

REPRINTED BILL

BILL

No 5 of 1929

An Act respecting The Alberta Wheat Pool

(Assented to , 1929.)

WHEREAS, Alberta Co-operative Wheat Producers, Limited, was incorporated on the eighteenth day of August, A.D. 1923, under the provisions of *The Co-operative Associations Act*, and

Whereas, the said incorporation and certain by-laws and agreements were confirmed, ratified and validated by *An Act respecting Alberta Co-operative Wheat Producers, Limited*, being chapter 7 of the Statutes of Alberta, 1923, and

Whereas, said corporation was created in order to carry out a new grain-marketing program designed amongst other things to make possible an orderly marketing of grain; and

Whereas, the memorandum of association, by-laws, agreements and Act of incorporation were compiled in anticipation of the course that the corporation would be required to pursue to effect its purpose and without full information as to the powers required by the corporation in carrying out its undertaking, and

Whereas, the corporation has functioned for a period of six years and it is deemed advisable to revise the said memorandum of association, Act and by-laws in the light of the experience gained so as to give to the corporation the powers necessary and useful to effect its purpose; and

Whereas, doubts have arisen as to the meaning and intent of the terms of the said agreement, memorandum of association and by-laws,

Now, therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1 This Act may be cited as *The Alberta Wheat Pool Act, 1929*.

2. In this Act, unless the context otherwise requires,—

- (a) "The Pool" shall mean Alberta Wheat Pool,
- (b) "Person" shall include any body corporate or politic and the executor, administrator or other legal representatives of a person to whom the context can apply in law.

- (r) "Marketing agreement" shall mean any agreement heretofore or hereafter entered into between a member and Alberta Wheat Pool;
- (s) A marketing agreement shall be deemed to be "current" until the expiration of the period during which the member has covenanted to deliver his wheat to Alberta Wheat Pool.

3. The said incorporation is hereby confirmed, ratified and validated, and all such persons as have become members of the corporation prior to the passing of this Act, and all such other persons as may hereafter become members of the corporation are hereby declared to be and to have been since the eighteenth day of August, A D 1923, a body corporate and politic under the name and style of "Alberta Wheat Pool". The said body corporate and politic by that name shall have perpetual succession and a common seal, and by that name may sue and be sued, plead and be impleaded in all Courts whatsoever, and shall be and is possessed of and invested with all the real and personal estate, property, assets and effects, and all present and future rights, claims and interests of the said corporation, and shall be and is liable for all the debts, liabilities and obligations of the said corporation and the real and personal estate, property, assets and effects, and all present and future rights, claims and interests of the said corporation are declared to be vested in Alberta Wheat Pool.

4. The said corporation is declared to have and shall be deemed to have had since the eighteenth day of August, A D 1923, the general capacity and powers which the common law ordinarily attaches to corporations created by charter in so far as it is within the legislative authority of the Province to grant such general capacities and powers, and for greater certainty, but without in any way restricting the generality of the foregoing, the corporation shall be deemed to have and to have had since the eighteenth day of August, A D 1923, the following capacities and powers:

- (a) To act as agent and factor, to receive and take delivery of, handle, grade, classify, store, mortgage, pledge, hypothecate, insure, transport, sell, market, and otherwise dispose of and deal in the wheat and grain and other cereals produced or delivered to it by the members of the Pool or others, and any documents of title, warehouse receipts, storage receipts, or other documents with respect thereto,
- (b) To enter into any contracts or arrangements whatsoever for or incidental to or useful in the co-operative selling or marketing of wheat and other grains,
- (c) To act as mercantile agent,
- (d) To act as attorney in fact for its members or any of them, or for others.

- (e) To lend money to members of the Pool or other persons with or without security;
- (f) To mingle and mix the wheat, grain and other cereals received by the Pool from any member with wheat, grain and any other cereals, and clean, condition, blend or process the same;
- (g) To buy, sell and deal in all classes of wheat, grain and other cereals, and agricultural products;
- (h) To construct or acquire by purchase, lease or otherwise, and sell, lease, maintain, improve, equip and operate all classes of grain elevators, warehouses, granaries, buildings, factories and mills for the storage, treatment, and manufacture of all kinds of goods that may be produced from or with grain or cereals of any kind;
- (i) To carry on the business of warehousing in all its branches, including cold storage, and any business that may be usefully carried on therewith;
- (j) To amalgamate or enter into a partnership or any agreement or arrangement for union of interest, co-operation, joint venture, profit-sharing, reciprocal concession or otherwise, with any other person carrying on or engaged in any business that may be usefully operated in conjunction with any venture of the Pool and to confer upon or delegate to any such person all of the powers, rights and privileges of the Pool hereunder or under any contract made by the Pool with any member or other person;
- (k) To acquire and dispose of and hold shares, bonds, debenture stock or other securities or obligations in any other company or association carrying on any business capable of being conducted so as directly or indirectly to benefit the Pool and to exercise such voting rights as may attach thereto by such means as the directors may determine;
- (l) To apply for, promote, and obtain any Dominion or Provincial legislation or other authority to enable the Pool to carry any of its objects into effect or for any other purpose which may seem to the directors expedient, and to oppose any proceeding or applications which may seem to the directors calculated directly or indirectly to prejudice the interests of the Pool or any of its members;
- (m) To enter into any arrangements with any authority or governments, municipal, local or otherwise, that may seem conducive to the objects of the Pool or any of them, and to obtain from any such authority any rights, privileges and concessions or guarantees which the Pool may think useful in carrying on any business of the Pool.

- (a) To carry on any business (whether manufacturing or otherwise) which may seem to the Pool capable of being conveniently carried on in connection with the business of the Pool, or calculated directly or indirectly to enhance the value of or render more profitable any of the Pool's property
- (b) To buy and sell real and personal property, and give security thereon in any form required by the person by whom the security is being taken.
- (c) To apply for or join in applying for purchase or by other means acquire and protect, prolong and renew any trademarks and trade names, patents, rights, brevets, d'invention, license protections and concessions which may appear likely to be advantageous or useful to the Pool, and to use and tain to account and to manufacture under or grant licenses or privileges in respect of the same, and to expend money in experimenting upon and testing, and in improving or seeking to improve any patents, inventions or rights which the Pool may acquire or propose to acquire
- (d) To raise or assist in raising money for and to and by way of promise, endorsement, guarantee or otherwise any other company, corporation or agency with which the Pool may have business relations, or in which it may be a shareholder and to guarantee the performance of contracts and the payment of debts by any such company, corporation or agency
- (e) To advertise in such a way as the Pool may deem expedient and in particular by advertising in the press, by circulars, pamphlets, lectures, radio broadcasting, publication of books, newspapers and periodicals, and by granting prizes, rewards and donations
- (f) To invest and deal with the moneys of the Pool in such securities and in such manner as the Pool may from time to time determine
- (g) To borrow and raise money in such manner as the Pool shall think fit
- (h) To make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warehouse receipts or storage receipts, warrants, debentures, and other instruments negotiable or non-negotiable, useful in carrying on the business of the Pool
- (i) To act as agents or brokers and as trustees for any person, and to undertake and perform sub-contracts
- (j) To carry on any of the business of the Pool through or by means of agents, brokers, sub-contractors or others

- (v) To promote any other company or association for the purpose of assuming all or any of the property and undertaking any of the liabilities of the Pool or of undertaking any business or operations which may appear likely to assist or benefit the Pool or to enhance the value of any property or business of the corporation, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company or association as aforesaid
- (vi) To sell or otherwise dispose of the whole or any part of the undertaking of the Pool either together or in portions for such consideration as the Pool may think fit, and in particular for shares, debentures or securities of any company purchasing same.
- (vii) To distribute among the members of the Pool in kind any property of the Pool and in particular any shares, debentures or securities of other companies or associations belonging to the Pool or of which the Pool may have the power of disposing
- (viii) To accept from any authority outside the Province of Alberta and exercise such powers to carry on business outside Alberta as such authority may confer on the Pool
- (ix) To apply for, hold, and operate under any licenses or permit that may be necessary to enable the Pool to carry on any of its business.
- (x) To borrow money in such manner as the Pool shall think fit, and secure the payment thereof by security covering any assets of the Pool or the assets of any of its members which are in the custody or control of the Pool or its agents.
- (xi) To give such security in such form as the lender may require, which without limiting the generality of the foregoing may be by the issue of debentures (perpetual or otherwise), mortgage, charge or lien on the assets of the Pool or of the assets of any of its members which are in the custody or control of the Pool or its agents
- (xii) To secure the performance of any obligation of the Pool including a guarantee by giving to the obligee security in like form and on such assets of the Pool or its members as the Pool would be authorized to give if the obligee were a creditor of the Pool
- (xiii) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them

5. Any person who has signed a marketing agreement with the Pool which has been accepted by the Pool shall be a member of the Pool

6. A member whose marketing agreement has ceased to be current shall not have any right to vote.

7. A member who is at the time he attempts to vote the holder of a current marketing contract shall be entitled to cast one vote in person—

- (a) on the election of any delegate for that member's sub-district,
- (b) on the recall of any delegate for that member's sub-district,
- (c) on any referendum made under the by-laws.

8. On all matters other than those mentioned in the next preceding section the vote of the member who is at the time of that voting the holder of a current marketing contract shall be cast for that member by his delegate, and the vote of a delegate as such on any matter shall be deemed to be the vote of each of the members in the sub-district represented by such delegate.

9. The Province of Alberta shall be divided into districts, and each district shall be divided into sub-districts. The number of districts and sub-districts shall be fixed by by-law. The boundaries of districts and sub-districts shall be determined by the directors and may be altered by them from time to time.

10. There shall be as many delegates as there are sub-districts, and the members of each sub-district shall elect a delegate for that sub-district, in the manner provided by the by-laws of the Pool.

11. A member shall be deemed to be a member of the sub-district to which he is allocated by the by-laws of the Pool.

12. Until altered by by-law there shall continue to be seven districts, each of which shall continue to be divided into ten sub-districts. Until altered by the directors, the boundaries of such districts and sub-districts shall continue to be as they existed on the thirtieth day of November, 1928.

13. The number of directors shall equal the number of districts into which the Province is divided. The delegates of each district shall elect a director in the manner provided by the by-laws of the Pool.

14. There shall be a director of the Pool for each district, to be elected by the delegates of that district in the manner provided by the by-laws of the Pool.

15 The directors of the Pool shall administer the affairs of the Pool in all things and shall have power to do all things in their opinion necessary or useful for the conduct of the business of the Pool.

16 The persons whose names appear on the books of the Pool at the date of the passing of this Act as delegates and directors respectively of the Pool are hereby declared to have been duly elected and shall be and continue to be the delegates and directors respectively of the Pool until their successors are elected.

17 All acts done by any person purporting to act as a delegate or director shall notwithstanding any defect in the appointment or qualification of such person be as valid as if such person had been duly elected to and qualified for the office which he purports to hold.

18 The by-laws purporting to be the by-laws of the Pool and to have been made by the delegates on the first day of February, 1929, are hereby declared to have been validly and legally made and shall continue to be the by-laws of the Pool until they are duly repealed, altered or amended.

19 The members of the Pool shall not be held personally responsible for any account, default or liability whatsoever of the Pool or for any engagement, claim, payment, loss, injury, action, matter or thing whatsoever relating in any connected with the Pool.

20 In the event of a member who has signed the current marketing agreement failing to deliver all of his wheat to the Pool as required by the said marketing agreement, such member shall pay to the Pool the sum of twenty-five cents for every bushel of wheat not delivered in accordance with the terms of said agreement.

21 The delegates may from time to time make, amend or repeal by-laws not contrary to this Act for the regulation of the affairs of the Pool not otherwise provided for in this Act. Such by-laws shall bind the Pool and the members thereof to the same extent as if each member had for valuable consideration subscribed his name and affixed his seal thereto, and such by-laws contained a covenant on the part of each member, his executors, administrators and successors, to observe all the provisions of such by-laws, subject to the provisions of this Act.

Provided that no by-law shall be amended or repealed unless three-fifths of the delegates entitled to vote on the amendment or repeal cast votes in favor of the amendment or repeal.

22. All grain which is the subject matter of a marketing contract shall be sold in the manner provided by such contract, notwithstanding that the member may have given security on such grain or that it has been seized under any process of law by a creditor of the member.

23. The Pool shall be deemed to have and to have had from the eighteenth of August, 1923, the right to invest the elevator reserve or any part thereof in any manner designed to provide elevator or shipping facilities for members or customers of the Pool, or any of them, whether such undertakings operate on a profit, non-profit, patronage, dividend basis or otherwise.

24. All money heretofore or hereafter deducted by the Pool for elevator purposes (hereinafter called "elevator reserve") from the proceeds of the sale of members' grain, and all assets heretofore or hereafter acquired therewith, shall be held and dealt with and shall be deemed to have been held and dealt with by the Pool in its name or in the name of its directors for the time being in trust for the members from the proceeds of whose grain it was deducted, and may be retained by the corporation so long as its directors are of opinion that it is useful in carrying on the business of the corporation, notwithstanding anything in any marketing agreement contained, or that any member may have ceased to be the holder of a current marketing agreement.

25. The purchase of shares in the share capital of Alberta Pool Elevators, Limited, with the said elevator reserve heretofore deducted, and the allotment and holding of the said shares in the name of the Pool and its directors is hereby ratified, validated and confirmed and declared to be and to have been a fulfillment of and in compliance with the terms of any marketing or other agreement pursuant to which the deductions were made.

26. No member or anyone claiming under him by assignment, process or operation of law or otherwise shall be entitled to repayment of any money which is being used as part of the elevator or commercial reserve of the corporation, so long as the directors are of the opinion that it is useful in carrying on the business of the corporation, notwithstanding—

- (a) anything in the marketing agreement contained;
- (b) that any member may have ceased to be the holder of a current marketing agreement.

27. The delegates may, at a meeting of which notice has been given specifying the nature of the business to be considered, ratify and validate any acts, resolutions, payments, distribution of moneys among members and any other mat-

lets heretofore or hereafter done or done with by the delegates, directors, agents or employees of the Pool or Alberta Pool Elevators, Limited, notwithstanding that such acts, resolutions, payments, distribution of moneys and other matters are at variance, contrary to, or inconsistent with the provisions of any marketing or other agreement entered into between a member and the Pool, and such ratification and validation shall be binding on each member or past member of the Pool, and all acts, resolutions, payments, distribution of moneys and other matters so ratified and validated shall be deemed to have been as lawfully and validly done as if the same had been expressly authorized by such agreement.

Provided that the ratification and validation under the powers in this section conferred of any act or omission shall not have the effect of depriving Harold William Key of any of the rights which he may now have and which he is now asserting or claiming in a certain action now pending in the Supreme Court of Alberta against the corporation at the suit of Harold William Key.

Provided further, that the foregoing proviso shall not confer on the said Harold William Key any right of action with reference to any matter which, prior to the passing of this Act, should have been decided by arbitration.

28. If any member shall cease, fail, neglect or refuse for any reason whatsoever to perform any of his obligations under a current marketing agreement, the board may, in addition to all other remedies, cancel his membership in the Pool and expel him from such membership and all his rights and interest as a member shall be canceled, but such member shall not forfeit his interest in elevator or commercial reserves.

Provided, however, that neither he nor anyone claiming through or under him shall have any right to payment of any portion of said reserves excepting such rights as are conferred by section 26 hereof.

29. If any question arises between the Pool and any member touching anything done, to be done, or not to be done, or any money paid, to be paid, or not to be paid, under the provisions of this Act, the by-laws of the Pool or the marketing agreement, then, unless by this Act otherwise expressly provided, such question shall be determined by arbitration in manner provided by *The Arbitration Act*.

Provided that the provisions of this section shall not deprive the Pool from bringing actions against a member in any Court on any cause of action which the Pool may have against such member under the marketing agreement.

30. No action or other proceeding respecting any matter shall be brought against the Pool by any person who is or has been a member of the corporation unless it is commenced within two months after the date of any meeting of the delegates at which the act or omission in question has been ratified.

31. No grain received by the Pool from any person or persons for sale, nor the proceeds of any such grain, shall be liable to seizure or attachment by any creditor of the Pool, except only for the purpose of or on account of any security held by any creditor who has lent money to the Pool on the security of such grain or on documents or other evidence of title to such grain.

32. No assignment of the proceeds of a member's grain marketed through the Pool shall be binding on the Pool unless—

- (a) the assignment, accompanied by the delivery check and coupon for the grain, the proceeds of which are assigned, is filed with the Pool; or
- (b) the assignment conforms to the regulations prescribed by the directors from time to time, as to the form and conditions in and under which a member may assign the proceeds of such grain.

33. The Pool without prejudice to right to sue shall have a lien upon the interest of each member in the commercial and elevator reserves for any claim of the Pool against that member, and shall have the right to set off its claim against the interest of that member in the said reserves.

34. The Pool shall have the power to pay to each of its members the sum received by the Pool from such member in payment for the share in the share capital of the Pool for which such member has subscribed.

35. The interest of the members in the assets of the Pool shall be in proportion to their contribution thereto.

36. The Supreme Court of Alberta may, on the application of a member, order that the Pool be dissolved and wound up where the delegates have passed a resolution by a majority of three-fourths of their number requiring the Pool to be dissolved and wound up.

37. The provisions of *The Co-operative Associations Act* being chapter 169 of the Revised Statutes of Alberta, 1922, shall not apply to the Pool.

38. *The Alberta Co-operative Wheat Producers, Limited, Act*, being chapter 7 of the Statutes of Alberta, 1924, is hereby repealed.

39. This Act shall come into force on the day upon which it is assented to.

REPRINTED BILL

No 5

THIRD SESSION

SIXTH LEGISLATURE

19 GEORGE V

1929

BILL

An Act respecting The Alberta
Wheat Pool

Reseived and read the

First time

Second time

Third time

MR. WALLEN

ROBINSON
to be held on 20th Decr.
A B 1929