

BILL

No. 25 of 1924.

An Act respecting Benevolent and Other Societies.

(Assented to _____, 1924).

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

SHORT TITLE.

1. This Act may be cited as "*The Societies Act, 1924.*"

INTERPRETATION.

2. In this Act, unless the context otherwise requires,—
 - (a) "Director" shall include a trustee, officer, member of an executive committee, and any person occupying such position by whatever name called;
 - (b) "Extraordinary resolution" shall mean a resolution passed by a majority of not less than three-fourths of such members entitled to vote as are present in person or by proxy (where proxies are allowed), at a general meeting of which notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given;
 - (c) "Registrar" shall mean the Registrar of Joint Stock Companies, or other duly authorized person performing his duties;
 - (d) "Society" shall mean a society incorporated under this Act.

3. Every benevolent society, incorporated under *The Benevolent Societies Act*, being chapter 159 of the Revised Statutes of Alberta, 1922, or under an Ordinance of the North-West Territories entitled *An Ordinance respecting Benevolent and Other Societies*, and also every corporation incorporated under the provisions of *The Mechanics' and Literary Institutes Act*, being chapter 16 of the Statutes of Alberta, 1908, and chapter 163 of The Revised Statutes of Alberta, 1922, shall be deemed to be a society incorporated under this Act, and its by-laws or the statutory provisions in the nature of by-laws by which it is governed shall, so far as the same are not contrary to any expressed provision of this Act, continue in force until altered or rescinded.

OBJECTS.

4.—(1) Five or more persons may become incorporated under this Act for any benevolent, philanthropic, charitable, provident, scientific, artistic, literary, social, educational, agricultural, sporting or other useful purpose, but not for the purpose of carrying on any trade or business.

(2) Where any Act other than *The Companies Act* provides for the incorporation of persons for a special purpose, no society shall be incorporated for that purpose under the provisions of this Act.

5. A society may provide by subscription of the members thereof, with or without the aid of donations, for—

- (a) the relief or maintenance of the members, their husbands, wives, children, fathers, mothers, brothers or sisters, nephews or nieces, or wards being orphans, during sickness or other infirmity, whether bodily or mental, in old age (which shall mean any age after fifty) or in widowhood, or for the relief or maintenance of the orphan children of members during minority; or
- (b) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife or child of a member, or of the widow of a deceased member; or
- (c) the relief or maintenance of the members when on travel in search of employment, or when in distressed circumstances; or
- (d) the endowment of members or nominees of members at any age; or
- (e) the insurance against fire to any amount not exceeding seventy-five dollars of the tools and implements of the trade or calling of the members; or
- (f) guaranteeing the performance of their duties by officers and servants of the society or any branch thereof:

Provided that a society which contracts with any person for the assurance of an annuity exceeding two hundred and fifty dollars per annum, or of a gross sum exceeding one thousand dollars, shall not be registered under this Act.

6. No society shall have a capital divided into shares or declare any dividend or distribute its property among the members during the existence of the society, and the interest of a member in a society shall not be transferable.

PROCEDURE.

7.—(1) Persons desiring to become incorporated under this Act shall make and subscribe an application according to the form in schedule A to this Act, and also by-laws agreed upon by them for the government of the society, and shall transmit the same in duplicate, with the proper fees, to the Registrar.

(2) Such application shall set forth the intended corporate name of the society and the purpose or purposes for which incorporation is desired.

(3) The by-laws which accompany such application shall contain provisions for all the matters set out in schedule B hereto.

8.—(1) Subject to the right of appeal hereinafter given the Registrar shall be the sole judge as to whether the purposes mentioned in the said application, or any of them, are purposes for which the society can be incorporated under the provisions of this Act, and he shall be entitled, at his own uncontrolled discretion, to refuse incorporation or to direct that any of the purposes mentioned in the application or any of the by-laws accompanying the same shall be struck out, or be modified in accordance with the directions given by him.

(2) The Registrar shall direct that all by-laws relating to insurance which have not received the approval of the Superintendent of Insurance shall be struck out.

(3) The Superintendent of Insurance shall have full power to refuse his approval, at his uncontrolled discretion, to any by-law relating to insurance, which he deems to be unnecessary for the purposes of the society, or otherwise inadvisable.

(4) An appeal may be taken to the Lieutenant Governor in Council from any decision given by the Registrar under the provisions of this section within one month of the date of such decision.

9. Upon receipt of the said application and by-laws and compliance with the directions, if any, given by the Registrar with respect thereto, he may issue under his seal of office a certificate that the society is incorporated and shall, at the expense of the applicants, publish such certificate, with a statement of the objects of the society, in two issues of *The Alberta Gazette*.

10. Any certificate of incorporation issued by the Registrar in respect of a society shall be conclusive evidence that the requirements of this Act in respect of incorporation have been complied with, and that the society is duly incorporated in accordance with the provisions of this Act.

11. From the date of the certificate of incorporation the subscribers to the application and such other persons as may from time to time become members of the society, shall be a body corporate, and shall have all the powers, rights and immunities vested by law therein.

BY-LAWS.

12. The by-laws of a society shall not be rescinded, altered or added to except by extraordinary resolution of the society.

13. Every such resolution shall be filed in duplicate with the Registrar, who shall register one copy and return the other copy, certified as having been filed with him.

14. If the Registrar is of opinion that any by-law is not in accordance with the application hereinbefore mentioned, or contains anything contrary to law, he shall refuse to register the same.

15. No rescission or alteration of, or addition to any by-law shall have any effect until it has been registered by the Registrar.

ALTERATION OF OBJECTS.

16. —(1) A society may, by extraordinary resolution, alter its objects so as to include some object or objects which may conveniently or advantageously be combined with the existing objects of the society, or so as to restrict or abandon any object specified in its application, but no such resolution shall take effect until the Registrar has approved of and registered the same.

(2) A notice of any alteration under this section shall be published, at the expense of the society, in *The Alberta Gazette*.

POWERS.

17.—(1) A society may acquire and take by purchase, donation, devise or otherwise all kinds of real estate and personal property, and may sell, exchange, mortgage, lease, let, improve and develop the same, and may erect and maintain any necessary buildings.

(2) The funds and property of the society shall be used and dealt with for its legitimate objects only and in accordance with its by-laws.

18. For the purpose of carrying out its objects, a society may borrow or raise or secure the payment of money in such manner as it shall think fit, and in particular by the issue of

debentures, but this power shall be exercised only under the authority of the by-laws of the society, and in no case shall debentures be issued without the sanction of an extraordinary resolution of the society.

19. For the purpose of carrying out its objects, a society may, subject to its by-laws, draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, and other negotiable or transferable instruments.

MEMBERS—PAYMENTS.

20. A person under the age of twenty-one years, elected or admitted as a member of a society, or appointed to any office therein, shall be liable to the payment of fees and otherwise under the rules of the society as if he were of full age.

21. When under the rules of a society, money of the society becomes payable to or for the use or benefit of a member thereof, such money shall be free from all claims by the creditors of such member, and when on the death of a member of a society, any sum of money becomes payable under the rules of the society, the same shall be paid by the treasurer or other officer of the society to the person or persons entitled under the rules thereof, or shall be applied by the society as may be provided by such rules, and such money shall be, to the extent of two thousand dollars, free from all claims by the personal representative or creditors of the deceased.

22. In case any sum is paid in good faith to the person who appears to the treasurer or other officer to be entitled to receive the same, or is applied in good faith for the purposes by the rules provided, no action shall be brought against the society or such treasurer or officer in respect thereof, but nevertheless, if it subsequently appears that such money has been paid to the wrong person, the person entitled thereto may recover the amount with interest from the person who has wrongfully received it.

23. No member of a society shall, in his individual capacity, be liable for any debt or liability of the society.

ADMINISTRATION.

24. The by-laws of a society may provide that any dispute arising out of the affairs of the society, between any members thereof or between a member, or any person aggrieved who has for not more than six months ceased to be a member, or any person claiming through such member or person aggrieved, or claiming under the by-laws, and the

society or a director or officer thereof, shall be decided by arbitration (which shall be under *The Arbitration Act*, unless the by-laws prescribe some other method), and the decision so made shall be binding upon all parties, and may be enforced on application to a District Court, and unless the by-laws otherwise provide there shall be no appeal from such decision.

25.—(1) A society may by its by-laws impose a fine not exceeding five dollars on any member contravening any by-law of the society.

(2) Any fine may be recovered as a debt due from the member to the society, and all fines so recovered shall belong to the society.

DUTIES AND OBLIGATIONS.

26. Every society shall have an address in the Province to which all communications and notices may be sent and at which all process may be served, and shall file with the Registrar notice of every change therein.

27. Every society shall hold in the Province an annual general meeting, and within fourteen days thereafter file with the Registrar a statement in the form of a balance-sheet, audited and signed by the society's auditor, or by two directors if there is no auditor, and containing general particulars of its liabilities and assets, revenue and expenditure.

28. Every society shall file with its annual statement a list of its directors, with their addresses and occupations, and also, upon request of the Registrar at any time, furnish him with particulars of its directors.

29. Every society shall file with the Registrar in duplicate, every extraordinary resolution passed for any purpose mentioned in this Act, and he shall register one copy and return the other, certified as having been filed.

30. Every notice, return or resolution required to be filed with the Registrar shall be authenticated by a director, secretary or other authorized officer of the society.

31. Every society shall furnish to a member, at his request, and on payment of a sum not exceeding fifty cents, a copy of its application and by-laws.

BRANCH SOCIETIES.

32.—(1) A society may establish and maintain one or more branch societies, which shall have such powers, not exceeding the powers of the society, as the society may from time to time confer.

(2) Whenever a society establishes a branch society, it shall forthwith send to the Registrar a notice setting forth the date on which the branch society was authorized, its title, locality and powers, and such other information as the Registrar may require, and shall likewise notify the Registrar when any such branch ceases to exist.

DISSOLUTION.

33. The incorporation of a society may at any time be revoked by the Lieutenant Governor in Council, and the society declared to be dissolved and the certificate of incorporation cancelled, upon such conditions and subject to such provisions as may be deemed proper.

34. A society may, by extraordinary resolution, surrender its certificate of incorporation, and the Registrar may, after being satisfied that sufficient notice of the society's intention has been given and that no debts or liabilities of the society are outstanding, accept the surrender of the certificate and cancel it, and fix a date from which the society shall be dissolved.

35. The provisions of *The Companies Act* relating to the removal from the register of companies defunct or in default shall apply, *mutatis mutandis*, to a society which has failed for any period of two years to send or file any return, notice or document required to be made or filed or sent to the Registrar pursuant to this Act, or the regulations made thereunder or where the Registrar has reasonable cause to believe that a society is not in operation.

36. The provisions of *The Companies Act* relating to the winding up of companies shall apply, *mutatis mutandis*, to a society under this Act.

PENALTIES.

37. Any society which contravenes any of the provisions of this Act or any of the regulations made hereunder, shall be liable on summary conviction to a penalty not exceeding one hundred dollars.

GENERAL.

38. Every society may change its name and contract in the same way as if it were registered under the provisions of *The Companies Act*.

39. The Lieutenant Governor may from time to time make rules and regulations for carrying out the purposes of this Act, and fix the fees payable to the Registrar for services under the provisions of this Act, alter or add to the forms in the schedules to this Act, prescribe what returns shall be made by societies and the form of such returns.

40. *The Benevolent Societies Act*, being chapter 159 of the Revised Statutes of Alberta, 1922, and *The Mechanics' and Literary Institutes Act*, being chapter 163 of the Revised Statutes of Alberta, 1922 are hereby repealed.

41. This Act shall come into force on

SCHEDULE A.

The Benevolent Societies Act, 1924.
(Section 7.)

APPLICATION.

We, the undersigned, hereby declare that we desire to form a society under *The Benevolent Societies Act, 1924*, and that—

- (1) The name of the society is.....
-
- (2) The object of the society is.....
-
- (3) The operations of the society are to be chiefly carried on in.....

Dated.....day of....., 19....

.....

.....

(Full names, addresses and occupations of applicants).

Witness:.....

.....

(Full name, address and occupation).

SCHEDULE B.

The Benevolent Societies Act, 1924.
(Section 7.)

- (1) Terms of admission of members and their rights and obligations.
- (2) Conditions of withdrawal of members and manner (if any) in which a member may be expelled.
- (3) Mode and time of calling general and special meetings of the society and number constituting a quorum at any such meeting, and rights of voting.
- (4) Appointment and removal of directors and other officers and their duties, powers and remuneration.
- (5) Exercise of borrowing powers.
- (6) Audit of accounts.
- (7) Custody and use of the seal of the society.
- (8) Manner of making, altering and rescinding by-laws.
- (9) Preparation and custody of minutes of proceedings of meetings of the society and of the directors, and other books and records of the society.
- (10) Time and place (if any) at which the books and records of the society may be inspected by members.
- (11) The nature of insurance to be effected (if any).

No. 25

FOURTH SESSION
FIFTH LEGISLATURE
14 GEORGE V
1924

BILL

An Act respecting Benevolent and
Other Societies.

Received and read the

First time.....

Second time.....

Third time.....

HON. J. E. BROWNLEE.

EDMONTON:
J. W. JEFFERY, KING'S PRINTER
A.D. 1924