to time, as

Explanatory Notes

1 Amends *United Farmers of Alberta Co-operative Limited Act, 1966*.

2 Amends capacity and powers of the Association.

3 Changes powers of the Board with respect to the officers of the Association.

officers to hold one or more offices of individuals, including any of the directors, of full capacity, specify their duties and delegate to them the powers to manage the affairs of the Association, except powers to:

- (a) submit to the members any question or matter requiring the approval of the members,
- (b) issue securities of the Association except in the manner and on terms authorized by the directors,
- (c) deal with the surplus earnings of the Association in accordance with section 8 hereof,
- (d) purchase, redeem or otherwise acquire securities issued by the Association except in the manner and on terms authorized by the directors, and
- (e) make, adopt, amend or repeal by-laws.

4. *Sections 6(1) and (2) are struck and the following is substituted:*

6(1) The directors may:

- (a) by resolution, make, amend or repeal any by-laws to govern and regulate the affairs of the Association, including without limitation, by-laws governing and regulating:
 - (i) the qualifications for and terms of membership,
 - (ii) the qualifications for and election of delegates and directors,
 - (iii) the time, place and manner of holding meetings of the members and of the board of directors, including the quorum and procedure thereat,
 - (iv) the duties of directors and delegates,
 - (v) the local societies of members, and
 - (vi) the application of patronage dividends and distribution of surplus;

4 Changes powers of the Board with respect to regulating qualifications and terms of membership, finances, borrowing, and other matters through the by-laws.

(b) unless the by-laws otherwise provide, by resolution without authorization of the members:

(i) borrow money or incur liabilities on the credit of the Association at such times and in such amounts and on such terms as determined by the directors,

(ii) issue, reissue, sell or pledge debt obligations of the Association for such sums and on such terms or at such prices as the directors consider expedient, and

(iii) mortgage, hypothecate, charge, pledge or otherwise create a security interest in all or any property, undertaking or rights of the Association, owned or subsequently acquired, to secure any obligations of the Association.

(2) The making, amendment or repeal of a by-law under subsection (1)(a) has effect until the conclusion of the next annual meeting of the Association and in default of confirmation thereat ceases to have effect.

5. *Section 10 is struck and the following is substituted:*

10 To the extent it is not inconsistent with this Act or the by-laws of the Association, section 23(1) of the *Co-operative Associations Act* applies to the Association.

6. *Section 11 is amended by adding "*, the Business Corporations Act" *after the words "The Companies Act".*

5 Updates Act to refer to relevant equivalent sections in Co-operative Association Act R.S.A. 1980 c.C-24.

6 Exempts Association's securities from application of Business Corporations Act.