The Co-operatives Act, 1996

being

Chapter C-37.3 of the *Statutes of Saskatchewan, 1996* (effective April 1, 1998) as amended by the *Statutes of Saskatchewan*, 1998, c.C-45.2 and c.40; 1999, c.25; 2001, c.9; 2002, c.47 and c.56; 2004, c.16 and c.67; 2006, c.27 and 33; 2009, c.6; 2010, c.4 and 22; 2012, c.7 and 15; 2013, c.21; 2014, c.11 and c.18; and 2015, c.22.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER C-37.3
An Act respecting Co-operatives

PART I
Interpretation and Application

Short title

1 This Act may be cited as *The Co-operatives Act, 1996*.

Interpretation

2(1) In this Act:

"affairs" means the relationship among a co-operative, its subsidiaries and its members, directors and officers, but does not include the business carried on by the co-operative; (*«affaires internes»*)

"affiliate" means an affiliated body corporate within the meaning of subsection (6); (*«groupe»*)

"articles" means the original or restated articles of incorporation, amendment, amalgamation, arrangement, continuance, reorganization, dissolution or revival and, in Parts XII, XV, XVII to XX and XXVI, includes any Act, statute or ordinance by or pursuant to which a body corporate is incorporated or any letters patent, supplementary letters patent, certificate of incorporation, memorandum of association or any other document evidencing corporate existence; (*«statuts»*)

"associate", when used to indicate a relationship with a person, means:

(a) a body corporate, where that person beneficially owns or controls, directly or indirectly, shares of that body corporate carrying more than 10% of the voting rights;

(b) a partner of that person acting on behalf of the partnership of which they are partners;

(c) a trust or estate in which that person has a substantial beneficial interest or with respect to which that person serves as a trustee or in a capacity similar to a trustee;

(d) a spouse or child of that person; or

(e) where a relative of that person or that person's spouse has the same residence as that person, the relative; (*«liens»*)

"auditor" includes a partnership of auditors; (*«vérificateur»*)

"body corporate" means a body corporate wherever or however incorporated and includes a co-operative, but does not include a public body; (*«personne morale»*)

"business" includes the undertaking carried on by a body corporate; (*«activités»*)

"bylaw" means a bylaw of a co-operative approved by the members and by the registrar; (*«règlement administratif»*)

"common share" means a share in the capital stock of a co-operative to which the articles or bylaws attach no special preference, right, condition, restriction, limitation or prohibition; (*«part sociale ordinaire»*)

"co-operative" means a body corporate that is organized and operated on a co-operative basis and is incorporated or continued pursuant to this Act, and, in Parts XII, XV, XVII to XX and XXVI, includes:

(a) an extraprovincial co-operative;

(b) a corporation that:

(i) has as its object the operation of any enterprise or service on a co-operative basis or on a basis that, in the opinion of the registrar, is substantially similar to a co-operative basis; and

(ii) is registered pursuant to this Act; and

(c) a marketing board or commission handling a co-operative plan pursuant to *The Agri-Food Act* that is registered pursuant to this Act; (*«coopérative»*)

"corporation" means a body corporate incorporated by or pursuant to an Act or an act of the Parliament of Canada or a legislative assembly of another province or territory of Canada; (*«société»*)

"court" means the Court of Queen's Bench; (*«tribunal»*)

"debt obligation" means a bond, debenture, member loan, note, savings certificate or other evidence of indebtedness or guarantee of a co-operative, whether secured or unsecured; (*«titre decréance»*)

"delegate" means an individual elected to represent a division of the members at meetings of a co-operative; (*«délégué»*)

"department" means the department over which the minister presides; (*«ministère»*)

"director" means a person occupying the position of director of a co-operative, by whatever name called; (*«administrateur»*)

"extraprovincial co-operative" means a body corporate that is carrying on business in Saskatchewan on a co-operative basis or on a basis that, in the opinion of the registrar, is substantially similar to a co-operative basis and that is not incorporated or continued by or pursuant to an Act or a former Act, and includes a federal co-operative but does not include an extraprovincial co-operative registered pursuant to *The New Generation Co-operatives Act*; (*«coopérative extraprovinciale»*)

"federal Act" means the *Canada Cooperative Associations Act*; (*«loi fédérale»*)

"federal co-operative" means a co-operative incorporated by or pursuant to an Act of the Parliament of Canada; (*«cooperative de régime fédéral»*)

"federation" means a co-operative whose membership is composed entirely of other co-operatives; (*«fédération»*)

"former Act" means:

(a) *The Co-operatives Act, 1989* as that Act existed on the day before the coming into force of this Act;

(b) *The Co-operatives Act* as that Act existed on the day before the coming into force of *The Co-operatives Act, 1989*;

(c) *The Co-operative Associations Act* as that Act existed on the day before the coming into force of *The Co-operatives Act*;

(d) *The Co-operative Marketing Associations Act* as that Act existed on the day before the coming into force of *The Co-operatives Act*; or

(e) *The Co-operative Production Associations Act* as that Act existed on the day before the coming into force of *The Co-operatives Act*; (*«ancienne loi»*)

"general meeting" includes an annual or special meeting; (*«assemblée générale»*)

"incorporator" means a person who applies for incorporation of a co-operative pursuant to section 6; (*«fondateur»*)

"insolvent" includes:

(a) the inability of a co-operative to pay its debts as they become due in the ordinary course of its business; or

(b) the circumstance where the realizable value of the assets of a co-operative is less than the sum of its liabilities and its paid-up capital of all classes; (*«insolvable»*)

"judge" means a judge of the court; (*«juge»*)

"marketing board" means a marketing board for the regulation of natural products that is appointed or established pursuant to *The Agri-Food Act*, any other Act or an Act of another province or territory of Canada or of the Parliament of Canada; (*«office de commercialisation»*)

"member" means a person who has met the conditions of membership set forth in the bylaws of a co-operative and has been accepted as a member by the directors of the co-operative, and includes an incorporator; (*«membre»*)

"membership fee" means any amount paid by a member to a co-operative as a condition of becoming or remaining a member, but does not include an amount paid by a member to a co-operative for:

(a) goods, services or accommodation that the co-operative provides to the member; or

(b) shares, loans or other securities of the co-operative; (*«cotisation de membre»*)

"minister" means the member of the Executive Council to whom for the time being the administration of this Act is assigned; (*«ministre»*)

"officer" includes:

(a) a president, vice-president, treasurer, secretary, general manager or assistant general manager of a co-operative;

(b) a person who performs functions for a co-operative normally performed by a person mentioned in clause (a); or

(c) an employee of a co-operative appointed by the directors to assume a position of responsibility in the management of the affairs of the co-operative; (*«dirigeant»*)

"ordinary resolution" means a resolution that is passed by a majority of members or delegates who vote on the resolution; (*«résolution ordinaire»*)

"patronage dividend" means an amount that, pursuant to this Act, a co-operative allocates among and credits or pays to its members or to its member and non-member patrons from its surplus based on the business done by its members or patrons, with or through the co-operative, and includes a patronage refund; (*«ristourne»*)

"person" includes an individual, partnership, association, public body, body corporate, trustee, executor, administrator or legal representative; (*«personne»*)

"public body" means:

(a) the Government of Canada, of Saskatchewan or of another province or territory of Canada;

(b) a corporation, board, commission or agency of a government described in clause (a);

(c) a municipality;

(d) a body elected or appointed pursuant to an Act:

(i) to administer, arrange, undertake or regulate schools, hospitals, health facilities, libraries, water utilities, drainage and irrigation works, sewage works, local improvements or public utilities; or

(ii) to levy and collect taxes; or

(e) any body, other than one described in clauses (a) to (d), that is designated in the regulations; (*«organisme public»*)

"preferred share" means a share in the capital stock of a co-operative that is not a common share; (*«part sociale privilégiée»*)

"prescribed" means prescribed in the regulations; (*«prescrit»* or *«réglementaire»*)

"register":

(a) in sections 27, 28, 31, 47, 49, 50, 99, 105 and 276, means a register required by this Act to be maintained by or on behalf of a co-operative; and

(b) in any other case, means the register to be kept by the registrar pursuant to section 230; (*«registre»*)

"registrar" means the Registrar of Co-operatives appointed pursuant to section 227 and includes any deputy registrar appointed pursuant to that section; (*«registraire»*)

"security" means a share or debt obligation of a co-operative and includes a certificate evidencing the share or debt obligation; (*«valeur mobilière»*)

"security interest" means an interest in or charge on the property of a co-operative by way of mortgage, hypothec, pledge or other obligation taken by a creditor to secure payment of a debt of the co-operative; (*«sûreté»*)

"share" means a common share or a preferred share; (*«part sociale»*)

"shareholder" means a subscriber for or a holder of a share and includes the personal representative of a deceased shareholder; (*«porteur de part sociale»*)

"special resolution" means, except where otherwise expressly provided, a resolution that is:

(a) passed by two-thirds of the members or delegates who vote on the resolution where at least 10 days' notice has been given to the members or delegates of the intention to propose the resolution as a special resolution; or

(b) consented to in writing by all of the members or delegates who are entitled to vote on that resolution at a general or special meeting; (*«résolution spéciale»*)

"special rights or restrictions" includes preferred or deferred special rights or restrictions that relate to:

(a) the redemption or return of capital;

(b) the conversion for the same or any other number of any other kind or class of shares;

(c) dividends;

(d) voting;

(e) nomination;

(f) appointment of directors or other control; or

(g) any right or restriction in addition to those mentioned in clauses (a) to (f); (*«droits ou restrictions spéciaux»*)

"surplus", as applied to the operations of a co-operative in a fiscal year, means any amount that remains after deducting from the operating revenue, charges to members and patrons and other revenue in that fiscal year:

(a) the operating expenses and any losses in the fiscal year, including proper allowances for depreciation, expenses incurred but not paid and proper charges against operations; and

(b) any refunds and interim and final payments to members and patrons in that fiscal year as required in contracts made with them or pursuant to the bylaws of the co-operative. (*«excédent»*)

(2) For the purposes of this Act, a body corporate is a subsidiary of another body corporate if:

(a) the shares of the body corporate that carry voting rights sufficient to elect a majority of its directors are held, directly or indirectly, other than by way only of collateral security, by the other body corporate; or

(b) the bylaws of the body corporate provide or the body corporate agrees in writing that a majority of the directors must be nominees of the other body corporate.

(3) For the purposes of this Act, a co-operative is deemed to carry on business in Saskatchewan if:

(a) it holds any title, estate or interest in land registered in the name of the co-operative pursuant to *The Land Titles Act*;

(b) it has a resident agent or representative or maintains an office, warehouse or place of business in Saskatchewan;

(c) it is licensed or registered or required to be licensed or registered pursuant to an Act entitling it to do business;

(d) it is the holder of a certificate of registration, issued pursuant to *The Traffic Safety Act* , respecting a public service vehicle, except where that vehicle neither picks up nor delivers goods or passengers in Saskatchewan;

(e) it is the holder of a licence issued by the Highway Traffic Board pursuant to the authority of the *Motor Vehicle Transport Act, 1987* (Canada), except where it neither picks up nor delivers goods in Saskatchewan; or

(f) in the opinion of the registrar, it otherwise carries on business in Saskatchewan.

(4) Where the number of a telephone located in Saskatchewan is listed in a telephone directory issued by Saskatchewan Telecommunications under the name of a co-operative, that co-operative is deemed, in the absence of evidence to the contrary, to be carrying on business in Saskatchewan.

(5) A security is in registered form if:

(a) it specifies a person entitled to the security or to the rights it evidences, and its transfer is capable of being recorded in a securities register; or

(b) it bears a statement that it is in registered form.

(6) For the purposes of this Act:

(a) one body corporate is affiliated with another body corporate if:

(i) one of them is the subsidiary of the other;

(ii) both are subsidiaries of the same body corporate; or

(iii) each of them is controlled by the same body corporate; and

(b) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

(7) For the purposes of this Act, a body corporate is controlled by a person if:

(a) securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are held, other than by way of security only, by or for the benefit of that person; and

(b) the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.

1996, c.C-37.3, s.2; 1999, c.25, s.2; 2004, c.67, s.4; 2010, c.4, s.2; 2015, c.22, s.12.

Co-operative basis

3 For the purposes of this Act, a body corporate is organized, operated and administered on a co-operative basis where:

(a) no member or delegate has more than one vote;

(b) no member or delegate is entitled to vote by proxy;

(c) its business is carried on primarily for the benefit of its members;

(d) its membership is voluntary and available, without any artificial restriction or any unlawful basis of discrimination, to any person who can use its services and is willing to accept the responsibilities of membership;

(e) the limit on the interest or dividends on share capital that it pays does not exceed the prescribed rate; and

(f) any surplus or saving arising out of its operation is:

(i) used to develop its business;

(ii) used to provide or improve common services to members;

(iii) distributed among members in proportion to their patronage with the co-operative;

(iv) used to educate its members, officers or employees or the general public in the principles and techniques of economic and democratic co-operation; or

(v) distributed to non-profit, charitable or benevolent organizations.

1996, c.C-37.3, s.3.

Application of Act

4(1) Subject to subsections (2) and (3), this Act applies to every co-operative incorporated, continued or registered pursuant to this Act.

(2) This Act does not apply to a credit union incorporated, continued or registered pursuant to *The Credit Union Act, 1998*.

(3) This Act, other than Parts XII, XV, XVII to XX and XXVI, does not apply to:

(a) an extraprovincial co-operative;

(b) a corporation that:

(i) has as its object the operation of any enterprise or service on a co-operative basis or on a basis that, in the opinion of the registrar, is substantially similar to a co-operative basis; and

(ii) is registered pursuant to this Act; or

(c) a marketing board or commission handling a co-operative plan pursuant to *The Agri-Food Act* that is registered pursuant to this Act.

1996, c.C-37.3, s.4; 1998, c.C-45.2, s.476; 2015, c.22, s.12.

Continuation of existing co-operatives

5(1) A co-operative that was incorporated pursuant to a former Act and that, on the day before the coming into force of this Act, has not been dissolved pursuant to the former Act is deemed to be continued pursuant to this Act and:

(a) its certificate of incorporation issued pursuant to the former Act is deemed to be a certificate of incorporation issued pursuant to this Act;

(b) its articles of incorporation or memorandum of association pursuant to the former Act, including any amendments to the articles or memorandum, are deemed to be its articles of incorporation pursuant to this Act;

(c) subject to subsection (2), its bylaws that were, before the coming into force of this Act, approved by and filed with the registrar pursuant to the former Act are deemed to be its bylaws pursuant to this Act.

(2) Where a co-operative is continued pursuant to subsection (1) and has bylaws that are inconsistent with this Act, those bylaws are deemed to be valid until the expiration of two years after the day this Act comes into force or until the co-operative amends the bylaws or passes new bylaws, whichever occurs first.

(3) Where, on the day before the coming into force of this Act, a co-operative was registered pursuant to a former Act:

(a) it is deemed to be registered pursuant to this Act; and

(b) its certificate of registration is deemed to be its certificate of registration issued pursuant to this Act.

(4) Where the registration of a co-operative is continued pursuant to subsection (3) and its certificate of registration issued pursuant to a former Act contained a restriction, the restriction continues to apply to the co-operative.

(5) Where the articles of incorporation or the memorandum of association of a co-operative immediately before the coming into force of this Act contained a provision excluding any of the powers authorized by a former Act pursuant to which the co-operative was incorporated, that provision is deemed to be a restriction in its articles on the powers that it may exercise.

(6) Where a co-operative that is continued pursuant to subsection (1) had objects in its articles of incorporation or memorandum of association, the objects are deemed to be restrictions in its articles on the business in which it may engage.

(7) Where a co-operative has a restriction on its powers described in subsection (5) or its business described in subsection (6), the co-operative may remove the restriction only in the manner prescribed in section 144.

1996, c.C-37.3, s.5.

PART II
Incorporation
APPLICATION AND REGISTRATION

Application to incorporate

6(1) Subject to subsection (3), not less than six persons may apply for incorporation as a co-operative.

(2) The incorporators shall apply for incorporation by sending to the registrar:

(a) the articles of incorporation in the prescribed form;

(b) the bylaws of the co-operative; and

(c) **Repealed.** 2013, c.21, s.2.

(d) any additional information that the registrar may require.

(3) The registrar may allow two or more persons to apply for incorporation as a co-operative where the registrar considers it appropriate.

(4) An individual is not eligible to be an incorporator if the individual:

(a) is less than 18 years of age; or

(b) has been found by a court in Canada or elsewhere to lack capacity.

(5) A person who has the status of a bankrupt is not eligible to be an incorporator.

1996, c.C-37.3, s.6; 2013, c.21, s.2; 2015, c.22, s.4.

Articles of incorporation

7(1) The articles of incorporation of a proposed co-operative must be in the prescribed form.

(2) The incorporators shall set out in the articles of incorporation of a proposed co-operative the following information:

(a) the name of the co-operative;

(b) where there is to be share capital:

(i) the par value of the shares;

(ii) whether the number of shares to be issued is unlimited or, where limited, the maximum number of shares that may be issued; and

(iii) where there are two or more classes of shares, the designation of each class, the par value of the shares of each class and the special preferences, rights, conditions, restrictions, limitations and prohibitions attaching to each class;

(c) where there is no share capital, a statement that the interest of each member is the same as that of every other member;

(d) subject to subsection (3), the number of directors or the minimum and maximum number of directors;

(e) the names in full and place of residence of each first director;

(f) the objects or purposes the co-operative is intended to fulfil;

(g) any restriction on the business or businesses of the co-operative.

(3) A co-operative shall have a minimum of five directors, but the registrar may permit the number of directors to be less than five where:

(a) the number of incorporators or members is less than six; or

(b) fewer than five members are eligible to be directors pursuant to section 75.

(4) The consent to act as a first director of any first director who is not an incorporator must be attached to the articles of incorporation in the prescribed form.

(5) A co-operative may set out in its articles any provisions permitted in this Act to be set out in the bylaws of the co-operative.

1996, c.C-37.3, s.7.

Bylaws

8(1) A co-operative shall include bylaws relating to:

(a) conditions of membership, including:

(i) the rights of joint members, if any;

(ii) the qualification and withdrawal of members and the transfer of shares;

(iii) the amount of the membership fee and of the annual fee, if any, to be paid by members; and

(iv) the conditions on which membership ceases or may be terminated, the disposition that may be made on cessation or termination of a member's interest and the determination of the value of the member's interest;

(b) the election, term of office and removal of directors and members of committees of directors;

(c) where the co-operative proposes to divide the territory in which members are located into districts:

(i) the establishment of district boundaries;

(ii) the procedure for altering district boundaries; and

(iii) where there is to be a delegate structure, the defining of the powers, duties, election, voting rights and removal proceedings of district delegates;

(d) where the co-operative proposes to divide its members who are shareholders into classes:

(i) the qualifications of members of each class;

(ii) the conditions precedent to membership in each class;

(iii) the method, time and manner of and conditions precedent to transferring membership in one class to membership in another class;

(iv) the conditions on which membership in a class ceases;

(v) the method, time and manner of permitting members to withdraw from each class of members;

(vi) whether the interest of a member in a class may be assigned or transferred; and

(vii) the automatic suspension of a member's rights when the member ceases to be qualified for membership in a class;

(e) the distribution of the property of the co-operative on dissolution of the co-operative;

(f) where the co-operative is to act as an agent for its members, a definition of the agency relationship between the co-operative and its members;

(g) any matters, in addition to those described in clauses (a) to (f), that the members consider necessary or desirable.

(2) Subject to subsection (3), where the bylaws require a greater number of votes of directors or members than the number required in this Act to effect any action, the bylaws prevail.

(3) The bylaws shall not require a greater number of votes of members to remove a director or delegate than the number required in a special resolution.

1996, c.C-37.3, s.8.

Incorporation of co-operative

9(1) The registrar:

(a) may register the articles of incorporation and bylaws of a proposed co-operative and enter the name of the co-operative in the register where the registrar:

(i) is satisfied that the articles of incorporation and bylaws sent to the registrar pursuant to subsection 6(2) comply with this Act and the regulations and that the incorporators have complied with any other requirements of this Act and the regulations; and

(ii) considers it appropriate to approve the incorporation;

(b) with respect to a co-operative entered in the register pursuant to subsection (1), shall:

(i) issue a certificate of incorporation in accordance with section 271, stating that the co-operative is incorporated pursuant to this Act and showing the day of incorporation; and

(ii) send to the co-operative at its registered office one copy of its articles and bylaws, certified by the registrar as having been registered.

(2) The registrar shall not approve an application unless the registrar is satisfied that:

(a) the formation of the proposed co-operative will be for the convenience and advantage of its members;

(b) the proposed directors are qualified pursuant to section 75; and

(c) the proposed co-operative is organized and will be operated on a co-operative basis.

1996, c.C-37.3, s.9.

Effect of certificate of incorporation

10 A co-operative comes into existence on the day shown on its certificate of incorporation.

1996, c.C-37.3, s.10.

Articles and bylaws binding

11 The articles of a co-operative and its bylaws are deemed to bind the co-operative and its members to the same extent as if they:

(a) had been signed and sealed by the co-operative and by every member; and

(b) contained covenants on the part of each member and the heirs, executors and administrators of each member to observe all the provisions of the articles and bylaws.

1996, c.C-37.3, s.11.

NAME

Reservation of name

12 Where the registrar receives a written request, the registrar may reserve for 90 days a name for a proposed co-operative or for a co-operative that proposes to change its name.

1996, c.C-37.3, s.12; 2013, c.21, s.2.

Required name of co-operative

13(1) Subject to subsection (2), a co-operative shall have the word "Co-operative" or «coopérative» in its name and the word "Limited" or «Limitée» or the abbreviation "Ltd." or «Ltée» as the last word in its name.

(2) The registrar may exempt a co-operative from the provisions of subsection (1).

(3) Subject to subsection (4), no person, other than a co-operative or an extraprovincial co-operative, a body corporate or a marketing board or commission registered pursuant to this Act, shall:

(a) carry on business under a name that includes the word "Co-operative" or "Co-op";

(b) adopt a new name including the word "Co-operative" or "Co-op"; or

(c) use the word "co-operative" or "co-op" in connection with a description of the business carried on by that person.

(4) Subsection (3) does not apply to:

(a) a co-operative or an extraprovincial co-operative registered pursuant to *The New Generation Co-operatives Act*; or

(b) a person exempted by the registrar from the provisions of subsection (3).

1996, c.C-37.3, s.13; 1999, c.25, s.2; 2015, c.22, s.12.

Alternate name

14(1) Subject to section 15, a co-operative may set out its name in:

(a) an English form;

(b) a French form;

(c) a combined English and French form; or

(d) any language form other than English or French that is approved by the registrar.

(2) A co-operative may be legally designated by the language form it has chosen pursuant to subsection (1).

1996, c.C-37.3, s.14.

Prohibited names

15(1) No co-operative shall have a name that:

(a) subject to subsection (2), is the same as or similar to the name of another co-operative, corporation, association, partnership or firm where, in the opinion of the registrar, the use of that name would be likely to confuse or mislead the general public;

(b) is identical to the name of a co-operative previously incorporated pursuant to the laws of Saskatchewan;

(c) suggests or implies a connection with a public body;

(d) suggests or implies a connection with a political party or a leader of a political party;

(e) suggests or implies a connection with a university or a professional association recognized by the laws of Canada or of a province or territory of Canada, unless the university or professional association concerned consents in writing to the use of the proposed name; or

(f) is a name that is prohibited in the regulations.

(2) Subject to the approval of the registrar, a co-operative may use the same name as or a name similar to the name of another co-operative, corporation, association, partnership or firm where the other co-operative, corporation, association, partnership or firm:

(a) consents in writing to the use of the name in whole or in part; and

(b) where required by the registrar, undertakes to dissolve or change its name to a dissimilar name within six months after the filing of the articles by the co-operative that is acquiring the name.

1996, c.C-37.3, s.15.

Deceptive or inaccurate names

16 The registrar may refuse to register a co-operative or to register articles amending the name of a co-operative where, in the registrar's opinion, the proposed name:

(a) is deceptively inaccurate in describing:

(i) the businesses, goods or services in association with which it is proposed to be used;

(ii) the conditions under which the goods or services will be produced or supplied;

(iii) the persons to be employed in the production or supply of the goods or services; or

(iv) the place or origin of those goods or services;

(b) is likely to be confused with the name of a co-operative that was dissolved;

(c) contains the words “Credit Union” or «caisse populaire»; or

(d) is for any reason objectionable.

1996, c.C-37.3, s.16.

Name on amalgamation

17 Where two or more co-operatives amalgamate, the amalgamated co-operative may have:

(a) the name of one of the amalgamating co-operatives;

(b) a distinctive combination of the names of the amalgamating co-operatives that, in the opinion of the registrar, is not confusing; or

(c) a distinctive new name that, in the opinion of the registrar, is not confusing.

1996, c.C-37.3, s.17.

Direction to change name

18(1) Where a co-operative is granted a name subject to an undertaking given pursuant to subsection 15(2) and the undertaking is not carried out within the time specified in the undertaking, the registrar may direct the co-operative to which the name is granted to change its name to a name that complies with this Act.

(2) The registrar may direct a co-operative to change its name pursuant to section 144 where the co-operative:

(a) comes into existence or is continued with a name that contravenes section 15 or 16;

(b) on an application to change its name, is granted a name that contravenes section 15 or 16; or

(c) has a designating number as its name.

(3) Where a co-operative is directed pursuant to subsection (1) or (2) to change its name and fails within 60 days after service of the directive to change its name to a name that complies with this Act:

(a) the registrar may revoke the name of the co-operative and assign a number to it; and

(b) until the name is changed in accordance with section 144, the name of the co-operative is the number assigned pursuant to clause (a).

(4) Where a co-operative has had its name revoked and a number assigned to it pursuant to subsection (3), the registrar shall:

(a) issue to the co-operative a certificate of amendment showing the new name of the co-operative; and

(b) immediately give notice of the change of name in the Gazette.

(5) The articles of the co-operative are deemed to be amended on the date shown in the certificate of amendment issued pursuant to clause (4)(a).

(6) Where the registrar receives a copy of a special resolution to change the name of a co-operative passed pursuant to section 144 and the registrar approves the new name or, in the case of an extraprovincial co-operative, a document evidencing the change of name to a name approved by the registrar, the registrar shall:

(a) enter the new name on the register in place of the former name;

(b) issue a certificate showing the change of name;

(c) inform the co-operative in writing of the change of name; and

(d) immediately publish notice of the change of name in the Gazette.

1996, c.C-37.3, s.18; 2015, c.22, s.12.

Use of name

19(1) Every co-operative shall display its name in legible characters in a conspicuous position:

(a) at every office or place at which it carries on business;

(b) in all notices and other official publications;

(c) on all its contracts, business letters, orders for goods, invoices, statements of account, receipts and letters of credit; and

(d) on all bills of exchange, promissory notes, endorsements, cheques and orders for money it signs or that are signed on its behalf.

(2) Where a co-operative has a corporate seal, it shall display its name in legible characters on its corporate seal.

(3) Subject to subsections (1) and (2), a co-operative may carry on business under or identify itself by a name other than the name of the co-operative if that other name is registered as a business name pursuant to *The Business Names Registration Act*.

1996, c.C-37.3, s.19.

SEAL

Seal

20(1) The directors may by resolution:

(a) adopt a corporate seal; and

(b) change the corporate seal adopted pursuant to clause (a).

(2) An instrument or agreement executed on behalf of a co-operative by a director, an officer or an agent of the co-operative is not invalid merely because a corporate seal is not affixed to it.

1996, c.C-37.3, s.20.

PRE-INCORPORATION CONTRACTS

Personal liability

21(1) Subject to subsections (2) to (6), a person who enters into a written contract in the name of or on behalf of a co-operative before the co-operative comes into existence is personally bound by the contract and is entitled to the benefits of the contract.

(2) Within a reasonable time after a co-operative comes into existence, the co-operative may adopt a written contract made in its name or on its behalf before it came into existence by any action or conduct signifying its intention to adopt the contract.

(3) Where a co-operative adopts a contract pursuant to subsection (2):

(a) the co-operative is bound by the contract and is entitled to the benefits of the contract as if the co-operative had been in existence at the day of the contract and had been a party to the contract; and

(b) subject to subsection (4), the person who purported to act in the name of or on behalf of the co-operative ceases to be bound by the contract or entitled to the benefits of the contract.

(4) Subject to subsection (6), whether or not a written contract made before the coming into existence of a co-operative is adopted by the co-operative, a party to the contract may apply to the court for an order fixing the obligations under the contract as joint and several or apportioning liability between the co-operative and any person who purported to act in the name of or on behalf of the co-operative.

(5) Where the court receives an application pursuant to subsection (4), it may make any order that it considers appropriate.

(6) Where a written contract expressly provides that a person who purported to act in the name of or on behalf of the co-operative before it came into existence is not bound by the contract or entitled to the benefits of the contract, the person is deemed not to be bound by the contract and not to be entitled to the benefits of the contract.

1996, c.C-37.3, s.21.

PART III
Capacity and Powers

Capacity of a co-operative

22(1) A co-operative has the capacity of an individual and, subject to this Act and the articles of the co-operative, the rights, powers and privileges of an individual.

(2) A co-operative has the capacity to carry on its business, conduct its affairs and exercise its powers outside Saskatchewan.

1996, c.C-37.3, s.22.

Restrictions on business

23(1) No co-operative and no subsidiary of a co-operative shall:

(a) carry on any business that it is restricted from carrying on by its articles or by the regulations; or

(b) exercise any of its powers in a manner contrary to the objects and purposes stated in the articles.

(2) No act of a co-operative, including a transfer of property to or by a co-operative, is invalid by reason only that the act or transfer is contrary to its articles or this Act.

(3) Where the registrar considers it appropriate, the registrar may require that the articles of the co-operative contain a provision:

(a) restricting the business of the co-operative to a business that the registrar may specify; or

(b) restricting the co-operative from carrying on a business that the registrar may specify.

1996, c.C-37.3, s.23.

No constructive notice

24(1) Subject to subsection (2), no person is affected by or deemed to have notice or knowledge of the contents of a document or record of a co-operative or an order of the registrar with respect to the co-operative by reason only that the document, record or order has been filed with the registrar or is available for inspection at an office of the co-operative or the registrar.

(2) A member of a co-operative is deemed to have notice and knowledge of the content of the articles and bylaws of the co-operative.

1996, c.C-37.3, s.24.

Authority of directors, officers and agents

25(1) Subject to subsection (2), no co-operative and no guarantor of an obligation of a co-operative shall assert against a person dealing with the co-operative or with another person who has acquired rights from the co-operative that:

(a) the articles or bylaws have not been complied with;

(b) the persons named in the most recent notice sent to the registrar pursuant to this Act are not the directors of the co-operative;

(c) the place named in the most recent notice sent to the registrar pursuant to this Act is not the registered office of the co-operative;

(d) a person held out by the co-operative as a director, an officer or an agent of the co-operative has not been duly appointed or has no authority to exercise the powers or perform the duties that are customary in the business of the co-operative or are usual for that director, officer or agent;

(e) a document issued by any director, officer or agent of the co-operative with actual or usual authority to issue the document is not valid or not genuine; or

(f) any financial assistance to members or directors or any sale, lease or exchange of all or substantially all of the property of the co-operative was not authorized.

(2) Where a person dealing with a co-operative or with another person who has acquired rights from the co-operative has or ought to have knowledge to the contrary by virtue of his or her position with or relationship to the co-operative, subsection (1) does not apply.

1996, c.C-37.3, s.25.

PART IV
Registered Office and Records

Registered office

26(1) A co-operative must have a registered office in Saskatchewan.

(2) The directors of a co-operative may change the address of the registered office.

(3) A co-operative shall send to the registrar a notice setting out the address of its registered office on incorporation and within 15 days after any change of address of the registered office, and the registrar shall file that notice.

(4) Where a co-operative sends an annual return to the registrar pursuant to section 143 within 30 days after a change is made to the address of the co-operative's registered office, the annual return is deemed to be the notice required pursuant to subsection (3).

1996, c.C-37.3, s.26.

Corporate records

27(1) A co-operative shall prepare and maintain at its registered office or at a place in Saskatchewan designated by the directors other than its registered office, records containing:

(a) its articles and bylaws and all amendments to its articles and bylaws;

(b) minutes of member meetings and resolutions of members;

(c) copies of all notices of directors and notices of change of directors;

(d) a register of its directors setting out the names, addresses and occupations of all persons who are or have been directors of the co-operative with the days on which each person became or ceased to be a director;

(e) a register of members and shareholders setting out their names arranged in alphabetical or numeric order, their latest address known to the co-operative and the number of shares held by each member or shareholder;

(f) a copy of every certificate issued to it by the registrar; and

(g) a copy of every order of the registrar relating to the co-operative.

(2) In addition to the records described in subsection (1), a co-operative shall prepare and maintain adequate accounting records and records containing minutes of meetings and resolutions of the directors and any committee of directors.

(3) Where a co-operative is continued pursuant to this Act, **"records"** includes records similar to those described in subsection (2) that were required by a former Act to be maintained by the co-operative before it was continued.

(4) Where accounting records of a co-operative are kept at a place outside Saskatchewan, the co-operative shall keep at its registered office or at another office in Saskatchewan accounting records adequate to enable the directors to ascertain the financial position of the co-operative with reasonable accuracy on a quarterly basis.

1996, c.C-37.3, s.27.

Access to corporate records

28(1) Members, their agents and legal representatives may examine the records mentioned in subsection 27(1) during the usual business hours of the co-operative and take extracts from those records without charge.

(2) On request, a member is entitled without charge to one copy of the articles and bylaws.

(3) A co-operative shall give access at all reasonable times to the records mentioned in section 27 to the directors of the co-operative, the registrar and any person appointed by the registrar.

(4) A co-operative shall provide access to its register of members mentioned in clause 27(1)(e) at any general meeting of members, and the members may examine the register.

1996, c.C-37.3, s.28.

Member lists

29(1) In this section, **"basic list"** means the list of members described in subsection (2).

(2) On payment of a reasonable fee and on sending to a co-operative or its transfer agent the affidavit described in subsection (5), any five members of a co-operative, their agents and legal representatives may require the co-operative or its agent to provide, within 21 days after the receipt of the affidavit, a list made up to a day not more than one month before the day of receipt of the affidavit setting out, in alphabetical or numeric order, the names of members and their latest addresses known to the co-operative.

(3) On payment of a reasonable fee, any five members requiring a co-operative to supply a basic list may, where they state in their affidavit mentioned in subsection (2) that they require a supplemental list for the purpose of updating a basic list, require the co-operative or its agent to provide a supplemental list setting out changes to the names or addresses of the members from the day to which the basic list was made up.

(4) A co-operative or its agent shall provide a supplemental list required pursuant to subsection (3):

(a) on the day the basic list is provided, where the information relates to changes that took place prior to that day; and

(b) on the business day following the day to which the supplemental list relates, where the information relates to changes that take place on or after the day on which the basic list is provided.

(5) The affidavit mentioned in subsection (2) must contain:

(a) the names and addresses of the applicants;

(b) where an applicant is a body corporate, the name and address for service of the body corporate; and

(c) a declaration that the basic list and any supplemental list obtained pursuant to subsection (3) will not be used for any purpose other than in connection with an effort:

(i) to influence the voting of members of the co-operative; or

(ii) to make a written request pursuant to section 104 to call a special meeting.

(6) Where an applicant is a body corporate, the affidavit mentioned in subsection (2) must be made by a director or officer of the body corporate.

1996, c.C-37.3, s.29.

Preferred shareholder list

30(1) On payment of a reasonable fee and on sending to a co-operative or its transfer agent the affidavit described in subsection (2), any five preferred shareholders, their agents and legal representatives may require the co-operative or its agent to provide, within 21 days after the receipt of the affidavit, a list made up to a day not more than one month before the day of receipt of the affidavit setting out, in alphabetical or numeric order, the name and latest address known to the co-operative of each preferred shareholder and the number of preferred shares held by each preferred shareholder.

(2) The affidavit mentioned in subsection (1) must contain:

(a) the names and addresses of the applicants;

(b) where an applicant is a body corporate, the name and address for service of the body corporate; and

(c) a declaration that the list of preferred shareholders will not be used other than in connection with an effort to influence the voting of preferred shareholders of the co-operative.

(3) Where an applicant is a body corporate, the affidavit mentioned in subsection (1) must be made by a director or officer of the body corporate.

1996, c.C-37.3, s.30.

Form of records

31(1) A co-operative may:

(a) prepare and maintain any register or other record that is required by this Act in a bound or loose-leaf form or in a photographic film form; or

(b) enter or record information in the registers and records mentioned in clause (a):

(i) by any system of mechanical or electronic data processing; or

(ii) by any other information storage device that is capable of reproducing any required information in intelligible, written form within a reasonable time.

(2) A co-operative and its agent shall take reasonable precautions to prevent loss or destruction of, or falsification of entries in, the records and registers that it is required by this Act and the regulations to prepare and maintain, and to facilitate detection and correction of inaccuracies in those records and registers.

1996, c.C-37.3, s.31.

PART V
Finance

Shares

32(1) Shares of a co-operative must be in registered form unless the bylaws provide otherwise, and must have a par value fixed in the articles.

(2) Where a co-operative has only one class of shares, the rights of the holders of those shares are equal in all respects.

1996, c.C-37.3, s.32.

Issue of shares

33(1) In this section, **"property"** does not include a promissory note or a promise to pay.

(2) Subject to subsection (3), a co-operative may issue shares at any time and for any consideration that the directors consider appropriate.

(3) Unless the bylaws provide otherwise, a co-operative shall sell its common shares at their par value.

(4) Shares issued by a co-operative are non-assessable, and no member is liable to the co-operative or to its creditors beyond the sum remaining unpaid on the member's subscription for shares.

(5) No co-operative shall issue a share until it is fully paid in money, in property or in past service that, in the opinion of the directors, is the fair equivalent of the money that the co-operative would have received if the share had been issued for money.

(6) For the purposes of subsection (5), when determining whether property or past service is the fair equivalent of a money consideration, the directors may take into account reasonable charges and expenses of organization and re-organization and payment for property and past service reasonably expected to benefit the co-operative.

1996, c.C-37.3, s.33.

Entitlement to vote

34(1) Unless the bylaws provide otherwise, no person is entitled to vote pursuant to this Act as a preferred shareholder unless the person owns at least one preferred share and has fully paid for that share.

(2) No common shareholder is entitled to vote on any matter pursuant to this Act other than as a member.

1996, c.C-37.3, s.34.

Allocation of surplus

35(1) Where a co-operative has a surplus in a fiscal year and before it allocates among or credits to members the surplus pursuant to subsection (2), the directors:

(a) shall use any part of the surplus that the co-operative will require:

(i) first, for income tax;

(ii) second, to retire all or any part of a deficit it has previously incurred; and

(iii) third, for any reserve it is required to maintain pursuant to this Act or its bylaws;

(b) may set aside any part of the surplus in any reserves that the directors consider necessary; and

(c) may provide, in the manner set out in the bylaws, for payment out of the surplus of dividends or interest on shares at a rate not greater than the prescribed rate.

(2) Subject to any other provision of this Act, the directors may allocate among and credit or pay to the members, as a patronage dividend, all or any part of the surplus that arises from the operations of the co-operative in a fiscal year and that remains after making provision for the matters described in subsection (1), in proportion to the business done by the members with or through the co-operative in that fiscal year, computed in the manner described in subsection (4), at a rate set by the directors.

(3) Unless the bylaws provide otherwise, where the members approve by ordinary resolution, the directors may allocate among and credit or pay to the members as a patronage dividend any reserves, other than reserves the co-operative is required to maintain pursuant to this Act and any unallocated earnings from previous years in proportion to the business done by the members with or through the co-operative, computed in the manner described in subsection (4), at a rate set by the directors.

(4) For the purposes of subsections (2) and (3), the directors may compute the amount of the business done by each member with a co-operative in a fiscal year by taking into account:

(a) the quantity, quality, kind and value of the goods bought, sold, handled, marketed or dealt in by the co-operative;

(b) the services rendered:

(i) by the co-operative on behalf of or to the member, whether as principal or agent of the member or otherwise; or

(ii) by the member on behalf of or to the co-operative; and

(c) differences that are, in the opinion of the directors, appropriate for the different classes, grades or qualities of goods and services described in clauses (a) and (b).

(5) The bylaws may provide that a co-operative may, in each fiscal year, allocate among and credit or pay to patrons of the co-operative who are not members a share of any surplus at a rate that is equal to or less than the rate at which the surplus is distributable to members.

(6) Where a co-operative allocates among and credits or pays to non-member patrons a portion of any surplus, the directors shall compute the business done by the non-member patrons in the manner described in subsection (4).

1996, c.C-37.3, s.35.

Payment of dividends

36(1) A dividend or interest payment on shares made pursuant to clause 35(1)(c) or a patronage dividend paid pursuant to subsection 35(2) or (3) may be paid in cash or property, including fully paid shares or member loans of the co-operative or a subsidiary corporation, that are not greater in value than the amount of the dividend or interest.

(2) Where a dividend is paid pursuant to subsection (1) in shares, the directors are required to distribute the shares rateably among all persons entitled to the dividend.

(3) No co-operative shall declare or pay a dividend or interest payment on shares or a patronage dividend where the co-operative is insolvent or there are reasonable grounds for believing that the co-operative would become insolvent as a result of declaring or paying the dividend or interest payment or patronage dividend.

1996, c.C-37.3, s.36.

Purchase of shares or compulsory loans

37 The bylaws may provide that, in each fiscal year, all or any part of the patronage dividend declared pursuant to subsection 35(2) or (3) that the directors consider reasonable must be:

(a) applied to the purchase from the co-operative by a member of shares of the co-operative; or

(b) loaned to or retained by the co-operative on any terms and for any period that the directors may determine.

1996, c.C-37.3, s.37.

Deductions applied to loans and shares

38 The bylaws may provide that the co-operative may:

(a) deduct an amount from the moneys it receives for the goods, products or services it has marketed, handled, or dealt in, for or on behalf of a member or non-member patron; and

(b) apply the amount described in clause (a) as a loan or to the purchase of shares in the same manner and subject to the same restrictions as provided in section 37 for the application of patronage dividends.

1996, c.C-37.3, s.38.

Non-payment of small dividends

39 The bylaws may provide that where the patronage dividend that would otherwise be payable or allocatable to any person with respect to the operations of a fiscal year is less than or equal to $10 or any smaller amount that may be specified in the bylaws:

(a) the co-operative shall not pay any patronage dividend to that person; and

(b) the amount mentioned in clause (a) that would otherwise be payable is the property of the co-operative to be used as the directors may decide.

1996, c.C-37.3, s.39.

Effect of marketing plans

40(1) Subject to subsection (3), where members of a co-operative are required by a marketing plan established pursuant to an Act or an Act of the Parliament of Canada to sell or deliver goods or render services to or through a producer board, marketing commission or agency, this section applies to the co-operative and its members.

(2) For the purposes of allocating, crediting and paying patronage dividends among or to members and making payments to members as part of the price or proceeds of their goods or services, the members are deemed to have sold, delivered or rendered those goods or services to the co-operative.

(3) The bylaws of a co-operative may provide that this section does not apply to a member until any conditions that are set out in the bylaws are fulfilled with respect to the delivery or rendering of goods and services.

1996, c.C-37.3, s.40.

Purchase of shares

41(1) A co-operative may purchase or otherwise acquire any of its shares that are available for compulsory purchase pursuant to section 119 or that are offered for sale.

(2) Subject to subsection (4), a co-operative shall pay in cash, within one year after the day of purchase, for any shares purchased pursuant to subsection (1).

(3) Subject to subsection (4), a co-operative shall pay a purchase price for a share purchased pursuant to this section equal to the par value of the share together with any dividends accrued but unpaid with respect to the share.

(4) Subject to the regulations, the bylaws of a co-operative may authorize the co-operative to purchase or otherwise acquire its own shares on terms and at prices other than those set out in subsections (2) and (3).

(5) Subject to subsection (6), where a co-operative purchases or otherwise acquires shares issued by it, those shares are deemed to be cancelled.

(6) Where the bylaws of a co-operative limit the number of authorized shares, any shares of the co-operative purchased or otherwise acquired by the co-operative may be returned to the status of authorized but unissued shares.

1996, c.C-37.3, s.41.

Limitations on purchase

42(1) Notwithstanding section 41, no co-operative shall purchase or otherwise acquire its shares where:

(a) it is insolvent;

(b) the proposed purchase or acquisition would render it insolvent; or

(c) as a result of the purchase or acquisition, the number of its members would be less than the number required to incorporate.

(2) Subject to subsection (3), the directors may suspend the purchasing or acquisition of shares where a purchase or other acquisition of shares pursuant to section 41 or 120:

(a) in the opinion of the directors, would impair the financial stability of the co-operative; or

(b) would be contrary to the interests of the remaining members.

(3) The directors may not suspend the purchase or acquisition of shares pursuant to subsection (2) for a period longer than one year unless:

(a) the suspension is approved by a special resolution of the members for a period determined by the members; and

(b) a copy of the special resolution mentioned in clause (a) is filed with the registrar within 15 days after the day on which the special resolution is passed.

(4) Notwithstanding subsection (1), a co-operative may purchase or otherwise acquire its own shares to comply with an order pursuant to section 190.

1996, c.C-37.3, s.42.

Prohibited loans and guarantees

43(1) Where there are reasonable grounds to believe that the co-operative is or would be insolvent after giving financial assistance, no co-operative and no subsidiary corporation of a co-operative shall, directly or indirectly, give a loan, guarantee or other means of financial assistance:

(a) to a member, shareholder, director, officer or employee of the co-operative or subsidiary corporation or an associate of any such person for any purpose; or

(b) to any person for the purpose of, or in connection with, a purchase of a share issued or to be issued by the co-operative or its subsidiary corporation.

(2) Subject to subsection (1), a co-operative may give a loan, guarantee or other means of financial assistance to:

(a) a person in the ordinary course of business where the lending of money is part of the ordinary business of the co-operative;

(b) a person on account of expenditures incurred or to be incurred on behalf of the co-operative;

(c) a subsidiary of the co-operative; and

(d) an employee of the co-operative or any of its subsidiaries to enable or assist the employee to purchase or erect living accommodation for his or her own occupation.

(3) Notwithstanding subsection (1), a contract made by a co-operative in contravention of this section may be enforced by the co-operative or by a bona fide lender for value without notice of the contravention.

1996, c.C-37.3, s.43.

Moneys owing a debt

44 All moneys payable by any member to the co-operative pursuant to the articles or bylaws are a debt due from the member to the co-operative.

1996, c.C-37.3, s.44.

Lien on member's interest

45(1) A co-operative has a lien on a share or any amount standing to the credit of a member or shareholder or the legal representative of a member or shareholder for a debt of that member or shareholder to the co-operative.

(2) A co-operative may:

(a) enforce a lien mentioned in subsection (1) in the manner set out in its bylaws; or

(b) apply any moneys to the credit of the member or shareholder towards payment of any debt due by the member or shareholder to the co-operative.

1996, c.C-37.3, s.45.

PART VI
Share Certificates, Memberships and Transfers

Personal property

46 Subject to any conditions or restrictions that are contained in this Act, the regulations or the articles and bylaws of a co-operative, shares and memberships in the co-operative are personal property and are transferable in any manner.

1996, c.C-37.3, s.46.

Share certificates

47(1) Subject to subsections (2) and (7), every shareholder of a co-operative is, on request and without charge, entitled to a certificate, signed by the proper officers of the co-operative, stating the number of shares held by the shareholder and the amount paid on those shares.

(2) With respect to a share held jointly by two or more persons, the co-operative is not required to issue more than one certificate, and delivery of a certificate for a share to one joint shareholder is sufficient delivery to all.

(3) A co-operative may provide in the bylaws that the signatures of the officers designated to sign share certificates may be engraved, lithographed or otherwise mechanically reproduced on the share certificates and, in that event, share certificates so signed are:

(a) deemed to have been manually signed by those officers; and

(b) as valid as if they had been manually signed.

(4) A share certificate is evidence of the title of the shareholder to the shares mentioned in the certificate.

(5) Where a co-operative has more than one class of shares:

(a) the preferences, rights, conditions, restrictions, limitations or prohibitions attaching to any class of shares are required to be stated in legible characters:

(i) on every share certificate representing that class of shares; or

(ii) by a written statement permanently affixed to the share certificate; or

(b) a statement that there are preferences, rights, conditions, restrictions, limitations or prohibitions attached to the class of shares and that the full text of those preferences, rights, conditions, restrictions, limitations or prohibitions is obtainable on request and without fee from the secretary of the co-operative must be inscribed in legible characters on each share certificate representing that class of shares.

(6) Where the statement mentioned in clause (5)(b) is inscribed on share certificates of a co-operative, the secretary of the co-operative shall provide to any shareholder, on request and without charge, the full text of any preferences, rights, conditions, restrictions, limitations or prohibitions attached to the class of shares.

(7) The bylaws may provide that a co-operative is not required to issue share certificates with respect to common shares, and, in that case:

(a) the register of members and shareholders kept by the co-operative pursuant to subsection 27(1) is evidence of the number of shares held by each member; and

(b) where requested in writing by a member, the co-operative shall provide a statement to the member showing the interest of the member in the co-operative.

1996, c.C-37.3, s.47.

Membership certificate

48 Where there is no share capital, every member of a co-operative is entitled, on request and without charge, to a certificate signed by the proper officer of the co-operative stating that he or she is a member.

1996, c.C-37.3, s.48.

Transfers of shares or memberships

49(1) Unless the bylaws provide otherwise, no transfer of a common share or membership in a co-operative is valid for any purpose unless:

(a) a written application for membership by the transferee is approved and the transfer is authorized by:

(i) a resolution of the directors; or

(ii) a person authorized by a resolution of the directors to approve applications and transfers of that kind; and

(b) notification of any approval given pursuant to clause (a) is sent to the transferee and the transferee's name has been entered on the register of members.

(2) Notwithstanding subsection (1), a transfer of a share or membership is valid for the purpose of evidencing the rights of the parties to the transfer between the transferor and the transferee.

1996, c.C-37.3, s.49.

Dealings with registered holder

50(1) Before the transfer of a share or other security is presented for registration in registered form, a co-operative or a trustee under a trust indenture may treat the registered holder in whose name the security is registered in a register of members or securities as if he or she had full legal capacity and authority to exercise all rights of ownership without taking into account:

(a) any knowledge or notice to the contrary, other than that obtained in a document demanded by the co-operative or trustee; or

(b) any description in the co-operative's records or on the security certificate indicating:

(i) a pledge or a representative or fiduciary relationship;

(ii) a reference to an instrument other than its records or the security certificate; or

(iii) the rights of any other person.

(2) Notwithstanding subsection (1), a co-operative shall treat a person, other than the registered holder of a security described in subsection (1), as the registered holder entitled to exercise all the rights of the security holder that he or she represents, where that person provides evidence satisfactory to the co-operative that he or she is:

(a) the executor, administrator, heir or legal representative of the heirs of the estate of a deceased registered holder;

(b) a guardian, committee, trustee, curator or tutor representing a registered holder who is an infant, an incompetent person or a missing person; or

(c) a liquidator of, or a trustee in bankruptcy for, a registered holder.

(3) Where a person on whom the ownership of a security devolves by operation of law, other than a person described in subsection (2), provides evidence satisfactory to the co-operative of that person's authority to exercise rights or privileges with respect to a security of the co-operative that is not registered in the name of that person, the co-operative shall treat that person as entitled to exercise those rights or privileges.

(4) A co-operative is not required to inquire into the existence of, or see to the performance or observance of, any duty owed to a third person by a registered holder of any of its securities or by anyone whom it treats, as permitted or required in this section, as the owner or registered holder of the security.

(5) Where an individual who is less than 18 years of age exercises any rights of ownership in the securities of a co-operative, no subsequent repudiation or avoidance is effective against the co-operative.

(6) Where a co-operative receives proof satisfactory to it of the death of any of the joint holders of a security, the co-operative may treat the survivors of the deceased joint holders as the owners of the security.

(7) Subject to any applicable law relating to the collection of taxes, a person described in clause (2)(a) is entitled to become a registered holder or to designate a registered holder, when the person deposits with the co-operative or its transfer agent:

(a) either:

(i) the original grant of probate or letters of administration, or a copy of the grant of probate or letters of administration, certified to be a true copy by:

(A) the court that granted the probate or letters of administration;

(B) a trust company incorporated pursuant to the laws of Canada or a province or territory of Canada; or

(C) a lawyer or notary acting on behalf of the person; or

(ii) in the case of transmission by notarial will in Quebec, a copy of the notarial will authenticated pursuant to the laws of that province;

(b) an affidavit or declaration of transmission made by the person, stating particulars of the transmission; and

(c) the security certificate, if any, that was owned by the deceased holder, endorsed by the person and accompanied by any assurance the co-operative may require that the endorsement is genuine and effective.

(8) Notwithstanding subsection (7), where the laws of the jurisdiction governing the transmission of a security of a deceased holder do not require a grant of probate or of letters of administration with respect to the transmission, the legal representative of the deceased holder is entitled, subject to any applicable law relating to the collection of taxes, to become a registered holder or to designate a registered holder when he or she deposits with the co-operative or its transfer agent:

(a) security certificates, if any, that were owned by the deceased holder; and

(b) evidence that is satisfactory to the co-operative or its transfer agent of:

(i) laws of the jurisdiction governing the transmission of the security;

(ii) the interest of the deceased holder in the security; and

(iii) the right of the legal representative or the person he or she designates to become the registered holder.

(9) When documents required in subsection (7) or (8) are deposited with a co-operative or its transfer agent, the co-operative or its transfer agent may:

(a) record in a register of members or securities the transmission of a security from the deceased holder to a person described in clause (2)(a) or to any person that the person mentioned in that clause may designate; and

(b) treat the person who becomes a registered holder pursuant to clause (a) as the owner of the security.

1996, c.C-37.3, s.50.

Joint memberships

51(1) Unless the bylaws provide otherwise, where membership in a co-operative is held jointly:

(a) subject to clause (b), each of the joint members is entitled to vote and to exercise full rights and responsibilities of membership;

(b) subject to subsection (2), only one joint member of a co-operative may be a director at any one time; and

(c) each joint member has an interest in the co-operative equal to that of other joint members.

(2) Where a joint member also holds a membership in his or her name, that joint member may be a director, notwithstanding the fact that another joint member is also a director.

(3) Where membership in a co-operative is held jointly:

(a) the membership may be held as a joint tenancy or a tenancy in common, but, where the members do not specify to the co-operative how the membership is to be held, the membership is deemed to be held as a joint tenancy; and

(b) the joint members are jointly and severally liable for all assessments, levies, dues, fees, payments and other charges imposed or payable with respect to the membership.

(4) In the absence of an agreement to the contrary, where one joint member is obliged to and does pay more than his or her proportionate share of an assessment, levy, due, payment, fee or other charge with respect to a joint membership by reason of the default of another of the joint members, the member who paid the amount in excess of his or her proportionate share has a lien on the interest of and may recover the amount from the person who made the default.

1996, c.C-37.3, s.51.

Variation of joint membership

52 An application of a joint membership to withdraw from membership in a co-operative or to vary the composition of the joint membership must be signed by all the persons comprising the joint membership.

1996, c.C-37.3, s.52.

PART VII
Trust Indentures

Interpretation of Part

53(1) In this Part:

"event of default" means, subject to subsection (2), an event specified in a trust indenture on the occurrence of which:

(a) a security interest constituted by the trust indenture becomes enforceable; or

(b) the principal, interest and other moneys payable under the trust indenture become or may be declared to be payable before maturity; (*«cas de défaut»*)

"public" includes members of a co-operative; (*«public»*)

"trust indenture" means a deed, indenture or other instrument, including any supplement or amendment to the deed, indenture or other instrument, made by a co-operative after its incorporation or continuance pursuant to this Act:

(a) under which the co-operative issues debt obligations; and

(b) in which a person is appointed as trustee for the holders of the debt obligations issued under the deed, indenture or other instrument; (*«acte de fiducie»*)

"trustee" means a person appointed as trustee pursuant to the terms of a trust indenture to which a co-operative is a party and includes any other person who becomes a successor to the person appointed as trustee. (*«fiduciaire»*)

(2) An event is not an event of default until all the conditions prescribed in the indenture connected with the event with respect to the following are fulfilled:

(a) the giving of notice;

(b) the lapse of time;

(c) any conditions other than those mentioned in clauses (a) and (b).

1996, c.C-37.3, s.53.

Application of Part

54(1) This Part applies to a trust indenture where the debt obligations issued or to be issued under the trust indenture are part of a distribution to the public.

(2) The registrar may exempt a trust indenture from this Part where the trust indenture, the debt obligations issued under the trust indenture and the security interest affected by the trust indenture are subject to a law of a jurisdiction other than Saskatchewan that is, in the registrar's opinion, substantially equivalent to this Part.

1996, c.C-37.3, s.54.

Conflict of interest

55(1) Subject to subsection (2), no person is eligible to be appointed as trustee where there is a material conflict of interest between the person's role as trustee and his or her role in another capacity.

(2) A person may apply to the registrar to be approved as trustee where the person:

(a) is appointed as trustee pursuant to a trust indenture; and

(b) has a material conflict of interest between the person's role as trustee and his or her role in another capacity.

(3) Where the registrar is satisfied that it is appropriate to do so, the registrar may approve as trustee a person who applies pursuant to subsection (2).

(4) Unless the trustee is approved by the registrar pursuant to subsection (3), the trustee shall, within 90 days after becoming aware that a material conflict of interest exists:

(a) eliminate the conflict of interest; or

(b) resign from office.

(5) Notwithstanding any material conflict of interest of the trustee, the trust indenture, any debt obligations issued under the trust indenture and a security interest effected by the trust indenture are valid.

(6) Where a trustee contravenes subsection (1) or (4), an interested person may apply to the court for an order that the trustee be replaced, and the court may make any order on any terms that it considers appropriate.

1996, c.C-37.3, s.55.

Qualification of trustee

56 A trustee, or at least one of the trustees where more than one trustee is appointed, must be a body corporate that:

(a) is incorporated pursuant to the laws of Canada or a province or territory of Canada; and

(b) is authorized to carry on the business of a trust corporation or to exercise the powers of a trustee.

1996, c.C-37.3, s.56.

List of debt holders

57(1) On payment to the trustee of a reasonable fee and within 15 days after delivering to the trustee a statutory declaration, holders of 10% of the amount of a debt obligation issued by a co-operative may require the trustee to provide a list setting out the following information as shown on the records maintained by the trustee on the day that the statutory declaration is delivered:

(a) the names and addresses of the registered holders of that debt obligation;

(b) the principal amount of the outstanding debt obligations owned by each holder mentioned in clause (a);

(c) the total principal amount of debt obligations of the co-operative outstanding.

(2) Where a trustee demands, the issuer of debt obligations shall provide the trustee with the information required to enable the trustee to comply with subsection (1).

(3) Where any of the persons requiring the trustee to provide a list pursuant to subsection (1) is a body corporate, a director or officer of the body corporate shall make the declaration required pursuant to that subsection.

(4) The statutory declaration mentioned in subsection (1) must contain:

(a) the names and addresses of the persons requiring the trustee to provide the list and, where any of the persons is a body corporate, the address for service of the body corporate; and

(b) a statement that the list will not be used except as permitted in subsection (5).

(5) No person shall use a list obtained pursuant to this section other than in connection with:

(a) an effort to influence the voting of the holders of debt obligations;

(b) an offer to acquire debt obligations; or

(c) any matter, other than one described in clause (a) or (b), relating to the debt obligations or the affairs of the issuer or guarantor of the debt obligations.

1996, c.C-37.3, s.57.

Evidence of compliance

58(1) Before an issuer or a guarantor of debt obligations issued or to be issued under a trust indenture does any of the acts described in clause (a), (b) or (c), the issuer or guarantor shall provide the trustee with evidence of compliance with the conditions in the trust indenture relating to:

(a) the issue, certification and delivery of debt obligations under the trust indenture;

(b) the release or release and substitution of property that is subject to a security interest constituted by the trust indenture; or

(c) the satisfaction and discharge of the trust indenture.

(2) Where a trustee demands, the issuer or guarantor of debt obligations issued or to be issued under a trust indenture shall provide the trustee with evidence of compliance with the trust indenture by the issuer or guarantor with respect to any act to be done by the trustee at the request of the issuer or guarantor.

1996, c.C-37.3, s.58.

Contents of declaration

59(1) The evidence of compliance mentioned in section 58 must consist of:

(a) a statutory declaration or certificate made by a director or an officer of the issuer or guarantor stating that the conditions referred to in that section have been complied with; and

(b) where the trust indenture requires compliance with conditions that are subject to review:

(i) by legal counsel, an opinion of legal counsel that those conditions have been complied with; or

(ii) by an auditor or accountant, an opinion or report of the auditor of the issuer or guarantor, or any other accountant that the trustee may select, that those conditions have been complied with.

(2) The evidence of compliance mentioned in subsection (1) must include a statement by the person giving the evidence:

(a) declaring that he or she has read and understands the conditions of the trust indenture described in section 58;

(b) describing the nature and scope of the examination or investigation on which he or she based the certificate, statement or opinion; and

(c) declaring that he or she has made any examination or investigation that the person believes necessary to enable him or her to make the statements or give the opinions contained or expressed in the evidence of compliance.

1996, c.C-37.3, s.59.

Trustee may require evidence of compliance

60(1) Where a trustee demands, the issuer or guarantor of debt obligations issued under a trust indenture shall provide the trustee with evidence, in any form that the trustee may require, showing compliance with any condition of the trust indenture relating to any action required or permitted to be taken by the issuer or guarantor under the trust indenture.

(2) At least once in each 12-month period, beginning on the day of the trust indenture and at any other time on the demand of a trustee, the issuer or guarantor of debt obligations issued under a trust indenture shall provide the trustee with a certificate:

(a) stating that the issuer or guarantor has complied with all the requirements contained in the trust indenture that, if not complied with, would, with the giving of notice, lapse of time or otherwise, constitute an event of default; or

(b) where there has been failure to comply with the requirements contained in a trust indenture described in clause (a), giving particulars of the failure.

1996, c.C-37.3, s.60.

Notice of default

61 The trustee shall give notice to the registrar and the holders of debt obligations of every event of default arising under a trust indenture and continuing at the time the notice is given within 30 days after the day on which the trustee became aware of the event of default, unless the trustee:

(a) reasonably believes that it is in the best interests of the holders of the debt obligations to withhold the notice; and

(b) informs the issuer or guarantor in writing of debt obligations issued under the trust indenture.

1996, c.C-37.3, s.61.

Trustee's duty of care

62(1) A trustee, in exercising the powers and discharging the duties of a trustee, shall:

(a) act honestly and in good faith with a view to the best interests of the holders of the debt obligations issued under the trust indenture; and

(b) exercise the care, diligence and skill of a reasonably prudent trustee.

(2) Notwithstanding subsection (1), a trustee is not liable where the trustee relies in good faith on statements contained in a statutory declaration, certificate, opinion or other report that complies with this Act or the trust indenture.

(3) No trustee is deemed to be relieved from the duties imposed on the trustee in this section by virtue of:

(a) a term of a trust indenture;

(b) any agreement between a trustee and the holders of debt obligations issued under a trust indenture; or

(c) an agreement between the trustee and the issuer or guarantor of debt obligations issued under a trust indenture.

1996, c.C-37.3, s.62.

PART VIII
Receivers and Receiver-managers

Appointment by registrar

63 The registrar may appoint a receiver-manager where, in the opinion of the registrar based on the results of a special audit undertaken pursuant to section 180, it is necessary to appoint a receiver-manager to protect the equity of the members.

1996, c.C-37.3, s.63.

Functions of receiver

64(1) Subject to the rights of secured creditors, a receiver of any property of a co-operative may:

(a) receive the income from the property and pay the liabilities connected with the property; and

(b) realize the security interest of those on whose behalf the receiver is appointed.

(2) Notwithstanding subsection (1) and subject to any order that the court may make pursuant to section 68, a receiver who is not appointed manager of the co-operative shall not carry on the business of the co-operative.

1996, c.C-37.3, s.64.

Functions of receiver-manager

65 Notwithstanding section 64, where a receiver of a co-operative is also appointed manager of the co-operative, the receiver may carry on any business of the co-operative to protect the security interest of those on whose behalf the receiver is appointed.

1996, c.C-37.3, s.65.

Directors' powers cease

66 Where a receiver or receiver-manager is appointed by a court or the registrar or pursuant to an instrument, no directors of the co-operative shall exercise the directors' powers that the receiver or receiver-manager is authorized to exercise until the receiver or receiver-manager is discharged.

1996, c.C-37.3, s.66.

Receiver's duty

67(1) A receiver or receiver-manager appointed by a court shall act in accordance with any directions of the court.

(2) A receiver-manager appointed by the registrar shall act in accordance with any directions of the registrar.

(3) A receiver or receiver-manager appointed pursuant to an instrument shall act in accordance with that instrument and any direction that the court may make pursuant to section 68.

(4) A receiver or receiver-manager shall:

(a) act honestly and in good faith; and

(b) deal with any property of the co-operative in the possession or control of the receiver or receiver-manager in a commercially reasonable manner.

1996, c.C-37.3, s.67.

Directions given by court

68 On an application of a receiver or receiver-manager appointed by a court or pursuant to an instrument or any interested person, including the registrar, a court may make any order giving directions on any matter relating to the duties of the receiver or receiver-manager appointed by it or pursuant to an instrument that it considers appropriate, including an order:

(a) appointing, replacing or discharging a receiver or receiver-manager and approving the accounts of the receiver or receiver-manager;

(b) determining the notice to be given to any person or dispensing with notice to any person;

(c) fixing the remuneration of the receiver or receiver-manager;

(d) requiring the receiver or receiver-manager, or a person by or on behalf of whom the receiver or receiver-manager is appointed, to make good any default in connection with the receiver's or receiver-manager's custody or management of the property and business of the co-operative, or relieving a receiver or a receiver-manager, or a person by or on behalf of whom a receiver or receiver-manager is appointed, from any default on any terms that the court considers appropriate;

(e) confirming any act of the receiver or receiver-manager;

(f) giving directions on any other matter relating to the duties of the receiver or receiver-manager.

1996, c.C-37.3, s.68.

Directions given by registrar

69(1) Where a receiver-manager is appointed by the registrar, the receiver-manager or any interested person may apply to the registrar for directions on any matter relating to the duties of the receiver or receiver-manager.

(2) Where the registrar receives an application pursuant to subsection (1), the registrar may make any order that the registrar considers appropriate, including any order similar to an order described in clauses 68(a) to (f).

1996, c.C-37.3, s.69.

Required actions of receiver

70 A receiver or receiver-manager shall:

(a) in the case of a receiver or receiver-manager appointed by the court or pursuant to an instrument, immediately notify the registrar of the appointment or discharge of the receiver or receiver-manager;

(b) take the property of the co-operative into his or her custody and control in accordance with the court order, order of the registrar or instrument pursuant to which the receiver or receiver-manager is appointed;

(c) open and maintain a bank account in his or her name as receiver or receiver-manager of the co-operative for the moneys of the co-operative coming under his or her control;

(d) keep detailed accounts of all transactions carried out by him or her as receiver or receiver-manager;

(e) keep accounts of his or her administration that the receiver or receiver-manager shall cause to be made available during usual business hours for inspection by the directors of the co-operative, the registrar or any person authorized by the registrar;

(f) prepare at least once in every six-month period after the day of his or her appointment financial statements of his or her administration, as far as is practicable, in the form required by section 128;

(g) on completion of the duties of the receiver or receiver-manager, render a final account of his or her administration in the form that the receiver or receiver-manager has adopted for preparation of interim accounts pursuant to clause (f); and

(h) file with the registrar a copy of any financial statement mentioned in clause (f) and any final account mentioned in clause (g) within 15 days after the preparation of the financial statement or the rendering of the final account.

1996, c.C-37.3, s.70.

PART IX
Directors, Officers and Bylaws

First directors

71(1) On incorporation of the co-operative, the individuals whose names appear on the articles of incorporation as having been appointed and having consented to act as provisional directors:

(a) are deemed to have all the powers and duties of directors; and

(b) shall hold office until the first general meeting.

(2) At the first general meeting, the directors are to be elected in accordance with this Act, the regulations, the articles and the bylaws.

1996, c.C-37.3, s.71.

Directors' powers

72(1) Subject to this Act, the regulations, the articles and the bylaws, and unless the articles or bylaws provide otherwise, the board of directors, however designated, shall:

(a) exercise the powers of the co-operative directly or indirectly through the employees and agents of the co-operative; and

(b) direct the management of the business and affairs of the co-operative.

(2) Not less than a majority of the directors are to be persons ordinarily resident in Canada.

1996, c.C-37.3, s.72.

Committees

73(1) The board of directors may, from time to time:

(a) appoint from among their number any committee it considers necessary;

(b) by resolution, delegate to any committee any powers that it considers necessary for the efficient conduct of the affairs and business of the co-operative.

(2) A committee of directors that has powers delegated to it pursuant to clause (1)(b) is to consist of at least three directors.

(3) A member of a committee holds office until the member:

(a) is removed by resolution of the board of directors; or

(b) ceases to be a member of the board of directors.

(4) A committee may exercise any powers of the board of directors that are delegated to it by resolution of the board, subject to any restrictions contained in the resolution.

(5) Notwithstanding subsection (4), no committee of directors may:

(a) fill a vacancy among the directors;

(b) declare dividends or interest on shares or a patronage dividend;

(c) approve any financial statements of the co-operative;

(d) submit to the members any question or matter requiring the approval of members; or

(e) make decisions where this Act or the bylaws require a two-thirds or unanimous vote of the board of directors.

(6) A committee shall:

(a) fix its quorum at not less than a majority of its members;

(b) keep minutes of its proceedings; and

(c) submit to the board of directors, at each meeting of the board, the minutes of the committee's proceedings during the period since the most recent meeting of the board.

1996, c.C-37.3, s.73.

Election of directors

74(1) Unless the regulations, articles or bylaws provide otherwise:

(a) the election of directors is to take place annually at the annual general meeting;

(b) the directors hold office until the conclusion of the meeting at which their successors are elected, and are eligible for re-election;

(c) where the number of nominees exceeds the number of directors to be elected, the election of directors must be by secret ballot;

(d) every member or delegate shall vote for the number of directors to be elected, and any ballot that contains the names of more or less than the number to be elected is deemed to be void;

(e) where there is a vacancy on the board of directors and:

(i) where there is a quorum of directors, the remaining directors may exercise all the powers of the directors or may fill the vacancy until the next annual meeting;

(ii) where there is not a quorum of directors, the remaining directors shall call a general meeting for the purpose of electing members to fill any vacancies;

(iii) where there are no directors remaining, the lesser of 10 members and 10% of the members may, in writing, appoint directors solely for the purpose of calling a general meeting to elect members to fill the vacant directorships.

(2) Where an election of directors required in this Act, the regulations or the bylaws does not take place at the proper time, the directors then in office shall continue in office until their successors are elected.

(3) Unless the bylaws provide otherwise, not more than one-third of the directors may be employees of the co-operative.

(4) Notwithstanding any other provision of this Act, the holders of shares of a class of preferred shares are not entitled to elect any directors unless the co-operative is in default of any term or condition of the share issue.

1996, c.C-37.3, s.74.

Qualifications of directors

75(1) A person is not eligible to be a director where the person:

(a) is less than 18 years of age;

(b) has been found by a court in Saskatchewan or elsewhere to lack capacity;

(c) is not an individual;

(d) is not a member of the co-operative or a duly appointed representative of a member that is a partnership, association, firm, body corporate or public body;

(e) has the status of bankrupt; or

(f) is a member of a prescribed class of persons.

(2) A co-operative may provide in its bylaws for qualifications of directors that are in addition to those set out in subsection (1).

1996, c.C-37.3, s.75; 2015, c.22, s.4.

Borrowing powers

76(1) Unless the bylaws provide otherwise, directors of a co-operative may, without the authorization of the members:

(a) borrow money on the credit of the co-operative;

(b) issue, re-issue, sell or pledge debt obligations of the co-operative;

(c) subject to section 43, give a guarantee on behalf of the co-operative to secure performance of an obligation of any person; and

(d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the co-operative, owned or subsequently acquired, to secure any debt obligation of the co-operative.

(2) A sale, lease or exchange of all or substantially all of the property of a co-operative, other than in the ordinary course of business of the co-operative, requires the separate approval of the members and preferred shareholders in the manner provided in subsections (3) to (9).

(3) The directors shall send, in the manner provided in section 105, a notice of a general meeting to consider the sale, lease or exchange mentioned in subsection (2) to each member and preferred shareholder.

(4) The notice mentioned in subsection (3) must include or be accompanied:

(a) by a summary of a proposed sale, lease or exchange; or

(b) if an agreement has been reached, by a copy or summary of the agreement of sale, lease or exchange mentioned in subsection (2).

(5) At separate general meetings held pursuant to this section, the members and preferred shareholders may, by special resolution:

(a) authorize the sale, lease or exchange mentioned in subsection (2); and

(b) fix, or authorize the directors to fix, any terms and conditions to a sale, lease or exchange.

(6) Each preferred share of the co-operative carries the right to vote with respect to a sale, lease or exchange mentioned in subsection (2) whether or not it otherwise carries the right to vote.

(7) The holders of a class of preferred shares or series of preferred shares are entitled to vote separately as class or series with respect to a sale, lease or exchange mentioned in subsection (2) only where the class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series.

(8) A sale, lease or exchange mentioned in subsection (2) is adopted when the members and the holders of each class or series of preferred shares entitled to vote have each approved the sale, lease or exchange by a special resolution.

(9) Where the members and preferred shareholders authorize the directors in a special resolution mentioned in subsection (8), the directors may abandon the sale, lease or exchange without the further approval of the members or preferred shareholders.

1996, c.C-37.3, s.76.

Meeting by telephone, etc.

77(1) Where all the directors consent, a meeting of directors or of a committee of directors may be held by means of a telephone system or a communications facility other than a telephone system that permits all persons participating in the meeting to hear and speak to each other, and a person so participating is deemed to be present at that meeting.

(2) Unless this Act, the regulations or the bylaws require a meeting, a resolution of the directors may be passed without a meeting where:

(a) all the directors consent to the resolution in writing; and

(b) the consent is filed with the minutes of the proceedings of the directors.

1996, c.C-37.3, s.77.

Minutes of directors

78(1) The directors shall cause minutes to be kept of:

(a) all appointments of officers and committee members made by them;

(b) all the names of the directors present at each meeting of the directors; and

(c) all resolutions and proceedings at meetings of the co-operative or the directors.

(2) Every committee of the co-operative shall cause minutes to be kept of:

(a) the names of the committee members present at meetings of the committee; and

(b) all proceedings and resolutions of the committee.

(3) The directors shall cause true accounts to be kept of:

(a) all sums of money received and expended and the matters with respect to which the receipts and expenditures take place;

(b) the assets and liabilities of the co-operative; and

(c) every other transaction affecting the financial position of the co-operative.

1996, c.C-37.3, s.78.

Ceasing to hold office

79(1) A director of a co-operative ceases to hold office when the director:

(a) dies or resigns;

(b) is removed in accordance with section 80; or

(c) is no longer qualified pursuant to section 75.

(2) A resignation of a director becomes effective at the later of:

(a) the time a written resignation is sent to the co-operative; or

(b) the time specified in the resignation.

(3) Notwithstanding any provision in the bylaws of a co-operative, a director cannot be removed by the other directors of the co-operative.

1996, c.C-37.3, s.79.

Removal of directors

80(1) Unless the bylaws provide for a lesser vote, the members of a co-operative may remove any director from office by a resolution approved by two-thirds of the votes cast at a general meeting.

(2) Where the holders of any class or series of preferred shares of a co-operative have an exclusive right to elect a director, that director may only be removed by an ordinary resolution at a meeting of the preferred shareholders of that class or series.

(3) A vacancy created by the removal of a director may be filled at the meeting of the members or shareholders at which the director is removed or, where not so filled, may be filled pursuant to section 74.

1996, c.C-37.3, s.80.

Attendance at meeting

81(1) A director of a co-operative is entitled to receive notice of and to attend and be heard at every general meeting of members or shareholders.

(2) A director is entitled to submit to the co-operative a written statement giving the reasons for his or her resignation or the reasons he or she opposes any proposed action or resolution, where the director:

(a) resigns;

(b) receives a notice or otherwise learns of a meeting of members or shareholders called for the purpose of removing the director from office; or

(c) receives a notice or otherwise learns of a meeting of directors, members or shareholders at which another person is to be appointed or elected to fill the office, whether because of his or her resignation or removal or because his or her term of office has expired or is about to expire.

(3) A co-operative shall immediately send a copy of the statement mentioned in subsection (2) to the registrar and shall make available a copy of the statement to every member or shareholder entitled to receive notice of the general meeting.

(4) No co-operative or person acting on its behalf incurs any liability by reason only of circulating a director's statement sent in compliance with subsection (3).

1996, c.C-37.3, s.81.

Number of directors

82 The members of a co-operative may amend the articles to increase or, subject to subsection 7(3), decrease the number of directors, but no amendment to decrease is to shorten the term of an incumbent director.

1996, c.C-37.3, s.82.

Notice of change of directors

83(1) Within 30 days after a change is made in its directors, a co-operative shall send to the registrar a notice in the prescribed form setting out the change, and the registrar shall file the notice.

(2) Notwithstanding subsection (1), where a co-operative sends the annual return required pursuant to section 143 within 30 days after a change is made in its direction, it is not required to send the notice required in this section.

1996, c.C-37.3, s.83.

Meeting of directors

84(1) Unless the articles or bylaws provide otherwise, the directors may meet at any place, and on any notice, that they consider appropriate.

(2) The president may call a meeting of directors at any time and, on the written request of at least two directors, shall call a meeting within two weeks after the receipt of the request.

(3) A majority of the directors constitutes a quorum at any meeting of directors.

(4) Unless the articles or bylaws provide otherwise, a notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting.

(5) A director may, in any manner, waive a notice of a meeting of directors.

(6) For the purpose of subsection (5), attendance of a director at a meeting of directors is deemed to be a waiver of notice of the meeting, unless the director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

(7) Where the time and place of an adjourned meeting is announced at the original meeting, notice of an adjourned meeting of directors is not required to be given.

1996, c.C-37.3, s.84.

Validity of acts of directors and officers

85 An act of a director or officer is valid notwithstanding an irregularity in the election or appointment of the director or officer or a defect in his or her qualification.

1996, c.C-37.3, s.85.

Remuneration of directors

86(1) Unless it is authorized in the bylaws or approved by the members by ordinary resolution at a general meeting, the directors and members of a committee are not entitled to be paid any remuneration in connection with their duties as directors or committee members.

(2) Directors and members of committees may be reimbursed for expenses incurred by reason of the performance of their duties and functions as directors or committee members.

(3) A co-operative may purchase and maintain insurance for the benefit of a director, officer, member of a committee or employee against any liability incurred by the individual in the individual's capacity:

(a) as a director, officer, member of a committee or employee of the co-operative; or

(b) as a director, officer, member of a committee or employee of another entity, or in a similar capacity, if the individual acts or acted in that capacity at the co-operative's request.

1996, c.C-37.3, s.86; 2006, s.27, s.2.

Remuneration of officers and employees

87 Unless the bylaws provide otherwise, the directors shall:

(a) fix the salary of any directors, officers or committee members appointed by them; and

(b) approve a scale of remuneration for any employees of the co-operative.

1996, c.C-37.3, s.87.

Duty of care of directors and officers

88(1) Every director and officer of a co-operative, in exercising the powers and discharging the duties of a director or officer, shall:

(a) act honestly and in good faith with a view to the best interests of the co-operative; and

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(2) An officer or director has complied with his or her duty set out in subsection (1) if he or she relies and acts in good faith:

(a) on statements of fact represented to him or her by an officer of the co-operative to be correct; or

(b) on statements contained in a written report or opinion of the auditor of the co-operative or a professional person engaged by the co-operative who is competent to give advice with respect to the matter.

1996, c.C-37.3, s.88; 2006, c.27, s.2.

Misuse of confidential information

89 A director or officer, or an associate of a director or officer, who, in connection with a transaction relating to shares of a co-operative or a debt obligation of a co-operative, makes use of confidential information for the benefit or advantage of the director, officer or associate that, if generally known, might reasonably be expected to affect materially the value of the share or the debt obligation, is:

(a) liable to compensate any person for a direct loss suffered by the person as a result of the transaction, unless the information was known or reasonably should have been known to the person at the time of the transaction; and

(b) is accountable to the co-operative for any direct benefit or advantage received or receivable by the director, officer or associate as a result of the transaction.

1996, c.C-37.3, s.89.

Liability of directors

90(1) Directors are jointly and severally liable to make good any loss or damage suffered by the co-operative where they vote for, consent to a resolution authorizing or approve by any other means:

(a) the purchase of shares contrary to section 42;

(b) the payment of a dividend or interest on shares contrary to section 36;

(c) the payment of a patronage dividend contrary to section 36;

(d) a loan or guarantee or the giving of financial assistance contrary to section 43;

(e) a payment of an indemnity described in section 91 to a person mentioned in that section, without the approval of the court required in subsection 91(5); or

(f) an act not consistent with the purpose of the co-operative as set out in its articles and with respect to which the co-operative has paid compensation to a person.

(2) On the application of a director, the court may declare whether or not, having regard to any of the circumstances the court considers appropriate:

(a) the co-operative is insolvent; or

(b) the payment of a dividend or interest on shares or patronage dividend or the lending of money would make the co-operative insolvent.

(3) The liability imposed in subsection (1) is in addition to and not in derogation of a liability imposed on a director by any other Act or law.

(4) For the purposes of this section, a director who is present at a meeting of directors or of a committee of directors is deemed to have cast an affirmative vote, given consent to a resolution or given the approval mentioned in subsection (1), unless:

(a) the director's dissent is entered in the minutes of the meeting; or

(b) the director's written dissent is:

(i) delivered to the secretary of the meeting before its adjournment; or

(ii) delivered or sent by registered mail to the registered office of the co-operative immediately after the adjournment of the meeting.

(5) A director who votes for a resolution mentioned in subsection (1) is not entitled to dissent pursuant to subsection (4).

(6) Where a director is not present at a meeting of directors or of a committee of directors at which a vote, resolution or approval mentioned in subsection (1) is cast or given, the director is deemed to have cast an affirmative vote, consented to the resolution or given approval, unless, within 14 days after becoming aware of the proceedings, the director delivers or sends by registered mail a written dissent to the registered office of the co-operative.

(7) On receipt of a written dissent, the secretary of the co-operative shall:

(a) certify on the written dissent the day, time and place it is received; and

(b) keep the written dissent with the minutes of the meeting at which the resolution was passed.

(8) For the purpose of applying *The Limitations Act* to a claim pursuant to this section, the day on which the act or omission on which the claim is based takes place is the day of the meeting at which the vote was taken or the day on which the resolution was passed or the approval given.

(9) In an action to enforce a liability imposed in subsection (1), the court, on the application of the co-operative or a defendant, may:

(a) join as a defendant a person who received a benefit as a result of the resolution complained of; and

(b) make the person mentioned in clause (a) liable to the co-operative jointly and severally with the directors to the extent of the amount paid to that person.

(10) A director is not liable pursuant to subsection (1) where the director:

(a) proves that he or she did not know or could not reasonably have known that the act authorized by the resolution was contrary to this Act; or

(b) relies and acts in good faith:

(i) on statements of fact represented to him or her by an officer of the co-operative to be correct; or

(ii) on statements contained in a written report or opinion of the auditor of the co-operative or a professional person engaged by the co-operative who is competent to give advice with respect to the matter.

(11) A director who is found liable pursuant to subsection (1) is entitled to apply to a court for an order compelling a member, shareholder or other recipient to pay or deliver to the director any money or property that was paid or distributed to the member, shareholder or other recipient contrary to section 36, 42, 43 or 91.

(12) In connection with an application pursuant to subsection (11) and where the court is satisfied that it is equitable to do so, it may:

(a) order a member, shareholder or other recipient to pay or deliver to a director any money or property that was paid or distributed to the member, shareholder or other recipient contrary to section 36, 42, 43 or 91; or

(b) make any order, other than an order described in clause (a), that it considers appropriate.

1996, c.C-37.3, s.90; 2004, c.16, s.2; 2006, c.27, s.2.

Indemnification

91(1) A co-operative may indemnify a director or officer of the co-operative, a former director or officer of the co-operative, or another individual who acts or acted at the co-operative's request as a director or officer of or in a similar capacity for another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, that the individual reasonably incurs with respect to any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the co-operative or other entity, if:

(a) the individual acted honestly and in good faith with a view to the best interests of, as the case may be:

(i) the co-operative; or

(ii) the other entity for which, at the co-operative's request, the individual acted as a director or officer or in a similar capacity; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual's conduct was lawful.

(2) A co-operative may advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding mentioned in subsection (1), but the individual must repay the moneys to the co-operative if the individual does not fulfil the conditions set out in clauses (1)(a) and (b).

(3) With respect to an action by or on behalf of a co-operative or other entity to procure a judgment in its favour, the co-operative or other entity, with the approval of the court, may indemnify an individual mentioned in subsection (1) against all costs, charges and expenses reasonably incurred by the individual in connection with that action, or advance moneys to that individual pursuant to subsection (2) for the costs, charges and expenses reasonably incurred by the individual in connection with that action, if the individual:

(a) is made a party to the action because of the individual's association with the co-operative or other entity as described in subsection (1); and

(b) fulfils the conditions set out in clauses (1)(a) and (b).

(4) Notwithstanding subsection (1), an individual mentioned in that subsection is entitled to indemnity from the co-operative against all costs, charges and expenses reasonably incurred by the individual in connection with the defence of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual's association with the co-operative or other entity as described in subsection (1), if the individual seeking indemnity:

(a) was not judged by the court or other competent authority to have committed any fault or to have omitted to do anything that the individual ought to have done; and

(b) fulfils the conditions set out in clauses (1)(a) and (b).

(5) A co-operative, an individual or an entity mentioned in subsection (1) may apply to the court for an order approving an indemnity pursuant to this section, and the court may so order and make any further order that it sees fit.

(6) On an application pursuant to subsection (5), the court may order notice to be given to any interested person, and that person is entitled to appear and be heard in person or by counsel.

2006, c.27, s.2.

Duty of director not to be limited

92 The provisions of a contract, the articles, the bylaws or the circumstances of a director's appointment do not relieve a director from:

(a) the duty to act in accordance with this Act and the regulations; and

(b) any liability that by virtue of a rule of law would otherwise attach to the director with respect to negligence, default, breach of duty or breach of trust of which the director may be guilty in relation to the co-operative.

1996, c.C-37.3, s.92.

Material contracts

93(1) This section does not require the disclosure of an interest in a contract or transaction that is of a type available to and customarily entered into between the co-operative and its members.

(2) A director or officer of a co-operative who is a party to a material contract or proposed material contract with the co-operative or is a director, officer or associate of, or has a material interest in, a person who is a party to a material contract or proposed material contract with the co-operative shall:

(a) disclose in writing to the co-operative the nature and extent of his or her interest; or

(b) request to have the nature and extent of his or her interest entered in the minutes of meetings of directors.

(3) For the purposes of subsection (2), **"associate"** includes a common law spouse.

(4) Where the disclosure required in subsection (2) is to be made by a director, the director shall make the disclosure:

(a) at the meeting at which a proposed contract is first considered;

(b) where the director is not interested in a proposed contract at the meeting mentioned in clause (a), at the first meeting after the director acquires an interest;

(c) where the director becomes interested after a contract is made, at the first meeting after the director acquires an interest; or

(d) where the director has an interest in a contract before becoming a director, at the first meeting after he or she becomes a director.

(5) Where the disclosure required in subsection (2) is to be made by an officer who is not a director, the officer shall make the disclosure:

(a) immediately after the officer becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of directors;

(b) where the officer acquires an interest after a contract is made, immediately after the officer acquires the interest; or

(c) where the officer has an interest in a contract before becoming an officer, immediately after becoming an officer.

(6) Notwithstanding subsections (4) and (5), where a material contract or proposed material contract is one that in the ordinary course of the co-operative's business would not require approval by the directors or shareholders, a director or officer shall disclose in writing to the co-operative, or request to have entered in the minutes of meetings of directors, the nature and extent of his or her interest after the director or officer becomes aware of the contract or proposed contract.

(7) No director mentioned in subsection (2) may take part in discussions considering or vote on a resolution approving a contract unless the contract is:

(a) an arrangement by way of security for money lent by the director to the co-operative or obligations undertaken by the director for the benefit of the co-operative or subsidiary of the co-operative;

(b) a contract relating primarily to the director's remuneration as a director, officer, employee or agent of the co-operative or a subsidiary of the co-operative;

(c) a contract for indemnity or insurance pursuant to section 91;

(d) a contract with an affiliate.

(8) Where a director is not entitled to vote at a meeting pursuant to subsection (7) and the director's presence is required to constitute a quorum at a meeting of directors, a decision of the directors is deemed not to be invalid only by reason of the absence of the director.

(9) For the purposes of this section, a general notice to the directors by a director or officer declaring that he or she is to be regarded as interested in any contract made with that person is a sufficient declaration of interest in relation to any contract made with that person.

(10) Where a director or officer discloses his or her interest in accordance with this section, and the contract in which the director or officer has a material interest is approved by the directors or members and is reasonable and fair to the co-operative at the time it was approved, the material contract is neither void nor voidable:

(a) by reason only of that relationship; or

(b) by reason only that a director with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of directors or committee of directors that authorized the contract.

(11) Where a director or officer of a co-operative fails to disclose his or her interest in a material contract in accordance with this section, a court may, on the application of the co-operative or a member of the co-operative, set aside the contract on any terms that the court considers appropriate.

1996, c.C-37.3, s.93.

Officers

94(1) A co-operative must have a president and a secretary, and may have any additional officers that are provided for in the bylaws or in a resolution of the directors.

(2) Unless the articles or bylaws provide otherwise:

(a) the directors may:

(i) designate the offices of the co-operative;

(ii) appoint persons as officers;

(iii) specify the officers' duties; and

(iv) delegate powers to manage the business and affairs of the co-operative to the officers; and

(b) a director may be appointed to any office of the co-operative.

(3) Unless the bylaws provide otherwise, no person shall be president or vice-president of a co-operative unless that person is a director of the co-operative.

1996, c.C-37.3, s.94.

Bonding

95(1) In the case of a consumers' co-operative as defined in section 238, the directors shall require that every person appointed to an office who receives, manages or handles goods, wares or merchandise or who manages or handles the expenditure of money on behalf of the co-operative shall give to the directors a security or fidelity bond in the prescribed amount before entering on the duties of the office.

(2) In the case of a co-operative to which subsection (1) does not apply, the directors may require that a person appointed to an office described in that subsection shall give to the directors a security or fidelity bond in the prescribed amount before entering on the duties of the office.

1996, c.C-37.3, s.95.

Declaration by directors and officers

96 A co-operative may by ordinary resolution at an annual or special meeting require all directors and officers to sign, annually or at any other time that may be specified in the resolution, a declaration relating to:

(a) the faithful performance of duties;

(b) the secrecy of transactions with members; and

(c) the faithful and loyal support of the co-operative.

1996, c.C-37.3, s.96.

Organization meeting

97(1) This section does not apply to a co-operative that is continued pursuant to this Act.

(2) The directors shall hold a meeting as soon as possible after the issue of the co-operative's certificate of incorporation.

(3) At the meeting mentioned in subsection (2), the directors may:

(a) pass resolutions establishing policies of the co-operative;

(b) adopt forms of corporate records and security certificates;

(c) authorize the issuance of securities;

(d) appoint officers;

(e) appoint an auditor to hold office until the first general meeting of the members;

(f) make banking or other financial arrangements;

(g) appoint authorized signing officers;

(h) adopt operating policies; and

(i) transact any business in addition to that described in clauses (a) to (h).

(4) An incorporator or a director may call the meeting of directors mentioned in subsection (2) by giving not less than five days' notice of the meeting to each director, stating the time and place of the meeting.

(5) The notice mentioned in subsection (4) may be waived where all directors are in attendance at the meeting of directors.

1996, c.C-37.3, s.97.

PART X
Members

Bylaws to govern

98 Subject to this Act, the bylaws govern membership in a co-operative.

1996, c.C-37.3, s.98.

Eligibility

99(1) Every subscriber to the articles of incorporation who has subscribed for at least one common share in the co-operative, has paid any membership fee or has agreed to abide by the bylaws is deemed to have agreed to become a member of the co-operative and, on incorporation of the co-operative, is to be entered on the co-operative's register of members.

(2) Unless the bylaws provide otherwise, no person, other than one described in subsection (1), is eligible to become a member of a co-operative until the written application for membership is approved by resolution of the directors and recorded in the co-operative's register of members.

(3) Where an application for membership is approved within six months after the day the application for membership is received by the co-operative, the directors may make the membership effective as at the day of the application.

(4) The directors shall cause each applicant for membership to be notified in writing that the application has been approved or not approved.

1996, c.C-37.3, s.99.

Eligible age for membership

100(1) Unless the bylaws provide otherwise, an individual who is 16 years of age or older is eligible to become a member.

(2) A member who is under the age of majority is competent to enter into a contract with the co-operative and, with respect to the contract, has full capacity to act for himself or herself.

1996, c.C-37.3, s.100.

Place of meetings

101(1) General meetings of members are to be held at the place within Saskatchewan that is provided in the bylaws or, where the bylaws contain no provision, that is determined by the directors.

(2) Notwithstanding subsection (1), a general meeting of a co-operative may be held outside Saskatchewan where all the members entitled to vote at that meeting agree.

(3) A member who attends a general meeting held outside Saskatchewan is deemed to have agreed to hold the meeting outside Saskatchewan, unless the member attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

(4) Notwithstanding subsections (1) to (3), where the articles provide for general meetings to be held outside Saskatchewan, the members may meet at any place specified in the articles.

1996, c.C-37.3, s.101.

First general meeting

102(1) This section does not apply to a co-operative that is continued pursuant to this Act.

(2) Within four months after the day of its incorporation, a co-operative shall hold a general meeting at which all members are to be entitled to be present and vote.

(3) Notwithstanding subsection (2), where the directors apply to the registrar, the registrar may extend the time for holding the general meeting.

(4) The business at the general meeting mentioned in subsection (2) must include:

(a) the adoption of bylaws prescribing rules for the administration of the co-operative;

(b) the election of directors; and

(c) the appointment of an auditor in accordance with section 132.

1996, c.C-37.3, s.102.

Annual meetings

103(1) A co-operative shall hold an annual general meeting in each year not later than six months after the end of the fiscal year of the co-operative.

(2) Notwithstanding subsection (1) and notwithstanding that the time for holding a general meeting as required in this section is expired, where the registrar receives a written request from the directors, the registrar may authorize the co-operative to hold the annual general meeting at any later day that the registrar considers appropriate.

(3) The authorization of the registrar given pursuant to subsection (2) may be continuing.

(4) The bylaws may provide for holding semi-annual or other periodic meetings.

1996, c.C-37.3, s.103.

Special meetings

104(1) The directors may call a special meeting of members at any time.

(2) Subject to subsection (3), the directors shall call a special meeting of the members on receipt of a written request specifying the purpose of the meeting from:

(a) in the case of a co-operative with 1,000 or more members, the lesser of 5% of the membership and 300 members, but in no case less than 100 members; and

(b) in the case of a co-operative with less than 1,000 members, 10% of the membership.

(3) Where the co-operative has a delegate structure, the directors are not required to call a special meeting on the request of members pursuant to subsection (2), but shall call a special meeting of delegates on receipt of a written request from 25% of the delegates specifying the purpose of the meeting.

(4) The directors shall call the special meeting mentioned in subsection (2) or (3) within 20 days after their receipt of the request, and the special meeting must dispose of the specific business outlined in the request.

(5) The registrar may call a special meeting of the co-operative:

(a) for the purpose of reporting to the members the results of any audit, examination or other investigation of the co-operative's affairs ordered or made by the registrar; or

(b) where the co-operative fails to hold an annual general meeting in the period set out in subsection 103(1) or (2), for the purpose of enabling members to secure any information regarding the affairs of the co-operative that they are entitled to receive pursuant to this Act and to deal with any matters affecting the co-operative.

1996, c.C-37.3, s.104.

Notice of meetings

105(1) Subject to subsections (2), (3) and (5), a co-operative shall give not less than 10 and not more than 50 days' notice of any annual or special meeting to its members, delegates or preferred shareholders entitled to attend the meeting:

(a) by sending the notice by mail to the members, delegates or preferred shareholders at the addresses given in the register of members or preferred shareholders; or

(b) by inserting the notice in not less than two issues of a newspaper circulated in the area served by the co-operative and posting the notice in a place that, in the opinion of the directors, is prominent and accessible to members.

(2) Unless the articles or bylaws provide otherwise, a co-operative may provide notice of an annual or special meeting to its members, delegates or preferred shareholders entitled to attend the meeting that is less than 10 days' notice and given by a means other than a means described in subsection (1) if the period of notice and means of giving the notice are sufficient to ensure that each member, delegate and preferred shareholder has a reasonable opportunity to attend the meeting and exercise his or her right to vote.

(3) A member, delegate or preferred shareholder who is entitled to attend an annual or special meeting may in any manner waive notice of the meeting.

(4) For the purposes of subsection (3), the attendance of a member, delegate or preferred shareholder at a meeting is deemed to be a waiver of notice of the meeting unless the member, delegate or preferred shareholder attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called.

(5) Notice of an adjourned meeting is not required to be given to members, delegates or preferred shareholders if:

(a) the time and place of the adjourned meeting is announced at the original meeting; and

(b) the meeting is adjourned for less than 30 days.

(6) Notwithstanding any other provision of this Act, where a co-operative is required to send a statement, agreement, proposal or other document to its members with a notice of a meeting and decides to insert the notice of a meeting in a newspaper pursuant to clause (1)(b), the co-operative shall:

(a) in the notice, inform the members of the document, giving a description of the document that, in the opinion of the directors, is adequate to describe its nature; and

(b) make a copy of the document available to any member, delegate or preferred shareholder who requests and who is entitled to attend the meeting.

(7) The notice of any special meeting must specify the purpose for which the meeting is being called.

(8) The proceedings or the business transacted at a general meeting are deemed not to be invalidated by reason only of the non-receipt by a member or preferred shareholder of notice of the meeting.

1996, c.C-37.3, s.105.

Fixing record date

106(1) Subject to subsection (2), the directors may fix in advance a day as the record date for the determination of members:

(a) for the purpose of determining members who are entitled to:

(i) receive payment of a dividend or interest; or

(ii) participate in a distribution on liquidation; or

(b) for any purpose in addition to that described in clause (a) except the right to receive notice of a general meeting.

(2) The record date mentioned in subsection (1) is not to precede by more than 50 days the particular action to be taken.

(3) Subject to subsection (4), for the purpose of determining members who are entitled to receive notice of a general meeting, the directors may fix in advance a day as the record date for the determination of members.

(4) The record date mentioned in subsection (3) is not to precede by more than 50 days nor by less than 11 days the day on which the meeting is to be held.

(5) Where the directors do not fix a record date:

(a) the record date for the determination of members who are entitled to receive notice of a general meeting is deemed to be at the close of business on the day immediately preceding the day on which the notice is given; and

(b) the record date for the determination of members for any purpose other than that described in clause (a) is deemed to be at the close of business on the day on which the directors pass a resolution relating to that purpose.

1996, c.C-37.3, s.106.

Quorum

107(1) Subject to subsections (2) to (4), the quorum at any annual or special meeting of members or delegates is:

(a) in the case of a meeting of members, the lesser of:

(i) 15 members; and

(ii) 10% of the membership;

(b) in the case of a meeting of delegates, 50% of the delegates.

(2) Where all the members are directors, the quorum at any annual or special meeting is a number that would equal a majority of the directors.

(3) Except where all the members are directors, the quorum at any annual or special meeting is not less than the number that would equal a majority of the directors plus one.

(4) A co-operative may provide in its bylaws for a quorum that is greater than that set out in subsection (1).

(5) Unless the bylaws provide otherwise, where a quorum is present at the opening of a general meeting of members or delegates, the members or delegates present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

(6) Where a quorum is not present at the opening of a general meeting of members or delegates, the members or delegates present may adjourn the meeting to a fixed time and place but may not transact any other business.

1996, c.C-37.3, s.107.

District meetings

108(1) Instead of holding one general meeting of all members, a co-operative may, in its bylaws, divide the territory in which it does business and has members into districts for the purpose of holding annual meetings or special meetings of the co-operative by calling and holding a meeting in each district of the members who reside in the district.

(2) A co-operative shall set out in its bylaws the procedure to be followed in the conduct of district meetings.

1996, c.C-37.3, s.108.

Delegates

109(1) Where the bylaws of a co-operative provide for the nomination and appointment of delegates to a general meeting:

(a) the members represented by the delegates, as long as those bylaws remain in force, shall not exercise the powers of membership at any annual or special meeting;

(b) any reference in this Act to members with respect to the exercise of any power mentioned in clause (a) is deemed to be a reference to delegates; and

(c) unless otherwise provided in the bylaws, the delegates may exercise at annual meetings or special meetings the full powers of the members.

(2) The member group that elects a delegate may, at an annual or special meeting called for that purpose, remove the delegate in any manner provided for in the bylaws.

(3) Notwithstanding subsection (1), at an annual or a special meeting called for the purpose, the members may amend the bylaws to eliminate the nomination and appointment of delegates to general meetings.

1996, c.C-37.3, s.109.

Voting rights

110(1) Subject to subsection (3), no member or delegate is entitled to more than one vote.

(2) A co-operative may provide in its bylaws for classes of members who are shareholders to vote separately.

(3) A co-operative that is a federation may provide in its bylaws for the number of voting delegates from each member of the federation to be based on:

(a) the number of members in each member of the federation;

(b) the volume of business transacted by a member of the federation with the federation; or

(c) an equal number from each member of the federation.

(4) A co-operative that is a federation may provide in its bylaws that every voting delegate is eligible to be a director.

1996, c.C-37.3, s.110.

Proposals

111(1) In this section, **"proposal"** means a notice submitted to a co-operative pursuant to clause (2)(a).

(2) A member who is entitled to vote at an annual meeting of members may:

(a) submit to the co-operative notice of any matter that the member proposes to raise at the meeting; and

(b) discuss at the meeting any matter with respect to which the member would have been entitled to submit a proposal.

(3) Where the member who submitted the proposal requests, the directors of the co-operative shall:

(a) send the proposal with the notice of the meeting at which the proposal is to be presented; or

(b) make the proposal available to all members entitled to attend and vote at that meeting.

(4) Where the member who submitted the proposal requests, the co-operative shall include in or attach to the notice:

(a) a statement by the member of not more than 200 words in support of the proposal; and

(b) the name and address of the member.

(5) A co-operative is not required to comply with subsections (3) and (4) where:

(a) the proposal is not submitted to the co-operative at least 45 days before the anniversary date of the previous annual meeting of members;

(b) in the opinion of the directors, the proposal is submitted by the member primarily for the purpose of:

(i) enforcing a personal claim or redressing a personal grievance against the co-operative or its directors, officers, members or other security holders; or

(ii) promoting general economic, political, racial, religious, social or similar causes;

(c) the co-operative, at the member's request, included a proposal in a notice of meeting of members held within two years preceding the receipt of the proposal submitted pursuant to subsection (2), and the member failed to present the proposal at the meeting;

(d) substantially the same proposal was submitted to members in the notice of a meeting of members held within two years preceding the receipt of the member's request, and the proposal was defeated; or

(e) in the opinion of the directors, the rights conferred by this section are being abused to secure publicity.

(6) The member who requests that the proposal and any statement be sent with the notice of the meeting at which the proposal is to be presented shall pay the cost of sending the proposal and statement, unless the members present at the meeting provide otherwise by a majority vote.

(7) No co-operative and no person acting on behalf of a co-operative incur any liability by reason only of circulating a proposal or statement in compliance with this section.

(8) Where a co-operative refuses to include a proposal in a notice of meeting, the co-operative shall, within 30 days after receiving the proposal:

(a) notify the member submitting the proposal of its intention to omit the proposal from the notice of meeting; and

(b) send to the member a statement of the reasons for the refusal.

(9) Where a member claiming to be aggrieved by a refusal pursuant to subsection (8) applies to the court, the court may restrain the holding of the meeting to which the proposal is sought to be presented and make any further order it considers appropriate.

(10) The co-operative or a person claiming to be aggrieved by a proposal may apply to the court for an order permitting the co-operative to omit the proposal from the notice of meeting and, where the court is satisfied that subsection (5) applies, it may make the order.

(11) An applicant mentioned in subsection (9) or (10) shall give the registrar notice of the application, and the registrar is entitled to appear and be heard in person or by counsel.

1996, c.C-37.3, s.111.

Power to enact bylaws

112(1) Unless this Act or the bylaws provide otherwise, the members of a co-operative, at any annual meeting or any special meeting called for the purpose, may enact, amend, repeal, replace or confirm a bylaw:

(a) by a majority of the votes cast at the meeting, where written notice of the proposed enactment, amendment, repeal, replacement or confirmation is forwarded to each member of the co-operative with the notice of the meeting at which the enactment, amendment, repeal, replacement or confirmation is to be considered; and

(b) by a two-thirds majority of the votes cast at the meeting where written notice of the proposed enactment, amendment, repeal, replacement or confirmation is not forwarded to each member of the co-operative with the notice of the meeting at which the enactment, amendment, repeal, replacement or confirmation is to be considered.

(2) A member may make a proposal, in the manner provided in section 111, to enact, amend, repeal, replace or confirm any bylaw.

1996, c.C-37.3, s.112.

Directors cannot change bylaws

113 Nothing in this Act, the regulations or the bylaws is to be construed as conferring on the directors of a co-operative the power to enact, amend, repeal, replace or confirm any bylaws.

1996, c.C-37.3, s.113.

Effective day of bylaw

114(1) No bylaw is in force until two copies of the bylaw, certified to be true copies by the president and secretary of the co-operative, are filed with, and approved by, the registrar.

(2) Notwithstanding subsection (1), where the registrar considers it appropriate for the members or members and delegates present at a general meeting of the co-operative to implement the proposed bylaw at the meeting at which the bylaw is submitted for their approval, the registrar may approve the proposed bylaw prior to the meeting.

(3) Subject to subsection (4), where a proposed bylaw is approved pursuant to subsection (2) and is approved by the votes of a sufficient number of members in accordance with subsection 112(1), the bylaw comes into force immediately.

(4) A bylaw described in subsection (3) ceases to be in force on the expiration of 30 days after the day of the general meeting in which it is approved by the members, unless, within that 30-day period, the bylaw is filed with the registrar pursuant to subsection (1).

(5) Where the registrar approves a bylaw, the registrar shall return to the co-operative one copy of the bylaw with the approval stamped on the bylaw.

1996, c.C-37.3, s.114.

Representative of member who is not an individual

115(1) Where a body corporate, public body, partnership, firm or association is a member of a co-operative, the co-operative shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate, public body, partnership, firm or association to represent it at meetings of the co-operative.

(2) An individual authorized pursuant to subsection (1) may exercise, on behalf of the body corporate, public body, partnership, firm or association that he or she represents, all the powers that the body corporate, public body, partnership, firm or association could exercise if it were an individual member.

1996, c.C-37.3, s.115.

Voting procedures

116(1) Unless the bylaws provide otherwise, members shall vote:

(a) by a show of hands; or

(b) where three members entitled to vote at a meeting so demand, by secret ballot.

(2) Unless the bylaws provide otherwise, where a co-operative has divided the territory in which it does business into districts, a member is entitled to vote only at the district meeting designated by the directors.

(3) The chairperson of the meeting has the right to vote, but is not entitled to a second vote in the event of a tie.

(4) Unless this Act or the bylaws provide otherwise, a majority of the members or delegates who are present and cast votes at a meeting shall decide all questions.

(5) Where a special resolution is required pursuant to this Act or the bylaws, the content of the proposed special resolution may be amended by ordinary resolution.

(6) Where there is an equality of votes, the motion is to be declared lost.

1996, c.C-37.3, s.116.

Resolution in lieu of meeting

117(1) Except where a written statement is submitted by an auditor pursuant to section 138:

(a) a written resolution signed by all the members entitled to vote on that resolution at a general meeting of members is as valid as if it had been passed at a general meeting of the members; and

(b) a written resolution dealing with any matter required by this Act to be dealt with at a general meeting of members and signed by all the members entitled to vote at that meeting:

(i) satisfies all the requirements of this Act relating to meetings of members; and

(ii) subject to subsection (2), is effective from the day specified in the resolution.

(2) The effective day of a resolution described in subclause (1)(b)(ii) is not to be prior to the day on which the first member signed the resolution.

(3) A copy of every resolution described in subsection (1) is to be kept with the minutes of the meetings of members.

1996, c.C-37.3, s.117.

Meeting called by the registrar

118(1) On the application of a director or a member entitled to vote at the meeting or on the registrar's own initiative, the registrar may order a general meeting to be called, held and conducted in any manner that the registrar directs, where:

(a) in the opinion of the directors it is impracticable:

(i) to call a general meeting of members in the manner in which meetings of members may be called; or

(ii) to conduct a general meeting of members in the manner set out in this Act or in the bylaws; or

(b) for any reason in addition to those described in clause (a), the registrar considers appropriate.

(2) Without restricting the generality of subsection (1), the registrar may order that the quorum required in this Act or the bylaws be varied or dispensed with at a general meeting called pursuant to this section.

(3) A general meeting called pursuant to this section is deemed to be a valid meeting.

1996, c.C-37.3, s.118.

Compulsory sale of shares

119 A co-operative may, by written notice to a shareholder of the co-operative, require the shareholder to sell his or her common shares to the co-operative in accordance with section 41, and the shareholder shall sell the shares, where:

(a) the shareholder is a body corporate, and winding-up proceedings have commenced with respect to that body corporate; or

(b) the shareholder has, during a period of two years, failed to transact any business with the co-operative.

1996, c.C-37.3, s.119.

Withdrawal of members

120(1) In this section, **"member loan"** includes final payments, allocated earnings and loans but does not include:

(a) equities that:

(i) may be held on a term basis; and

(ii) are due on a fixed day; or

(b) any bonds, debentures, debenture stock or similar securities purchased by a member from the co-operative.

(2) A member may withdraw from a co-operative on any terms and conditions provided in the bylaws.

(3) Subject to section 42, the bylaws are required to contain conditions on which a co-operative shall purchase a member's shares or repay a member's loans when:

(a) a member withdraws pursuant to subsection (2);

(b) a membership is terminated pursuant to section 121 or 122; or

(c) a membership ceases for a reason other than one described in clause (a) or (b).

(4) The time for purchase of a member's share or for repayment of a member's loan, other than allocated earnings, is not to be longer than five years.

1996, c.C-37.3, s.120.

Termination of membership by directors

121(1) Unless the bylaws provide otherwise, the directors may, by at least a two-thirds vote of the directors present at a meeting called for the purpose, order the termination of a member from the co-operative.

(2) Subject to section 42, where a co-operative terminates the membership of a member pursuant to this section:

(a) the co-operative shall:

(i) within a period of one year, purchase from the member at par value all shares in the capital stock of the co-operative held by the member; and

(ii) pay to the member all amounts held to the member's credit, together with any interest accrued on those amounts and the amount outstanding on loans made to the co-operative by the member with any interest accrued on those amounts;

(b) the secretary of the co-operative shall, within 10 days after the day on which the order is made, notify the member of the order;

(c) the member may appeal from the order to the next general meeting of the co-operative by giving written notice of intention to appeal to the secretary within 30 days after the day on which the member received notice of the order pursuant to clause (b); and

(d) where the member makes an appeal pursuant to clause (c), a majority, or any greater percentage that may be specified in the bylaws, of the members who are present and cast votes at the general meeting shall confirm or rescind the order.

(3) Where the address of a member whose termination is ordered pursuant to subsection (1) is unknown to the co-operative after all reasonable efforts have been made to ascertain the member's address for the purpose of making payment to the member of all amounts held to the member's credit, the co-operative shall transfer those amounts to its reserve fund.

(4) Where any amounts are transferred pursuant to subsection (3), the co-operative shall pay those amounts to the person entitled to them on proof of the person's claim that is satisfactory to the co-operative.

(5) Where a co-operative transfers amounts held to the credit of a member pursuant to subsection (3), it shall immediately submit to the registrar a return showing:

(a) the member's name;

(b) the member's last known address; and

(c) the amounts transferred.

1996, c.C-37.3, s.121.

Termination of membership by members

122(1) Members may terminate the membership of a member where:

(a) the member has received at least 10 days' notice of the general meeting at which his or her membership is to be considered; and

(b) the termination is approved by a majority of at least two-thirds of the members who:

(i) are present at the general meeting; and

(ii) cast votes on the resolution.

(2) Subject to section 42, where a co-operative terminates the membership of a member pursuant to this section:

(a) the co-operative shall:

(i) within a period of one year after the termination of membership, purchase from the member at par value all shares in the capital stock of the co-operative held by the member; and

(ii) pay to the member:

(A) all amounts held to the member's credit, together with any interest accrued on those amounts; and

(B) the amounts outstanding on loans, if any, made to the co-operative by the member, together with any interest accrued on those amounts; and

(b) within 10 days after the day on which the decision to terminate the membership is made, the secretary of the co-operative shall notify the member of the decision.

1996, c.C-37.3, s.122.

Appeal

123(1) Subject to subsection (2) and section 254, where a person's membership is terminated pursuant to section 121 or 122, that person may appeal the termination to the registrar in the prescribed manner, and the registrar shall confirm or set aside the resolution terminating the membership.

(2) No person whose membership is terminated for failure to pay fees, assessments, rent or housing charges or to fulfil other financial obligations to the co-operative is eligible to appeal the termination to the registrar pursuant to subsection (1).

(3) Where a person appeals the termination of his or her membership pursuant to subsection 121(2) or this section, notwithstanding the resolution terminating the membership, the person continues to be a member until the termination of membership is confirmed by the meeting of members pursuant to subsection 121(2) or by the registrar pursuant to this section.

1996, c.C-37.3, s.123.

Re-admittance

124 A person whose membership is terminated pursuant to section 122 may be re-admitted to membership only by a two-thirds majority vote of members.

1996, c.C-37.3, s.124.

Payment of interest of deceased members

125(1) The directors of a co-operative may pay any or all of the moneys payable with respect to the interest of a deceased member to the persons who appear to be entitled to the moneys pursuant to *The Intestate Succession Act, 1996* where:

(a) evidence is presented to the co-operative showing that:

(i) the member is deceased, leaving an estate in Saskatchewan, other than his or her interest in the co-operative, of not more than $1,000; and

(ii) no personal representative for the member has been appointed in Saskatchewan during a period of six months following the member's death; and

(b) the co-operative has not received notice of a transfer or assignment of or a charge against the member's interest in the co-operative.

(2) A receipt for a payment made pursuant to subsection (1) from the person to whom the payment is made is deemed to be a binding and effectual discharge of the co-operative given by a duly appointed personal representative of the deceased in Saskatchewan.

(3) Where a deceased member leaves a will naming an executor or trustee for the administration of the deceased member's estate in Saskatchewan and, notwithstanding that the executor or trustee has not applied for letters probate in Saskatchewan, the co-operative may pay the value of the deceased member's interest in the co-operative to that executor or trustee.

(4) Where an executor or trustee receives a payment pursuant to subsection (3), the executor or trustee shall distribute the moneys received in accordance with the terms of the will.

(5) A receipt for a payment made pursuant to subsection (3) from the executor or trustee is deemed to be a binding and effectual discharge of the co-operative given by a duly appointed personal representative of the deceased in Saskatchewan.

(6) Where evidence is presented to the co-operative that letters probate or letters of administration have been issued in the estate of a deceased member prior to the payment of any portion of the interest of the deceased member in the co-operative to any person pursuant to subsection (1) or (3), the co-operative shall make all subsequent payments to the executor or administrator.

(7) Where, at the time of his or her death, a person had ceased to be a member of the co-operative and moneys payable to the person with respect to the purchase by the co-operative of the person's interest in the co-operative remain unpaid, this section applies to that person as if:

(a) the person were a member at the time of his or her death; and

(b) those moneys were the person's interest in the co-operative.

1996, c.C-37.3, s.125.

Contracts

126(1) Subject to the articles, a co-operative may:

(a) enter into a contract or arrangement with its members or patrons for, or incidental to, dealing with commodities of the kinds the co-operative may lawfully deal in; and

(b) advance money to its members or patrons as part payment for commodities delivered or agreed to be delivered to it pursuant to a contract or arrangement made pursuant to clause (a).

(2) Where a member breaches a material provision of a contract described in subsection (1), the co-operative is entitled:

(a) to an injunction to prevent any further breach of the contract; and

(b) to any equitable relief, in addition to the injunction mentioned in clause (a), that may be provided in the terms of the contract.

1996, c.C-37.3, s.126.

Right to possession terminated

127 Where a person's membership in a co-operative is terminated, any right of the former member to possession or occupancy of residential premises acquired by virtue of membership in the co-operative is terminated.

1996, c.C-37.3, s.127.

PART XI
Financial Disclosure
FINANCIAL STATEMENTS

Annual financial statement

128(1) The directors of a co-operative shall place before the members at every annual meeting:

(a) the prescribed comparative financial statements relating separately to:

(i) the period that began on the day the co-operative came into existence and ended not more than six months before the annual meeting or, where the co-operative has completed a fiscal year, the period that began immediately after the end of the last completed fiscal year and ended not more than six months before the annual meeting; and

(ii) the fiscal year that immediately preceded the period described in subclause (i);

(b) where the co-operative has an auditor, the report of the auditor; and

(c) any information, in addition to that mentioned in clauses (a) and (b), respecting the financial position of the co-operative and the results of its operations that are required in the articles or the bylaws.

(2) Notwithstanding subsection (1), the directors may omit the financial statements mentioned in subclause (1)(a)(ii) where the reason for the omission is set out in the financial statement to be placed before the members or in a note attached to those financial statements.

1996, c.C-37.3, s.128.

Approval of financial statements

129(1) Before the financial statements mentioned in section 128 are placed before the members:

(a) the directors shall approve the financial statements; and

(b) the approval must be evidenced by the signature of one or more directors.

(2) No co-operative shall issue, publish or circulate copies of the financial statements mentioned in section 128 unless the financial statements:

(a) are approved and signed in accordance with subsection (1); and

(b) where the co-operative has an auditor, are accompanied by the report of the auditor of the co-operative.

1996, c.C-37.3, s.129.

Providing financial statements

130(1) Not less than 10 days before each annual meeting of members, a co-operative shall make copies of the financial statements and report of the auditor mentioned in section 128 available to any member who requests them.

(2) Where a co-operative applies to the registrar, and the registrar is satisfied that there are reasonable grounds, the registrar may excuse the co-operative from complying with subsection (1).

(3) A co-operative shall send copies of interim financial statements or related documents to the registrar when the co-operative:

(a) sends interim financial statements or related documents to its shareholders; or

(b) is required to file interim financial statements or related documents with a public authority or a recognized stock exchange or send interim financial statements or related documents to a public authority or a recognized stock exchange.

1996, c.C-37.3, s.130.

AUDITOR

Qualification of auditor

131(1) Subject to subsections (2) and (3), a person is qualified to be an auditor of a co-operative only where he or she is:

(a) independent of:

(i) the co-operative;

(ii) any subsidiary of the co-operative; and

(iii) the directors or officers of the co-operative or its subsidiary; and

(b) a member of a recognized accounting professional association or is approved by the registrar.

(2) A person is not disqualified from being an auditor of a co-operative only by reason of membership in the co-operative.

(3) A federation is not disqualified from being an auditor of one of its member co-operatives.

(4) For the purposes of this section:

(a) independence is a question of fact; and

(b) a person is deemed not to be independent where the person or the person's business partner:

(i) is a business partner, a director, an officer or an employee of the co-operative or of any of its subsidiaries, or a business partner of any director, officer or employee of the co-operative or its subsidiaries;

(ii) beneficially owns or controls, directly or indirectly, a material interest in the securities of the co-operative or any of its subsidiaries; or

(iii) has been a receiver, receiver-manager, liquidator or trustee in bankruptcy of the co-operative or any of its subsidiaries within two years after his or her proposed appointment as auditor of the co-operative.

(5) An auditor who becomes disqualified pursuant to this section shall resign immediately after becoming aware of his or her disqualification.

(6) An interested person may apply to the registrar for an order declaring:

(a) an auditor to be disqualified pursuant to this section; and

(b) the office of auditor to be vacant.

(7) Notwithstanding subsection (5), an interested person may apply to the registrar for an order exempting an auditor from disqualification pursuant to this section and, where the registrar is satisfied that an exemption would not unfairly prejudice the members and shareholders, the registrar may make an exemption order on any terms that the registrar considers appropriate.

(8) The registrar may make an order described in subsection (7) retroactive to any day that the registrar considers appropriate.

1996, c.C-37.3, s.131.

Appointment of auditor

132(1) Subject to section 133, at the first general meeting of members and at each succeeding annual meeting, the members shall, by ordinary resolution, appoint an auditor to hold office until the close of the next annual meeting.

(2) Notwithstanding subsection (1), where an auditor is not appointed at a meeting of members, the incumbent auditor continues in office until a successor is appointed.

(3) The remuneration of an auditor may be fixed:

(a) by ordinary resolution of the members; or

(b) where not fixed by the members, by the directors.

1996, c.C-37.3, s.132.

Resolution to not appoint

133(1) The members of a co-operative with less than 20 members may resolve not to appoint an auditor.

(2) A co-operative with 20 or more members may resolve not to appoint an auditor if:

(a) notice of the proposed resolution is given with the notice of the meeting at which a vote on the resolution is to be held; and

(b) notice of the resolution is filed with the registrar within 30 days after the day on which the resolution is passed.

(3) A resolution passed pursuant to subsection (1) or (2) is valid only until the next succeeding annual meeting of members.

(4) A resolution passed pursuant to subsection (1) or (2) is not valid unless it is consented to by all members, shareholders, preferred shareholders and members not otherwise entitled to vote, who voted on the resolution.

(5) Notwithstanding subsections (1) and (2), a co-operative shall appoint an auditor if:

(a) in the opinion of the registrar, the co-operative does not provide goods or services primarily for its members;

(b) the co-operative solicits or has solicited donations or gifts of moneys or property from the public;

(c) the co-operative receives or has received any grant of money or property from a government or government agency in any fiscal year of the co-operative that is in excess of 10% of its total income for that fiscal year or any greater amount that may be prescribed;

(d) the co-operative is a registered charity within the meaning of the *Income Tax Act* (Canada); or

(e) the co-operative is subject to Part XXI of this Act.

1996, c.C-37.3, s.133.

Ceasing to hold office

134(1) An auditor of a co-operative ceases to hold office when:

(a) he or she dies or resigns;

(b) another auditor is appointed pursuant to section 132; or

(c) he or she is removed pursuant to section 135.

(2) The resignation of an auditor becomes effective at the later of:

(a) the time at which the written resignation is sent to the co-operative; or

(b) the time specified in the written resignation.

1996, c.C-37.3, s.134.

Removal and vacancy

135(1) The members of a co-operative may, by ordinary resolution at a general or special meeting, remove from office an auditor other than an auditor appointed by the registrar pursuant to section 137.

(2) A vacancy created by the removal of an auditor may be filled:

(a) at the meeting at which the auditor is removed; or

(b) pursuant to section 136.

1996, c.C-37.3, s.135.

Filling vacancy

136(1) Subject to subsection (4), the directors shall immediately fill a vacancy in the office of auditor.

(2) Where there is not a quorum of directors, the directors then in office shall call, within 60 days after a vacancy of auditor occurs, a special meeting of members to fill the vacancy.

(3) Where the directors fail to call a special meeting pursuant to subsection (2) or where there are no directors, a meeting for the purpose of filling a vacancy in the office of auditor may be called by any member.

(4) A co-operative may provide in its bylaws that a vacancy in the office of auditor is only to be filled by ordinary resolution.

(5) An auditor appointed to fill a vacancy holds office for the unexpired term of the former auditor.

1996, c.C-37.3, s.136.

Appointment by registrar

137(1) Where a co-operative does not have an auditor and a member applies to the registrar, the registrar may:

(a) appoint an auditor to hold office until an auditor is appointed by the members;

(b) fix the remuneration of the auditor; and

(c) determine who is responsible for making the remuneration.

(2) Where the members have resolved pursuant to section 133 not to appoint an auditor, a member of that co-operative may not apply to the registrar pursuant to this section.

1996, c.C-37.3, s.137.

Rights to attend meeting

138(1) The auditor of a co-operative is entitled:

(a) to receive notice of every general meeting of members; and

(b) at the expense of the co-operative, to attend and be heard at those meetings on matters relating to the duties of an auditor.

(2) Where a director or member gives written notice not less than seven days before a general meeting of members to the auditor or a former auditor of the co-operative and to the co-operative, the auditor or former auditor shall attend the meeting at the expense of the co-operative and answer questions relating to his or her duties as auditor.

(3) An auditor is entitled to submit to the co-operative a written statement giving the reasons for his or her resignation or the reasons why he or she opposes any proposed action or resolution where the auditor:

(a) resigns;

(b) receives a notice or learns by means other than a notice of a general meeting:

(i) of members called for the purpose of removing the auditor from office; or

(ii) of directors or members at which another person is to be appointed to fill the office of auditor, whether because of his or her resignation or removal or because his or her term of office has expired or is about to expire; or

(c) receives a notice or otherwise learns of a special meeting of members at which a resolution mentioned in section 135 is to be proposed.

(4) Where a co-operative receives a written statement pursuant to subsection (3), it shall make available a copy of the statement to every member entitled to receive notice of the general meeting and to the registrar.

1996, c.C-37.3, s.138.

Examination by auditor

139(1) An auditor of a co-operative shall make any examination that is, in the auditor's opinion, necessary to enable the auditor to report in the prescribed manner on the financial statements that are required in this Act to be placed before the members or shareholders, other than any financial statements or part of any financial statements that relate to the period mentioned in subclause 128(1)(a)(ii).

(2) An auditor of a co-operative may reasonably rely on the report of an auditor of a body corporate or unincorporated business the accounts of which are included in whole or in part in the financial statements of the co-operative.

1996, c.C-37.3, s.139.

Rights to information

140(1) On the demand of an auditor of a co-operative, the present or former directors, officers, employees or agents of the co-operative shall provide any information and explanations, and provide access to any records, documents, books, accounts and vouchers of the co-operative or any of its subsidiaries that, in the opinion of the auditor, are necessary to enable the auditor to make the examination and report required pursuant to section 139 and that the directors, officers, employees or agents are reasonably able to provide.

(2) On the demand of the auditor of a co-operative, the directors of the co-operative shall obtain from the present or former directors, officers, employees or agents of any subsidiary of the co-operative, and provide to the auditor, the information and explanations that are described in subsection (1).

1996, c.C-37.3, s.140.

Audit committee

141(1) A co-operative with more than 300 members shall, and a co-operative with 300 members or less may, have an audit committee composed of not less than three directors.

(2) The registrar may permit a co-operative to dispense with an audit committee, subject to any conditions that the registrar considers appropriate, where:

(a) the co-operative applies to the registrar for authorization to dispense with an audit committee; and

(b) the registrar is satisfied that the members will not be prejudiced by the registrar's authorization.

(3) Before the financial statements of a co-operative are approved pursuant to section 129, the auditor shall:

(a) send the audit committee a report outlining the auditor's comments with respect to the financial statements and copies of all letters the auditor has sent to the management of the co-operative; or

(b) review the financial statements with the audit committee.

(4) The auditor of a co-operative is entitled:

(a) to receive notice of every meeting of the audit committee; and

(b) at the expense of the co-operative, to attend and be heard at a meeting of the audit committee.

(5) Where a member of the audit committee requests, the auditor shall attend every meeting of the committee held during his or her term of office.

(6) The auditor of a co-operative or a member of the audit committee may call a meeting of the committee.

(7) A director or an officer of a co-operative shall immediately notify the audit committee and the auditor of any error or mis-statement of which the director or officer becomes aware in a financial statement that the auditor or a former auditor has reported on.

(8) Where the auditor or former auditor of a co-operative is notified or becomes aware of an error or mis-statement in a financial statement on which he or she has reported and, in the opinion of the auditor, the error or mis-statement is material, the auditor shall inform each director of the error or mis-statement.

(9) Where, pursuant to subsection (8), the auditor or former auditor informs the directors or the directors otherwise have knowledge of an error or mis-statement in a financial statement, the directors shall:

(a) prepare and issue revised financial statements; or

(b) inform the shareholders and the registrar of the error or mis-statement by a means other than that described in clause (a).

1996, c.C-37.3, s.141.

Qualified privilege, defamation

142 An auditor is not liable to any person in an action for defamation based on any act done or not done or any statement made by the auditor in good faith in connection with any matter that the auditor is authorized or required to do pursuant to this Act.

1996, c.C-37.3, s.142.

PART XII
Annual and Special Returns

Annual and special returns

143(1) Within 30 days after the day of its annual meeting, a co-operative shall:

(a) file with the registrar an annual return for the previous year, on any form that is provided by the registrar; and

(b) provide the registrar with a copy of the financial statement placed before its members at its last annual meeting.

(2) Clause (1)(b) does not apply to:

(a) an extraprovincial co-operative;

(b) a co-operative whose articles or bylaws provide that earnings may be distributed to members; or

(c) a co-operative that is registered pursuant to this Act solely for the purpose of becoming a member of the Co-operative Superannuation Society.

(3) The registrar may require, by written notice, a co-operative or a director or an officer of a co-operative to make a special return on any subject connected with the business and affairs of the co-operative and, when the registrar requires a special return, the registrar shall specify in the notice a time within which the special return is to be made.

(4) A co-operative that defaults in filing with the registrar an annual return is liable to payment of a special filing fee.

1996, c.C-37.3, s.143; 2013, c.21, s.2; 2015, c.22, s.12.

PART XIII
Fundamental Changes and Amalgamations
AMENDMENTS TO ARTICLES

Amendments to articles

144(1) Subject to section 147 and to the approval of the registrar, the members may, by special resolution, amend the articles to:

(a) change the name of the co-operative;

(b) add, change or remove any restriction on the business or businesses that the co-operative may carry on;

(c) create new classes of shares;

(d) change the designation of all or any of its shares and add, change or remove any rights, privileges, restrictions and conditions, including rights to accrued dividends, with respect to all or any of its shares, whether issued or unissued;

(e) authorize the directors to change the rights, privileges, restrictions and conditions attached to unissued shares of any series;

(f) revoke, diminish or enlarge any authority conferred pursuant to clause (e);

(g) add, change or remove restrictions on the transfer of shares;

(h) subject to sections 7 and 82, increase or decrease the number of directors;

(i) add, change or remove any other provision that is permitted in this Act to be set out in the articles;

(j) subject to the regulations, convert the co-operative:

(i) from a co-operative with share capital into a co-operative without share capital; or

(ii) from a co-operative without share capital into a co-operative with share capital.

(2) Where, in a special resolution made pursuant to subsection (1), the members authorize the directors to revoke the resolution, the directors of a co-operative may revoke the resolution before it is acted on without further approval of the members.

(3) Notwithstanding subsection (1), where a co-operative has a designating number as a name, the directors may amend the articles to change that name to a name other than a designating number.

1996, c.C-37.3, s.144.

Amendment re authorized capital

145(1) Subject to the approval of the registrar and unless the articles provide otherwise, a co-operative may by special resolution amend the articles to increase or decrease its authorized capital and, for that purpose, may:

(a) subdivide any shares of any class;

(b) subject to subsection (2), consolidate all shares of any class into shares of a larger par value;

(c) cancel any shares that, at the day on which the special resolution is passed, have not been subscribed for or agreed to be issued, and diminish the amount of the authorized capital of the co-operative by the amount of the par value of the shares so cancelled;

(d) extinguish or reduce the liability on any of its shares with respect to capital that is not paid-up;

(e) with or without extinguishing or reducing liability on any of its shares, cancel any paid-up capital that is lost or unrepresented by available assets; or

(f) with or without extinguishing or reducing liability on any of its shares and with or without reducing the number of those shares, pay off any paid-up capital that is greater than the requirements of the co-operative.

(2) Where shares are consolidated pursuant to clause (1)(b), the par value of a consolidated share must not be greater than $100.

(3) The registrar may approve an amendment mentioned in subsection (1) where the registrar is satisfied that:

(a) the amendment has been adopted in accordance with this Act;

(b) the holders of each class of preferred shares of the co-operative affected by the amendment have approved the amendment by special resolution at a general meeting of the preferred shareholders called for the purpose or in any other manner that the registrar considers appropriate; and

(c) in the case of an amendment providing for reduction in the authorized capital of the co-operative:

(i) all creditors of the co-operative who are likely to be affected have been notified of the amendment and have signified their approval; or

(ii) appropriate steps have been taken by the co-operative to adequately safeguard the interests of its creditors.

1996, c.C-37.3, s.145.

Proposal to amend

146(1) A member who is entitled to a vote at an annual meeting of members may make a proposal to amend the articles in the manner provided in section 111.

(2) The directors shall send a proposal made pursuant to subsection (1) with a notice of a meeting of members at which a proposal to amend the articles is to be considered or make the proposal available to any member who is entitled to attend and vote at the meeting.

1996, c.C-37.3, s.146.

Preferred shareholder vote

147(1) In this section, **"special resolution"** means a special resolution that is passed by two-thirds of the holders of a series or a class of preferred shares.

(2) The registrar shall not approve a proposed amendment to the articles described in clauses 144(1)(c) to (g) or in subclause 144(1)(j)(i) unless it is approved by special resolution of the preferred shareholders.

(3) Where a co-operative has two or more classes of preferred shares, the holders of shares of each class are entitled to vote separately as a class or, subject to subsection (4), as a series on a proposal to amend the articles:

(a) to change the par value of the shares of that class;

(b) to add to, change or remove any rights, privileges, restrictions or conditions attached to the shares of that class; or

(c) to change the rights or privileges of any other class of shares to the prejudice of the holders of preferred shares of that class.

(4) The holders of a series of a class of preferred shares are entitled to vote separately as a series pursuant to subsection (2) only where that series is affected by an amendment in a manner different from other shares of the same class.

(5) Each preferred share of the co-operative carries the right to vote pursuant to this section whether or not it otherwise carries the right to vote.

(6) A proposed amendment to the articles mentioned in subsection (2) is adopted when:

(a) the holders of preferred shares of each class or series who vote separately on the resolution as a class or series have approved the amendment by a special resolution; and

(b) the members who vote at an annual meeting of members have approved the amendment by a special resolution.

1996, c.C-37.3, s.147.

Delivery of articles

148(1) Except where a resolution is revoked pursuant to subsection 144(2), when an amendment is adopted pursuant to section 144 and, where required, section 147, the co-operative shall send articles of amendment in the prescribed form to the registrar.

(2) Where the registrar receives articles of amendment pursuant to subsection (1), the registrar may approve the amendment and issue a certificate of amendment in accordance with section 271 if the registrar is satisfied that the amendment:

(a) has been duly approved by the members and, where applicable, the preferred shareholders; and

(b) does not contravene any provision of this Act.

1996, c.C-37.3, s.148.

Effect of certificate

149(1) An amendment to the articles is effective on the day shown in the certificate of amendment issued pursuant to subsection 148(2).

(2) No amendment to the articles affects:

(a) an existing cause of action or claim or liability to prosecution in favour of or against the co-operative or its directors or officers; or

(b) any civil, criminal or administrative action or proceeding to which a co-operative or its directors or officers is a party.

1996, c.C-37.3, s.149.

Restated articles

150(1) The directors may at any time, and shall when directed by the registrar, restate the articles of incorporation as amended.

(2) A co-operative shall send restated articles of incorporation in the prescribed form to the registrar.

(3) Where the registrar receives restated articles of incorporation, the registrar shall issue a certificate of restated articles of incorporation in accordance with section 271.

(4) Restated articles of incorporation:

(a) are effective on the day shown in the certificate of restated articles of incorporation issued pursuant to subsection (3); and

(b) supersede the original articles of incorporation and all amendments to the original articles of incorporation.

1996, c.C-37.3, s.150.

AMALGAMATION

Amalgamation

151(1) Two or more co-operatives may amalgamate and continue as one co-operative.

(2) A co-operative may amalgamate with a corporation that is incorporated, continued or registered pursuant to *The Business Corporations Act* that is a subsidiary of the co-operative, or with a corporation that is incorporated, continued or registered pursuant to *The Non-profit Corporations Act, 1995*, and continue as one co-operative.

(3) Notwithstanding any other provision in this Act, a co-operative may amalgamate with a co-operative pursuant to *The New Generation Co-operatives Act*.

1996, c.C-37.3, s.151; 1999, c.25, s.2; 2001, c.9, s.3.

Amalgamation agreement

152(1) Each co-operative and corporation proposing to amalgamate shall enter into an agreement setting out the terms and means of effecting the amalgamation, including:

(a) the provisions that are required to be included in articles of incorporation pursuant to section 7;

(b) the name and address of each proposed director of the amalgamated co-operative;

(c) the manner in which the shares or memberships of each amalgamating co-operative or corporation are to be converted into shares or memberships or other securities of the amalgamated co-operative;

(d) where shares of an amalgamating co-operative or corporation are not to be converted into securities or memberships of the amalgamated co-operative, the amount of money or securities of any body corporate that the holders of those shares are to receive instead of securities of the amalgamated co-operative;

(e) the manner of payment of money instead of the issue of fractional shares of the amalgamated co-operative or of any other body corporate of which the securities are to be received in the amalgamation;

(f) whether the bylaws of the amalgamated co-operative are to be those of one of the amalgamated co-operatives and, where not, a copy of the proposed bylaws; and

(g) details of any arrangements necessary to perfect the amalgamation and to provide for the subsequent management and operation of the amalgamated co-operative.

(2) Where shares of one of the amalgamating co-operatives or corporations are held by or on behalf of another of the amalgamating co-operatives or corporations:

(a) the amalgamation agreement must provide for the cancellation of those shares when the amalgamation becomes effective without any repayment of capital with respect to those shares; and

(b) no provision is to be made in the agreement for the conversion of those shares into shares of the amalgamated co-operative.

(3) Notwithstanding any other provision in this Act, a co-operative may amalgamate with a co-operative pursuant to *The New Generation Co-operatives Act*.

1996, c.C-37.3, s.152.

Member approval

153(1) The directors of each amalgamating co-operative shall submit an amalgamation agreement made pursuant to section 152 for approval to a general meeting of:

(a) the members of the amalgamating co-operative of which they are directors; and

(b) the holders of each class or series of preferred shares of the co-operative.

(2) The directors of each amalgamating corporation shall submit an amalgamation agreement made pursuant to section 152 for approval to a general meeting of the holders of each class or series of its shares.

(3) The directors shall:

(a) cause a notice of a general meeting of members and preferred shareholders to be sent in the manner provided in section 105 to each member and preferred shareholder of the amalgamating co-operative of which they are directors; and

(b) include or send with the notice mentioned in clause (a) a copy or summary of the amalgamation agreement.

(4) Each preferred share of an amalgamating co-operative carries the right to vote with respect to an amalgamation whether or not it otherwise carries the right to vote.

(5) Where an amalgamation agreement contains a provision that if contained in a proposed amendment to the articles would entitle the holders of a class of preferred shares or a series of preferred shares to vote as a class or series pursuant to section 147, the holders of a class of preferred shares or a series of preferred shares of an amalgamating co-operative are entitled to vote separately as a class or series with respect to an amalgamation.

(6) An amalgamation agreement is adopted when:

(a) in the case of a co-operative:

(i) the members approve the amalgamation by special resolution; and

(ii) where the co-operative has preferred shares, the preferred shareholders approve the amalgamation by special resolution; and

(b) in the case of a corporation, the holders of each class or series of shares entitled to vote with respect to the amalgamation approve the amalgamation by special resolution.

(7) An amalgamation agreement may provide that at any time before the issue of a certificate of amalgamation the agreement may be terminated by the directors of an amalgamating co-operative, notwithstanding approval of the agreement by the members and shareholders of all or any of the amalgamating co-operatives or corporations.

1996, c.C-37.3, s.153.

Sending of articles

154(1) After an amalgamation agreement is adopted pursuant to section 153, the amalgamating co-operatives and corporations shall send articles of amalgamation in the prescribed form to the registrar.

(2) The articles of amalgamation are required to have attached to them a statutory declaration of a director or an officer of each amalgamating co-operative and corporation that establishes to the satisfaction of the registrar that there are reasonable grounds for believing that:

(a) the amalgamated co-operative will be able to pay its liabilities as they become due; and

(b) the realizable value of the amalgamated co-operative's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and

(c) no creditor will be prejudiced by the amalgamation or that adequate notice has been given to all known creditors of the amalgamating co-operatives and corporations and no creditor has objected to the amalgamation on any ground other than grounds that are frivolous or vexatious.

(3) For the purposes of clause (2)(c), adequate notice is given where:

(a) a written notice is sent to each known creditor having a claim against the co-operative or corporation that is greater than $1,000;

(b) a notice is published once in a newspaper published or distributed in the place where the co-operative or corporation has its registered office and reasonable notice of the amalgamation is given in each province or territory of Canada where the co-operative or corporation carries on business; and

(c) each notice states that the co-operative or corporation intends to amalgamate with one or more specified co-operatives in accordance with this Act and that a creditor of the co-operative or corporation may object to the amalgamation within 30 days after the day of the notice.

1996, c.C-37.3, s.154.

Effect of certificate

155(1) Where the registrar receives articles of amalgamation and is satisfied that the conditions described in subsection 154(2) are met, the registrar shall issue a certificate of amalgamation in accordance with section 271.

(2) On the day shown in a certificate of amalgamation issued pursuant to subsection (1):

(a) the amalgamation of the amalgamating co-operatives and corporations and their continuance as one co-operative becomes effective;

(b) the property of each amalgamating co-operative and corporation continues to be the property of the amalgamated co-operative;

(c) the amalgamated co-operative continues to be liable for the obligations of each amalgamating co-operative and corporation;

(d) an existing cause of action, claim or liability to prosecution is deemed not to be affected;

(e) a civil, criminal or administrative action or proceeding pending by or against an amalgamating co-operative or corporation may be continued by or against the amalgamated co-operative;

(f) a conviction against or ruling, order or judgment in favour of or against an amalgamating co-operative or corporation may be enforced by or against the amalgamated co-operative; and

(g) the articles of amalgamation are deemed to be the articles of incorporation of the amalgamated co-operative, and the certificate of amalgamation is deemed to be the certificate of incorporation of the amalgamated co-operative.

1996, c.C-37.3, s.155.

CONTINUANCE

Continuance in Saskatchewan

156(1) A body corporate may apply to the registrar for a certificate of continuance where:

(a) in the case of an extraprovincial co-operative, it is authorized to do so by the laws of the jurisdiction where it is incorporated; or

(b) in the case of another body corporate:

(i) it is authorized to do so by the Act pursuant to which it was incorporated; and

(ii) in the opinion of the registrar, it will be operated on a co-operative basis or on a basis that is substantially similar to a co-operative basis.

(2) A body corporate that applies for a certificate of continuance pursuant to subsection (1) may effect in its articles of continuance any change or amendment to its articles, where the change or amendment is a change or amendment a co-operative incorporated pursuant to this Act may make to its articles.

(3) A body corporate that applies for a certificate of continuance shall send articles of continuance in the prescribed form and its bylaws to the registrar.

(4) Where the registrar receives articles of continuance and bylaws pursuant to subsection (3), the registrar may issue a certificate of continuance in accordance with section 271 if the registrar is satisfied that all the requirements of this Act are met.

(5) On the day shown in the certificate of continuance issued pursuant to subsection (4):

(a) the body corporate becomes a co-operative to which this Act applies as if it had been incorporated pursuant to this Act;

(b) the articles of continuance are deemed to be the articles of incorporation of the continued co-operative;

(c) the certificate of continuance is deemed to be the certificate of incorporation of the continued co-operative; and

(d) the articles and bylaws of the body corporate in effect prior to the day shown in the certificate of continuance do not apply.

(6) When the registrar issues a certificate of continuance to a body corporate mentioned in subsection (1), the registrar shall at the same time send a copy of the certificate of continuance to the appropriate official or public body in the jurisdiction in which continuance pursuant to this Act was authorized.

(7) When a body corporate is continued as a co-operative pursuant to this Act:

(a) the property of the body corporate continues to be the property of the co-operative;

(b) the co-operative continues to be liable for the obligations of the body corporate;

(c) an existing cause of action, claim or liability to prosecution is deemed not to be affected;

(d) a civil, criminal or administrative action or proceeding pending by or against the body corporate may be continued by or against the co-operative; and

(e) a conviction against or ruling, order or judgment in favour of or against the body corporate may be enforced by or against the co-operative.

(8) A share of a body corporate issued before the body corporate was continued pursuant to this Act is deemed to have been issued in compliance with this Act and with the provisions of the articles of continuance regardless of:

(a) whether the share is fully paid; and

(b) any designation, rights, privileges, restrictions or conditions set out on or referred to in the certificate representing the share.

(9) Continuance of a body corporate as a co-operative pursuant to this section does not deprive a shareholder of any right or privilege that the shareholder claims under an issued share or relieve a shareholder of any liability with respect to an issued share.

1996, c.C-37.3, s.156; 2015, c.22, s.12.

Continuance outside Saskatchewan

157(1) Subject to subsections (2) and (11), a co-operative may apply to the appropriate official or public body of another jurisdiction requesting that the co-operative be continued as if it had been incorporated pursuant to the laws of that other jurisdiction where the co-operative:

(a) is authorized to continue outside Saskatchewan by the members and preferred shareholders in accordance with this section; and

(b) establishes to the satisfaction of the registrar that its proposed continuance in the other jurisdiction will not adversely affect creditors or members of the co-operative.

(1.1) Notwithstanding any other provision in this Act, a co-operative may apply to the registrar pursuant to *The New Generation Co-operatives Act* to be continued as a co-operative pursuant to that Act.

(2) No co-operative of a prescribed class shall apply for continuance pursuant to this section without the prior consent of the registrar.

(3) The directors shall cause a notice of a general meeting of members and of preferred shareholders to be sent, in the manner set out in section 105, to each member and preferred shareholder for the purpose of authorizing continuance.

(4) Each preferred share of the co-operative carries the right to vote with respect to a continuance whether or not it otherwise carries the right to vote, and the holders of shares of a class are entitled to vote separately as a class.

(5) The holders of a series of a class of preferred shares are entitled to vote separately as a series only where that series is affected by a continuance in a manner different from other shares of the same class.

(6) For the purposes of clause (1)(a), an application for continuance is authorized when:

(a) the members approve the continuance by a special resolution; and

(b) where the co-operative has preferred shares, the preferred shareholders approve the continuance by a special resolution.

(7) Where, in the special resolutions mentioned in subsection (6), the members and preferred shareholders authorize the directors to abandon the application for continuance, the directors may abandon the application without further approval of the members or the preferred shareholders.

(8) Where the registrar receives notice, in a form satisfactory to the registrar, that the co-operative is continued pursuant to the laws of another jurisdiction, the registrar shall:

(a) file the notice; and

(b) issue a certificate of discontinuance in accordance with section 271.

(9) Notwithstanding subsection 271(4), a certificate of discontinuance mentioned in subsection (8) may be dated as of the day when a co-operative is continued pursuant to the laws of another jurisdiction.

(10) This Act ceases to apply to the co-operative on the day shown in the certificate of discontinuance.

(11) No co-operative shall be continued as a body corporate pursuant to the laws of another jurisdiction unless those laws provide that:

(a) the property of the co-operative continues to be the property of the body corporate;

(b) the body corporate continues to be liable for the obligations of the co-operative;

(c) an existing cause of action, claim or liability to prosecution is unaffected;

(d) a civil, criminal or administrative action or proceeding pending by or against the co-operative may be continued by or against the body corporate; and

(e) a conviction against or ruling, order or judgment in favour of or against the co-operative may be enforced by or against the body corporate.

1996, c.C-37.3, s.157; 1999, c.25, s.2.

REORGANIZATION

Reorganization

158(1) In this section, **"reorganization"** means a court order made pursuant to:

(a) section 190;

(b) the *Bankruptcy and Insolvency Act* (Canada) approving a proposal within the meaning of that Act; or

(c) any Act or any Act of the Parliament of Canada that affects the rights among the co-operative, its members, shareholders and creditors.

(2) Where a co-operative is subject to a reorganization, its articles may be amended by the order to effect any change that might be made by an amendment pursuant to section 144.

(3) Where a court orders a reorganization, it may also:

(a) authorize the issue of debt obligations of the co-operative, whether or not convertible into shares of any class or having attached any rights or options to acquire shares of any class, and fix the terms of the debt obligations; and

(b) appoint directors in place of or in addition to all or any of the directors then in office.

(4) After a reorganization is made, the co-operative shall send articles of reorganization in the prescribed form to the registrar.

(5) Where the registrar receives articles of reorganization pursuant to subsection (4), the registrar shall issue a certificate of amendment in accordance with section 271.

(6) A reorganization is effective on the day shown in the certificate of amendment and the articles of incorporation are deemed to be amended accordingly.

1996, c.C-37.3, s.158.

ARRANGEMENT

Arrangement

159(1) In this section, **"arrangement"** includes:

(a) an amendment to the articles of a co-operative;

(b) an amalgamation of two or more co-operatives;

(c) an amalgamation of a body corporate with a co-operative that results in the formation of an amalgamated co-operative that is subject to this Act;

(d) a transfer of all or substantially all of the property of a co-operative to another body corporate in exchange for property, money or securities of the body corporate;

(e) an exchange of securities of a co-operative held by a security holder for property, money or other securities of the co-operative or property, money or securities of another body corporate;

(f) a liquidation and dissolution of a co-operative; or

(g) any combination of the matters described in clauses (a) to (f).

(2) Where it is not practicable for a co-operative that is not insolvent to effect a fundamental change in the nature of an arrangement pursuant to any other provision of this Act, the co-operative may apply to the court for an order approving an arrangement proposed by the co-operative.

(3) Where the court receives an application pursuant to this section, the court may make any interim or final order it considers appropriate, including:

(a) an order determining the notice to be given to any interested person or dispensing with notice to any person other than the registrar;

(b) an order appointing counsel, at the expense of the co-operative, to represent the interests of the members;

(c) an order requiring a co-operative to call, hold and conduct a meeting of holders of securities or options or rights to acquire securities in any manner that the court directs;

(d) an order approving an arrangement as proposed by the co-operative or as amended in any manner that the court may direct.

(4) An applicant pursuant to this section shall give the registrar notice of the application, and the registrar is entitled to appear and be heard in person or by counsel.

(5) After an order mentioned in clause (3)(d) is made, the co-operative shall send the articles of arrangement in the prescribed form to the registrar.

(6) Where the registrar receives articles of arrangement pursuant to subsection (5), the registrar shall issue a certificate of arrangement in accordance with section 271.

(7) An arrangement becomes effective on the day shown in the certificate of arrangement.

1996, c.C-37.3, s.159.

PART XIV
Dissolution

Application of Part

160(1) This part does not apply to a co-operative that is bankrupt or insolvent within the meaning of the *Bankruptcy and Insolvency Act* (Canada).

(2) Where a co-operative is at any time found in a proceeding pursuant to the *Bankruptcy and Insolvency Act* (Canada) to be bankrupt within the meaning of that Act, any proceedings taken pursuant to this part to dissolve or to liquidate and dissolve the co-operative are to be stayed.

1996, c.C-37.3, s.160.

Dissolution by members and preferred shareholders

161(1) In this section:

"interest" means the interest of a member or shareholder in a co-operative, and includes shares, member loans and obligations of any kind that:

(a) arise by virtue of the bylaws of the co-operative; and

(b) are owed by the co-operative to the member or shareholder; (*«intérêt»*)

"unallocated surplus" includes any net proceeds from the sale of assets on dissolution of the co-operative after the liabilities of the co-operative and the claims of creditors, members and shareholders have been satisfied. (*«excédent non réparti»*)

(2) Subject to the approval of the registrar, the members and preferred shareholders of a co-operative may authorize the dissolution of the co-operative.

(3) The directors shall cause a notice of a general meeting of members and of preferred shareholders to be sent in the manner set out in section 105 to each member and preferred shareholder for the purpose of authorizing dissolution.

(4) Each preferred share of the co-operative carries the right to vote with respect to dissolution whether or not it otherwise carries the right to vote.

(5) For the purpose of subsection (2), dissolution is authorized when:

(a) the members approve the dissolution by a special resolution; and

(b) where the co-operative has preferred shares, the preferred shareholders approve the dissolution by a special resolution.

(6) Where the registrar receives notice, in a form satisfactory to the registrar, of an authorization to dissolve a co-operative, the registrar may approve the dissolution if the registrar is satisfied that it is in the best interests of the co-operative and its members.

(7) An authorization approved pursuant to subsection (5) must set out:

(a) the assets and liabilities of the co-operative as at the date of the special resolution authorizing dissolution;

(b) the claims of any creditors;

(c) the number of members;

(d) the nature and extent of the members' interest in the co-operative; and

(e) the name of the non-profit corporation, association or co-operative established for charitable or benevolent purposes that could receive any statutory reserves.

(8) Where a co-operative has a statutory reserve, it must be paid:

(a) to a non-profit corporation, association or co-operative established for charitable or benevolent purposes;

(b) a co-operative established for similar objects; or

(c) any other person that the registrar may designate.

(9) Subject to subsection (11), where a co-operative has an unallocated surplus or non-statutory reserve and the authorization approved pursuant to subsection (5) states that it is not to be paid out at the time of the co-operative's dissolution, the unallocated surplus or non-statutory reserve is to be paid to one or more trustees who are:

(a) named in the special resolution; or

(b) where not named in the special resolution, appointed by the registrar.

(10) The trustees named or appointed pursuant to subsection (9) shall:

(a) deposit the moneys in a special trust account:

(i) in a credit union;

(ii) with Saskatchewan Co-operative Credit Society Limited;

(iii) with Co-operative Trust Company of Canada; or

(iv) in a chartered bank; or

(b) invest the money in the manner authorized by section 24 of *The Trustee Act, 2009*.

(11) Where a trust is created pursuant to subsection (9), the income and principal of the trust must be expended within a period of 20 years after the day that the trust was established for the purposes set out in subsection (8).

1996, c.C-37.3, s.161; 1998, c.40, s.13; 2009, c.6, s.3.

Notice of dissolution by members

162(1) When the registrar approves a special resolution passed pursuant to subsection 161(5), the registrar shall cause at the expense of the co-operative a notice of the special resolution to be published once a week for two weeks:

(a) in the Gazette; and

(b) in a newspaper having general circulation in the district where the registered office of the co-operative is located.

(2) Notwithstanding subsection (1), where the registrar receives an affidavit from the officers of a co-operative stating that the co-operative has no assets and no liabilities and the registrar is satisfied that it is appropriate, the registrar may:

(a) exempt the co-operative from subsection (1); and

(b) cause at the expense of the co-operative a notice of the special resolution passed pursuant to subsection 161(5) to be published in the Gazette.

(3) The registrar may require from a co-operative, liquidator or trustee appointed by a co-operative or any other person who is required to provide information, an annual or other return showing:

(a) the progress of dissolution;

(b) the distribution of any unallocated surplus or reserve;

(c) the progress of the administration of a trust established in accordance with this section; and

(d) any other information that the registrar may require.

1996, c.C-37.3, s.162.

Dissolution by registrar

163(1) The registrar shall send to the secretary of a co-operative a letter inquiring whether the co-operative is carrying on business, is in operation or is submitting an annual return where the registrar has reasonable cause to believe that the co-operative has not:

(a) commenced business within two years after the day shown on its certificate of incorporation;

(b) carried on business for two consecutive years; or

(c) had its name restored to the register within two years after the day on which it was struck off pursuant to section 280.

(2) Where the registrar does not, within one month after the day on which a letter was sent pursuant to subsection (1), receive an answer to the letter, the registrar shall, within 14 days after the expiry of the month, send to the secretary of the co-operative a letter referring to the letter sent pursuant to subsection (1) and stating that:

(a) no answer to that letter has been received by the registrar; and

(b) if an answer is not received to the letter sent pursuant to this subsection within one month after the day it is sent, a notice will be published in the Gazette to strike the name of the co-operative off the register and to dissolve the co-operative.

(3) The registrar may publish in the Gazette and send to the co-operative a notice that, at the expiry of one month after the day of that notice, the registrar will dissolve the co-operative by issuing a certificate of dissolution where the registrar:

(a) receives an answer from the co-operative that it is not carrying on business or is not in operation or will not be submitting an annual return; or

(b) does not, within one month after the day on which a letter was sent pursuant to subsection (2), receive an answer to that letter.

(4) At the expiry of the period mentioned in a notice sent pursuant to subsection (3), the registrar may, unless cause to the contrary is previously shown by the co-operative:

(a) issue a certificate of dissolution where the registrar is satisfied that the co-operative has no liabilities and has assets that do not exceed the prescribed amount; or

(b) appoint a liquidator to dissolve the co-operative.

(5) Where the registrar has issued a certificate of dissolution pursuant to subsection (4), the registrar may:

(a) require any statutory reserve to be paid to the persons mentioned in subsection 161(8); or

(b) require that any unallocated surplus or non-statutory reserve be paid to a trustee appointed by the registrar to be administered pursuant to subsections 161(10) and (11).

1996, c.C-37.3, s.163.

Dissolution for failure to account for business transacted

164(1) Where a co-operative fails to provide a copy of the annual financial statements to its members at an annual or special meeting called for that purpose or within a period of 12 months after the close of its fiscal year, the registrar:

(a) may require the directors to call a special meeting of the co-operative for the purposes of considering the business transacted during the preceding fiscal year and providing to the members and to the registrar a copy of the annual financial statement; and

(b) where the registrar requires a special meeting to be called pursuant to clause (a), shall determine a period within which the special meeting is to be called.

(2) Where the directors fail to call a special meeting within the period set out in subsection (1), the registrar may call the special meeting:

(a) to review the financial position of the co-operative and the members' interests in the co-operative; and

(b) to ascertain whether the members desire to continue the co-operative and to comply with sections 128 and 130.

(3) Where a quorum of members is not present at a special meeting called pursuant to subsection (2), or the members fail to pass a resolution to the effect that the co-operative must carry on business and comply with sections 128 and 130, the registrar may notify the directors that, unless sections 128 and 130 are complied with within one month after the day of the notice, the co-operative will be struck off the register and dissolved.

(4) Notwithstanding subsection (3), the registrar may extend the period for compliance with sections 128 and 130.

(5) Where a co-operative does not comply with sections 128 and 130 within the period mentioned in subsection (3) or set by the registrar pursuant to subsection (4), the registrar may:

(a) where the registrar is satisfied that the co-operative has no assets or liabilities, issue a certificate of dissolution; or

(b) appoint a liquidator to dissolve the co-operative.

1996, c.C-37.3, s.164.

Dissolution by court order

165(1) The registrar may dissolve a co-operative, or the registrar or an interested person may, after giving the co-operative three months' notice of the proposed application, apply to a court for an order dissolving a co-operative, where the co-operative:

(a) has obtained its incorporation by fraud or mistake;

(b) exists for an illegal purpose;

(c) has wilfully, after notice by the registrar, violated any of the provisions of this Act or its bylaws;

(d) is no longer operating on a co-operative basis; or

(e) has the number of its members reduced below the minimum number required in this Act for the incorporation of the co-operative.

(2) Where an interested person applies pursuant to this section, that person shall give the registrar notice of the application and the registrar is entitled to appear and be heard in person or by counsel.

(3) Where the court receives an application pursuant to this section, it may order that the co-operative be dissolved or liquidated and dissolved under the supervision of the registrar.

(4) Where the registrar receives an order made pursuant to subsection (3), the registrar shall:

(a) where the order is to dissolve the co-operative, issue a certificate of dissolution; or

(b) where the order is to liquidate and dissolve the co-operative under the supervision of the registrar, publish a notice in the Gazette.

1996, c.C-37.3, s.165.

Revival of a dissolved co-operative

166(1) Where a co-operative has been dissolved pursuant to a former Act or this Part, an interested person may apply to the registrar to have the co-operative revived by sending to the registrar articles of revival in the prescribed form.

(2) Where the registrar receives articles of revival pursuant to subsection (1) and the registrar is satisfied that the co-operative is in compliance with this Act, the registrar may:

(a) issue a certificate of revival and publish notice of the revival in the Gazette; and

(b) impose any conditions on the co-operative that the registrar considers reasonable with respect to the revival.

(3) A co-operative is revived on the day shown on the certificate of revival.

(4) Where a co-operative is revived pursuant to this section, it has all the rights and privileges, and is liable for the obligations, that it would have had if it had not been dissolved, subject to any terms that may be imposed by the registrar and to any rights acquired by a person after its dissolution.

1996, c.C-37.3, s.166.

Appointment of liquidator

167 Where a co-operative is to be dissolved pursuant to this Part and no liquidator is appointed by the members or the court, the registrar may:

(a) appoint any person as a liquidator to wind up the affairs of the co-operative; or

(b) where the registrar is satisfied that the co-operative has no assets and liabilities, issue a certificate of dissolution.

1996, c.C-37.3, s.167.

Commencement of liquidation

168 The liquidation of a co-operative commences when:

(a) a special resolution for dissolution of the co-operative is approved by the registrar pursuant to section 161;

(b) the registrar appoints a liquidator pursuant to section 163 or 164; or

(c) the court makes an order to liquidate and dissolve pursuant to section 165 or 190.

1996, c.C-37.3, s.168.

Cessation of business

169 From the day of the commencement of its liquidation:

(a) a co-operative continues in existence, but shall cease to carry on its business except to the extent that may be required, in the opinion of the liquidator, for an orderly liquidation; and

(b) any transfer of shares, other than a transfer made to or with the approval of the liquidator, and any alteration in the status of the members made after the commencement of the liquidation is void.

1996, c.C-37.3, s.169.

General provisions respecting liquidators

170(1) Where two or more liquidators are appointed, all the provisions in this section with respect to a liquidator apply to all of the liquidators.

(2) On the appointment of a liquidator pursuant to this Part, all the powers of the directors vest in the liquidator.

(3) A liquidator may delegate any of the powers vested in the liquidator pursuant to subsection (2) to the directors or members.

(4) Where the members of an association appoint a liquidator, they may, at that time or at a subsequent general meeting, pass a resolution giving directions to the liquidator with respect to the disposal of the property of the co-operative.

(5) A liquidator is subject to the directions, orders and instructions of the registrar with respect to the manner in which and the terms and conditions on which the liquidator may dispose of the whole or any part of the property of the co-operative where:

(a) the members appointed the liquidator and have not issued directions pursuant to subsection (4); or

(b) the members did not appoint the liquidator.

(6) Where a vacancy in the office of liquidator occurs, the registrar may appoint another person to fill the vacancy.

(7) In all proceedings connected with the co-operative, the liquidator is to be described as the liquidator of the (*name of co-operative*), and not by the individual name of the liquidator only.

1996, c.C-37.3, s.170.

Duties of liquidator

171(1) On his or her appointment, a liquidator shall:

(a) immediately give notice of the appointment:

(i) in the case of a liquidator not appointed by the registrar, to the registrar; and

(ii) to each claimant and creditor known to the liquidator;

(b) immediately publish notice of the appointment in the Gazette and once a week for two consecutive weeks in a newspaper published or distributed in the place where the co-operative has its registered office and take reasonable steps to give notice of the liquidation in every jurisdiction where the co-operative carries on business;

(c) place in the notices mentioned in clauses (a) and (b) a provision requiring:

(i) any person who is indebted to the co-operative to render an account and pay to the liquidator at the time and place specified any amount owing;

(ii) any person who possesses property of the co-operative to deliver it to the liquidator at the time and place specified; and

(iii) any person who has a claim against the co-operative, whether liquidated, unliquidated, future or contingent, to present particulars of the claim in writing to the liquidator not later than two months after the first publication of the notice;

(d) take into his or her custody and control the property of the co-operative; and

(e) open and maintain a trust account for the moneys of the co-operative.

(2) The liquidator shall:

(a) keep accounts of the moneys of the co-operative that are received and paid out by the liquidator; and

(b) maintain separate lists of the members, creditors and other persons who have claims against the co-operative.

(3) Where at any time the liquidator determines that the co-operative is unable to pay or adequately provide for the discharge of its obligations, the liquidator shall apply to the registrar for directions.

(4) The liquidator shall deliver to the registrar, at least once in every 12-month period after his or her appointment or more often as the registrar may require, financial statements of the corporation in the form required by section 128 or in any other form that the liquidator considers proper or that the registrar may require.

1996, c.C-37.3, s.171.

Powers of liquidator

172(1) The liquidator may:

(a) retain lawyers, accountants, engineers, appraisers and other professional advisers;

(b) bring, defend or take part in any civil, criminal or administrative action or proceeding in the name and on behalf of the co-operative;

(c) carry on the business of the co-operative as required for an orderly liquidation;

(d) sell by public auction or private sale any property of the co-operative;

(e) do all acts and execute any documents in the name and on behalf of the co-operative;

(f) borrow moneys on the security of the property of the co-operative;

(g) settle or compromise any claims by or against the co-operative; and

(h) do all other things that the liquidator considers necessary for the liquidation of the co-operative and distribution of its property.

(2) Where a liquidator has reason to believe that any person has in his or her possession or under his or her control or has concealed, withheld or misappropriated any property of the co-operative, the liquidator may apply to the court for an order requiring that person to appear before the court at the time and place designated in the order and to be examined.

(3) Where the examination mentioned in subsection (2) discloses that a person has concealed, withheld or misappropriated property of the co-operative, the court may order that person to restore the property or pay compensation to the liquidator on behalf of the co-operative.

(4) Subject to the approval of the registrar, no liquidator shall purchase, directly or indirectly, any part of the stock-in-trade, debts or assets of the co-operative.

1996, c.C-37.3, s.172.

Limitation on liability of liquidator

173 A liquidator is not liable where the liquidator relies in good faith on:

(a) financial statements of the co-operative represented to the liquidator:

(i) by an officer of the co-operative; or

(ii) by the auditor of the co-operative in a written report that states that the financial statements reflect fairly the financial condition of the co-operative; or

(b) an opinion, a report or a statement of a lawyer, an accountant, an engineer, an appraiser or other professional adviser retained by the liquidator.

1996, c.C-37.3, s.173.

Costs of liquidation

174(1) A liquidator shall:

(a) pay the costs of liquidation out of the property of the co-operative; and

(b) pay or make adequate provision for all claims against the co-operative.

(2) After the day specified by the liquidator for distribution pursuant to subclause 171(1)(c)(iii), the liquidator may distribute all or any part of the assets of the co-operative among the parties entitled to the assets having regard to the claims of which the liquidator has notice.

(3) The liquidator is not liable for any part of the assets of the co-operative distributed pursuant to subsection (2) to a person if the liquidator did not have notice of the person's claim at the time of distribution.

1996, c.C-37.3, s.174.

Final account

175(1) After paying or making adequate provision for all claims against the co-operative, the liquidator shall apply to the registrar for approval of the final accounts.

(2) Where the liquidator has not paid or made adequate provision for all claims against the co-operative within one year after his or her appointment, the liquidator shall apply to the registrar for an extension of time to complete his or her responsibilities, setting out the reasons for the extension of time.

(3) Where the registrar approves the final accounts rendered by a liquidator pursuant to subsection (1), the registrar shall:

(a) issue directions with respect to the custody or disposal of the documents and records of the co-operative; and

(b) discharge the liquidator.

(4) Where the registrar discharges a liquidator pursuant to subsection (3), the registrar shall issue a certificate of dissolution.

(5) The co-operative ceases to exist on the day shown in the certificate of dissolution.

1996, c.C-37.3, s.175.

Custody of records

176(1) A person who has been granted custody of the documents and records of a dissolved co-operative remains liable to produce those documents and records for six years following the day of its dissolution or until the expiry of any other shorter period that the registrar may set pursuant to clause 175(3)(a).

(2) The liquidator shall immediately notify the registrar of the name and address of the person granted custody of the documents and records of a dissolved co-operative.

1996, c.C-37.3, s.176.

Remuneration of liquidator

177(1) Where there is no agreement or provision fixing the remuneration of a liquidator, the liquidator is entitled to a commission based on the net proceeds of the estate of the co-operative realized after deducting expenses and disbursements.

(2) The amount of the commission mentioned in subsection (1) is equal to:

(a) 5% on the first $1,000 realized;

(b) 2.5% on the next $4,000 realized; and

(c) 1.25% on any sum in excess of $5,000 realized.

(3) Where a liquidator applies to the registrar, the registrar may increase the amount of commissions set out in subsection (2).

(4) No liquidator is entitled to any fee or charge for his or her services in addition to the commission allowed pursuant to this section.

1996, c.C-37.3, s.177.

Continuation of actions

178(1) Notwithstanding the dissolution of a co-operative pursuant to this Act:

(a) a civil, criminal or administrative action or proceeding commenced by or against the co-operative before its dissolution may be continued as if the co-operative had not been dissolved;

(b) subject to *The Limitations Act*, a civil, criminal or administrative action or proceeding may be brought against the co-operative within two years after its dissolution as if the co-operative had not been dissolved; and

(c) any property that would have been available to satisfy any judgment or order if the co-operative had not been dissolved remains available for that purpose.

(2) Service of a document on a co-operative after its dissolution may be effected by serving the document on a person shown on the records of the registrar as one of the last directors of the co-operative.

(3) Notwithstanding the dissolution of a co-operative:

(a) a person to whom any of the property of the co-operative has been distributed is liable to any person claiming pursuant to subsection (1) to the extent of the amount received by that person on the distribution with respect to any share of the co-operative held by that person; and

(b) subject to *The Limitations Act*, an action to enforce the liability described in clause (a) may be brought within two years after the day of dissolution of the co-operative.

1996, c.C-37.3, s.178; 2004, c.16, s.2.

Creditors, etc., not located

179(1) Where the liquidator is unable to locate any creditors, shareholders or members who have claims against the co-operative, the liquidator may pay into court the amount of those claims.

(2) Payment into court of an amount pursuant to subsection (1) absolves the co-operative and the liquidator of any liability with respect to the claims of those creditors, shareholders or members to the extent of the payment.

(3) A creditor, shareholder or member who has a claim against the moneys paid into court may, within three years after the day on which the moneys are paid into court, apply to the court for payment out of the amount of that claim on any terms and conditions that the court may set.

(4) A person named as an eligible claimant in the resolution to dissolve the co-operative may, within three years after the expiry of the period set out in subsection (3), apply to the court for payment out of any moneys remaining in court after the payment out of moneys with respect to any applications properly made pursuant to subsection (3).

1996, c.C-37.3, s.179.

PART XV
Investigations

Special audit

180(1) On the registrar's own initiative, or on the application of the lesser of 300 members and 10% of the members, the registrar may appoint a person as auditor who shall make a special audit of the books of the co-operative and examine the affairs of the co-operative and shall make available a report of the special audit to the registrar.

(2) Subject to subsection (3), the registrar may direct that the expenses incidental to a special audit undertaken pursuant to this section are to be defrayed:

(a) by the members applying for the special audit;

(b) by the co-operative or its officers; or

(c) by any combination of the members, the co-operative or its officers.

(3) Where a special audit undertaken pursuant to this section reveals substantial irregularities in the business of the co-operative, the registrar shall not direct any members on whose motion the audit was commenced to defray the expenses.

(4) Where the registrar appoints an auditor pursuant to subsection (1), the co-operative and its officers, members, agents or employees shall provide the auditor with any books, accounts, securities or other documents the auditor requires to perform the special audit.

1996, c.C-37.3, s.180.

Investigations

181(1) A member, the registrar or any interested person may apply *ex parte*, or on any notice that the court may require, to the court for an order directing an investigation to be made of the co-operative or any of its subsidiaries or affiliates.

(2) On an application pursuant to subsection (1), the court may order an investigation of a co-operative or of any of its subsidiaries or affiliates where it appears to the court that:

(a) the co-operative is not fulfilling the objects or purposes stated in its articles;

(b) the co-operative is not carrying on business in accordance with:

(i) the restrictions contained in its articles; or

(ii) this Act, the regulations or the bylaws;

(c) the co-operative is not organized or being operated on a co-operative basis;

(d) the business of the co-operative or any of its subsidiaries or affiliates is or has been carried on with intent to defraud any person;

(e) the business or affairs of the co-operative or any of its subsidiaries or affiliates are or have been carried on or conducted, or the powers of the directors are or have been exercised, in a manner that is oppressive or unfairly prejudicial to or that unfairly disregards the interest of a member or security holder;

(f) the co-operative or any of its subsidiaries or affiliates was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose; or

(g) persons concerned with the formation, business or affairs of the co-operative or any of its subsidiaries or affiliates have acted fraudulently or dishonestly in connection with the co-operative.

(3) An applicant for an order pursuant to this section is not required to give security for costs.

(4) An *ex parte* application pursuant to this section shall be heard with the public excluded.

(5) No persons may publish anything relating to *ex parte* proceedings conducted pursuant to this section other than with the authorization of the court or the written consent of the co-operative being investigated.

1996, c.C-37.3, s.181.

Court order

182 In connection with an investigation pursuant to section 181, the court may make any order it considers appropriate, including an order:

(a) directing an investigation;

(b) appointing an inspector, who may be the registrar, fixing the remuneration of an inspector and replacing an inspector;

(c) determining the notice to be given to any interested person or dispensing with notice to that person;

(d) authorizing an inspector to enter any premises in which the court is satisfied there might be relevant information, and to examine anything and make copies of any document or record found on the premises;

(e) requiring any person to produce documents or records to the inspector;

(f) authorizing an inspector to conduct a hearing, administer oaths and examine any person on oath, and setting out rules for the conduct of the hearing;

(g) requiring any person to attend a hearing conducted by an inspector and to give evidence on oath;

(h) giving directives to an inspector or any interested person on any matter arising in the investigation;

(i) requiring an inspector to make an interim or final report to the court and to the registrar;

(j) determining whether a report of an inspector made pursuant to clause (i) should be published and, where published, ordering the registrar to publish the report in whole or in part or to send copies to any person the court designates;

(k) requiring an inspector to discontinue an investigation;

(l) requiring the co-operative or a person who applied pursuant to section 181 for an order to pay the costs of the investigation.

1996, c.C-37.3, s.182.

Powers of inspector

183(1) An inspector appointed pursuant to section 182 has the powers set out in the order appointing the inspector.

(2) In addition to the powers set out in the order appointing an inspector, an inspector may provide to, or exchange information and otherwise co-operate with, any public official in Canada or elsewhere who:

(a) is authorized to exercise investigatory powers; and

(b) is investigating, with respect to the co-operative, an allegation of improper conduct that is the same as or similar to the conduct described in subsection 181(2).

1996, c.C-37.3, s.183.

Hearing with public excluded

184(1) Any interested person may apply to the court for an order that a hearing conducted by an inspector appointed pursuant to section 182 be heard with the public excluded and for directions on any matter arising in the investigation.

(2) A person whose conduct is being investigated or who is being examined at a hearing conducted by an inspector appointed pursuant to section 182 has a right to be represented by counsel.

1996, c.C-37.3, s.184.

Incriminating statements

185(1) No person is excused from attending and giving evidence and producing documents and records to an inspector appointed pursuant to section 182 by reason only that the evidence tends to incriminate that person or subject that person to any proceedings or penalty.

(2) No evidence described in subsection (1) is to be used or is receivable against the person mentioned in that subsection in any proceeding instituted against that person after he or she gives the evidence, other than a prosecution:

(a) for perjury in giving the evidence; or

(b) pursuant to section 134 or 136 of the *Criminal Code* with respect to the evidence.

1996, c.C-37.3, s.185.

Absolute privilege, defamation

186(1) Any oral or written statement or report made by an inspector or any other person in an investigation undertaken pursuant to this Part has absolute privilege.

(2) This Part is deemed not to affect the privilege that exists with respect to a solicitor and the solicitor's client.

1996, c.C-37.3, s.186.

Inquiries

187 The registrar may make inquiries of any person relating to compliance with this Act.

1996, c.C-37.3, s.187; 2013, c.21, s.2.

PART XVI
Remedies

Interpretation of Part

188 In this Part:

"action" means an action pursuant to this Act; (*«action»*)

"complainant" means:

(a) a member of a co-operative;

(b) a registered holder or beneficial owner, or a former registered holder or beneficial owner, of a security of a co-operative;

(c) a director or an officer, or a former director or officer, of a co-operative or of any of its subsidiaries;

(d) the registrar; or

(e) any other person who, in the opinion of the court, is a proper person to make an application pursuant to this Part. (*«plaignant»*)

1996, c.C-37.3, s.188.

Derivative action

189(1) Subject to subsection (2), a complainant may apply to the court for leave to bring an action in the name and on behalf of a co-operative or any of its subsidiaries, or to intervene in an action to which the co-operative or any of its subsidiaries is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the co-operative or subsidiary.

(2) No person may bring an action and no person may intervene in an action brought pursuant to subsection (1) unless the court is satisfied that:

(a) where the directors of the co-operative or its subsidiary do not bring, diligently prosecute, defend or discontinue the action, the complainant has given reasonable notice to the directors of the co-operative or its subsidiary of the complainant's intention to apply to the court pursuant to subsection (1);

(b) the complainant is acting in good faith; and

(c) the interests of the co-operative or its subsidiary are served by the bringing, prosecuting, defending or discontinuing of the action.

(3) In an action brought or intervened in pursuant to this section, the court may make any order it considers appropriate, including an order:

(a) authorizing the complainant or any other person to control the conduct of the action;

(b) giving directions for the conduct of the action.

1996, c.C-37.3, s.189.

Oppression

190(1) A complainant may apply to the court for an order pursuant to this section on any of the following grounds:

(a) that an act or omission of the co-operative effects a result that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of a member or other security holder, creditor, director or officer of the co-operative;

(b) that the business or affairs of the co-operative are or have been carried on or conducted in a manner that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of a member or other security holder, creditor, director or officer of the co-operative; or

(c) that the powers of the directors of the co-operative are or have been exercised in a manner that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of a member or other security holder, creditor, director or officer of the co-operative.

(2) Where the court is satisfied that any of the grounds set out in clauses (1)(a) to (c) is established, the court may make any order to rectify the matters complained of that it considers appropriate, including an order:

(a) restraining the conduct complained of;

(b) appointing a receiver or receiver-manager;

(c) regulating the affairs of a co-operative by amending its articles or bylaws;

(d) directing an issue or exchange of securities;

(e) directing changes in the directors;

(f) subject to subsection (4), directing a co-operative or any other person to purchase securities of a security holder;

(g) subject to subsection (4), directing a co-operative or any other person to pay to a security holder any part of the moneys paid by the security holder for securities;

(h) subject to subsection (4), directing a co-operative to repay member loans;

(i) varying or setting aside a transaction or contract to which a co-operative is a party and compensating the co-operative or any other party to the transaction or contract;

(j) compensating an aggrieved person;

(k) directing rectification of the registers or other records of a co-operative pursuant to section 192;

(l) liquidating and dissolving the co-operative under the supervision of the registrar;

(m) directing a special audit pursuant to section 180 or an investigation pursuant to section 181; or

(n) requiring the trial of an issue.

(3) Where an order made pursuant to this section directs amendment of the articles or bylaws of a co-operative, the directors shall reorganize their articles or bylaws in the prescribed form and send them to the registrar.

(4) No co-operative shall make a payment to a shareholder pursuant to clause (2)(f), (g) or (h) where there are reasonable grounds to believe that the co-operative is, or would after that payment be, insolvent.

1996, c.C-37.3, s.190.

Evidence of member approval not decisive

191(1) No application made and no action brought or intervened in pursuant to this Part is to be stayed or dismissed by reason only that it is shown that an alleged breach of a right or duty owed to the co-operative or any of its subsidiaries has been or may be approved by the members, but evidence of approval by the members shall be taken into account by the court in making an order pursuant to this Part.

(2) No application made and no action brought or intervened in pursuant to this Part is to be stayed, discontinued, settled or dismissed for want of prosecution without the approval of the court given on any terms that the court considers appropriate.

(3) Where the court determines that the interests of any complainant may be substantially affected by a stay, discontinuance, settlement or dismissal mentioned in subsection (2), the court may order any party to the application or action to give notice of the application or action to the complainant.

(4) No complainant is required to be given security for costs in an application made or action brought or intervened in pursuant to this Part.

(5) In an application made or an action brought or intervened in pursuant to this Part, the court may, at any time, order the co-operative or its subsidiary to pay to the complainant interim costs, including legal fees and disbursements, but the complainant may be held accountable for any interim costs so paid on final disposition of the application or action.

1996, c.C-37.3, s.191.

Application to court to rectify records

192(1) Where the name of a person is alleged to be or to have been wrongly entered or retained in or wrongly deleted or omitted from the registers or other records of a co-operative, the co-operative, a member or other security holder of the co-operative or any aggrieved person may apply to the court for an order that the registers or records be rectified.

(2) An applicant pursuant to this section shall give the registrar notice of the application, and the registrar is entitled to appear and be heard in person or by counsel.

(3) On an application made pursuant to this section, the court may make any order it considers appropriate, including an order:

(a) requiring the registers or records of the co-operative to be rectified;

(b) restraining the co-operative from calling or holding a meeting of members or allocating or paying a dividend or interest on shares or a patronage dividend before rectification of the registers or records;

(c) determining the right of a party to the proceedings to have the party's name entered or retained in or deleted or omitted from the registers or records of the co-operative, whether the issue arises between two or more members or security holders, or between the co-operative and any members or security holders or alleged members or security holders;

(d) compensating a party who has incurred a loss by reason of the wrongful entry, retention, deletion or omission.

1996, c.C-37.3, s.192.

Compliance or restraining order

193 Where a co-operative or any director, officer, employee, agent, auditor, trustee, receiver, receiver-manager or liquidator of a co-operative does not comply with or is acting contrary to a provision of this Act or the regulations or the articles or bylaws of the co-operative, a complainant or creditor of the co-operative may, in addition to any other remedy, apply to the court for an order to restrain any contravention of the provision, and, on the application, the court may make the order and any further order it considers appropriate.

1996, c.C-37.3, s.193.

Summary application to court

194(1) Where this Part provides for an application to the court, the application may be made in a summary manner by petition or originating notice of motion or in any other manner that the rules of the court may provide.

(2) An application made pursuant to this Part is subject to any order of the court respecting:

(a) notice to interested parties;

(b) costs; or

(c) any matter in addition to those described in clauses (a) and (b) that the court considers appropriate.

1996, c.C-37.3, s.194.

Appeal

195 An appeal lies to the Court of Appeal from any order made by the court pursuant to this Part.

1996, c.C-37.3, s.195.

PART XVII
Offences

Offences with respect to reports

196(1) No person shall make or assist in making a report, return, notice or other document required in this Act or the regulations to be sent to the registrar or to any other person that:

(a) contains an untrue statement of a material fact; or

(b) omits to state a material fact that is required in the report, return, notice or other document or that is necessary to prevent a statement contained in the report, return, notice or other document from being misleading in light of the circumstances in which it was made.

(2) Every person who contravenes subsection (1) is guilty of an offence and is liable on summary conviction:

(a) in the case of an individual, to a fine not greater than $5,000 or to imprisonment for a term not greater than six months or to both fine and imprisonment;

(b) in the case of a person other than an individual, to a fine not greater than $50,000.

(3) Where a person guilty of an offence pursuant to subsection (2) is a body corporate and whether or not the body corporate has been prosecuted or convicted, any director or officer of the body corporate who knowingly authorizes, permits or acquiesces in the offence is also guilty of an offence and is liable on summary conviction to a fine of not more than $5,000 or to imprisonment for a term not exceeding six months or to both fine and imprisonment.

(4) No person is guilty of an offence pursuant to subsection (2) or (3) where the untrue statement or omission:

(a) was unknown to the person; and

(b) in the exercise of reasonable diligence, could not have been known to the person.

1996, c.C-37.3, s.196.

Contravention of Act

197(1) No person shall:

(a) without reasonable cause, contravene a provision of this Act or the regulations for which no penalty is otherwise provided; or

(b) fail to give any notice or send any return or document that is required for the purposes of this Act.

(2) Every person who contravenes subsection (1) is guilty of an offence and is liable on summary conviction to a fine of not more than $5,000.

1996, c.C-37.3, s.197.

Use of word "co-operative"

198(1) No person doing business in Saskatchewan shall use the word "co-operative" or «coopérative» or any abbreviation or derivation of that word as part of its name, or with respect to its goods, wares, merchandise or services or its method of conducting its business, or hold itself out to be a co-operative association unless it is:

(a) incorporated by or pursuant to the authority of an Act of the Parliament of Canada; or

(b) incorporated or registered pursuant to an Act or an Act of another province or territory of Canada that expressly authorizes the use of the word "co-operative" or «coopérative».

(2) No person shall use the words "community clinic" or « clinique communautaire » as part of its name or on premises it operates unless it:

(a) was incorporated pursuant to *The Mutual Medical and Hospital Benefit Associations Act*; or

(b) is incorporated pursuant to this Act as a community clinic as defined in section 263.

(3) No person shall use the words "housing co-operative" or «coopérative de logement» as part of its name or on premises that it operates unless it is incorporated or continued pursuant to this Act as a continuing housing co-operative as defined in section 247.

(4) A person who contravenes subsection 13(3) or this section is guilty of an offence and liable on summary conviction to a fine of not more than $5,000.

1996, c.C-37.3, s.198; 2014, c.18, s.2.

Order to comply

199 Where a person is convicted of an offence pursuant to this Act or the regulations, the court may, in addition to any punishment imposed, order the person to comply with the provisions of this Act or the regulations for the contravention of which the person has been convicted.

1996, c.C-37.3, s.199.

Time limited for proceedings

200 No prosecution for an offence pursuant to this Act shall be commenced after two years after the time when the subject-matter of the complaint arose.

1996, c.C-37.3, s.200.

Civil remedy not affected

201 No civil remedy for an act or omission pursuant to this Act is suspended or affected by reason that the act or omission is an offence pursuant to this Act.

1996, c.C-37.3, s.201.

PART XVIII
Extraprovincial and Other Registered Co-operatives

Registration of extraprovincial co-operatives

202(1) Every extraprovincial co-operative carrying on business in Saskatchewan must be registered pursuant to this Part.

(2) The following may apply for registration pursuant to this Part:

(a) a corporation that has for its objects the operation of any enterprise or service on a co-operative basis for its members or on a basis that, in the opinion of the registrar is similar to a co-operative basis;

(b) a marketing board or commission that handles a co-operative plan pursuant to *The Agri-Food Act*.

1996, c.C-37.3, s.202; 2015, c.22, s.4 and s.12.

Prohibition

203 No extraprovincial co-operative shall carry on business in Saskatchewan unless it is registered pursuant to this Act.

1996, c.C-37.3, s.203; 2015, c.22, s.12.

Effect of registration

204(1) Subject to this Act, its articles and its certificate of registration, an extraprovincial co-operative while registered pursuant to this Act may carry on business in Saskatchewan.

(2) Other than for the purpose of a prosecution of an offence against this Act, registration or renewal of registration of an extraprovincial co-operative pursuant to this Act is deemed to authorize all previous acts of the co-operative as if the co-operative had been registered at the time of those acts.

1996, c.C-37.3, s.204; 2015, c.22, s.12.

Application for registration

205(1) An extraprovincial co-operative that is required to be registered pursuant to this Act and every corporation or marketing board and commission that wishes to be registered pursuant to this Act shall:

(a) complete and file with the registrar a statement in the form provided by the registrar;

(b) provide the registrar with evidence, satisfactory to the registrar, that the co-operative is organized and operates on a co-operative basis or on a basis that is substantially similar to a co-operative basis; and

(c) file with the registrar any other information that the registrar may require.

(2) An extraprovincial co-operative, a corporation or a marketing board or commission shall file with the statement to be filed pursuant to subsection (1):

(a) an affidavit of two of its directors or officers:

(i) stating:

(A) that none of the directors is a person who would be disqualified pursuant to section 75 from being a director of a co-operative incorporated pursuant to this Act; and

(B) whether or not the co-operative has within the preceding five years been convicted of an offence involving fraud and, if so, particulars of the offence; and

(ii) verifying the information set out in the statement; and

(b) a copy of the articles of the co-operative verified in a manner satisfactory to the registrar.

(3) An extraprovincial co-operative registering solely for the purpose of becoming a member of the Co-operative Superannuation Society is not required to comply with subsection (2).

1996, c.C-37.3, s.205; 2015, c.22, s.12.

Certificate of registration

206 The registrar may register an extraprovincial co-operative, corporation, marketing board or commission and issue a certificate of registration in accordance with section 271 where:

(a) the extraprovincial co-operative, corporation, marketing board or commission files an application pursuant to section 205; and

(b) the registrar is satisfied that the extraprovincial co-operative, corporation, marketing board or commission operates on a co-operative basis or on a basis that is substantially similar to a co-operative basis.

1996, c.C-37.3, s.206; 2013, c.21, s.2; 2015, c.22, s.12.

Notice of registration

207 When the registrar registers an extraprovincial co-operative, a corporation or a marketing board or commission pursuant to this Act, the registrar shall publish in the Gazette notice of its registration showing:

(a) the jurisdiction of incorporation;

(b) where the co-operative, corporation, marketing board or commission is incorporated for a limited time, the time of its existence;

(c) the business to be carried on in Saskatchewan by the co-operative, corporation or marketing board; and

(d) where the registrant is an extraprovincial co-operative, the address of the head office or chief place of business of the co-operative outside Saskatchewan.

1996, c.C-37.3, s.207; 2015, c.22, s.12.

Restriction

208(1) When the registrar issues a certificate of registration to an extraprovincial co-operative pursuant to section 206, the registrar may place a restriction in the certificate of registration on the businesses in which an extraprovincial co-operative may engage in Saskatchewan without the registrar's prior written approval.

(2) An extraprovincial co-operative that engages, without the prior written approval of the registrar, in a business in Saskatchewan that it is restricted from engaging in by virtue of a restriction in its certificate of registration is guilty of an offence and is liable on summary conviction to a fine of not more than $5,000.

(3) No act of an extraprovincial co-operative, including a transfer of property to or by an extraprovincial co-operative, is invalid by reason only that the act contravenes subsection (2).

1996, c.C-37.3, s.208; 2015, c.22, s.12.

Power of attorney

209(1) Every extraprovincial co-operative shall, before registration, file with the registrar a duly executed power of attorney in the prescribed form appointing the person named in the power of attorney to act as its attorney:

(a) for the purpose of receiving service of process in all suits and proceedings by or against the co-operative within Saskatchewan and for the purpose of receiving all lawful notices; and

(b) declaring that service of process with respect to the suits and proceedings and of the notices mentioned in clause (a) on the attorney are legal and binding.

(2) An extraprovincial co-operative may, by a new or other power of attorney executed and deposited in the manner mentioned in subsection (1), appoint another attorney within Saskatchewan to replace the attorney formerly appointed.

(3) No extraprovincial co-operative shall appoint a person as its attorney pursuant to this section who is not a resident of Saskatchewan.

(4) A co-operative shall file another power of attorney with the registrar within 15 days after the day on which:

(a) the attorney named in a power of attorney filed pursuant to this section ceases to reside in Saskatchewan, dies or resigns; or

(b) the power of attorney filed becomes invalid or ineffectual for any reason.

(5) A resignation of an attorney is effective at the later of:

(a) the time a written resignation is sent to the co-operative; and

(b) the time specified in the written resignation.

(6) The attorney shall send to the registrar a copy of a written resignation sent pursuant to subsection (5).

(7) Every attorney shall sign, in the presence of a witness, the power of attorney form in which the attorney is appointed declaring that he or she has consented to act as attorney.

1996, c.C-37.3, s.209; 2015, c.22, s.4 and s.12.

Notice of change

210(1) Every extraprovincial co-operative and every corporation registered pursuant to this Act shall send to the registrar notice of any change:

(a) in the address of its head office, whether within or outside Saskatchewan;

(b) in the address of its attorney; and

(c) of its directors.

(2) Every extraprovincial co-operative and every corporation registered pursuant to this Act shall send every notice of change mentioned in subsection (1) in duplicate to the registrar who shall return one copy endorsed by the registrar to show that notice has been filed.

(3) Every extraprovincial co-operative and every corporation registered pursuant to this Act shall send a notice of change pursuant to subsection (1) to the registrar not later than 15 days after the change is made.

1996, c.C-37.3, s.210; 2015, c.22, s.12.

Change in articles

211(1) Every extraprovincial co-operative and every corporation registered pursuant to this Act shall send to the registrar a copy of any amendment to its articles within 30 days after the day of the amendment.

(2) The registrar may:

(a) issue a certificate with respect to an amendment mentioned in subsection (1) in any form the registrar considers appropriate; and

(b) publish a notice of the amendment in the Gazette.

1996, c.C-37.3, s.211; 2013, c.21, s.2; 2015, c.22, s.12.

Notice to registrar of amalgamation agreement

212(1) Every extraprovincial co-operative and every corporation registered pursuant to this Act shall file with the registrar a copy, certified by an officer of the co-operative or corporation, of any amalgamation agreement to which it is a party, within one month after the day the agreement takes effect.

(2) The registrar shall:

(a) issue a supplementary certificate of registration with respect to an amalgamation of the extraprovincial co-operative or corporation; and

(b) publish a notice of the issuance in the Gazette.

(3) From the day of a supplementary certificate mentioned in subsection (2), the amalgamated extraprovincial co-operative or corporation is deemed to hold and possess all the property situated within Saskatchewan of the amalgamating extraprovincial co-operative or corporation, to the extent expressed in the amalgamation agreement.

1996, c.C-37.3, s.212; 2015, c.22, s.12.

Restriction on name change

213(1) Except as provided in subsection (2), no extraprovincial co-operative and no corporation registered pursuant to this Act shall change its name:

(a) to a name that is identical to the name by which another body corporate is incorporated by or pursuant to an Act or is registered in Saskatchewan; or

(b) to a name that, in the opinion of the registrar, resembles a name by which another body corporate is incorporated by or pursuant to an Act or is registered in Saskatchewan.

(2) An extraprovincial corporation may change its name to a name described in clause (1)(a) or (b) where:

(a) the other body corporate is in the course of being dissolved and signifies its consent in any manner that the registrar requires; or

(b) the other body corporate is an extraprovincial co-operative that has ceased to carry on business in Saskatchewan.

(3) No extraprovincial co-operative and no corporation registered pursuant to this Act shall change its name to a name that the registrar, for any reason, disapproves.

(4) Where an extraprovincial co-operative or corporation registered pursuant to this Act changes its name to a name that is prohibited pursuant to subsection (1), the registrar may order the extraprovincial co-operative or corporation to change its name to one that the registrar approves.

(5) This section does not apply to a federal co-operative.

1996, c.C-37.3, s.213; 2015, c.22, s.12.

Members of Co-operative Superannuation Society exempt

214 Sections 209 to 213 and 283 do not apply to an extraprovincial co-operative that is:

(a) registered pursuant to this Act; and

(b) restricted to becoming a member of the Co-operative Superannuation Society.

1996, c.C-37.3, s.214; 2015, c.22, s.12.

Withdrawal of registration

215 An extraprovincial co-operative or a corporation registered pursuant to this Act may withdraw its registration by advising the registrar of its intent on the form provided by the registrar.

1996, c.C-37.3, s.215; 2015, c.22, s.12.

PART XVIII.1
Special Rules respecting Extraprovincial Matters

Interpretation of Part

215.1 In this Part:

(a) **"extraprovincial matters"** means:

(i) matters pertaining to extraprovincial co-operatives set out in Part XVIII, this Part and the regulations made pursuant to section 215.3; and

(ii) matters pursuant to the laws of another jurisdiction in Canada that are similar to the matters set out in Part XVIII, this Part and the regulations made pursuant to section 215.3; («*matières extraprovinciales* »)

(b) **"extraprovincial registrar"** means a person in another jurisdiction in Canada who performs a function in that jurisdiction similar to the function that the registrar performs pursuant to this Act. (« *registraire extraprovincial* »)

2012, c.7, s.3; 2015, c.22, s.12.

Agreements

215.2(1) The minister may enter into an agreement with an extraprovincial registrar to address the following matters:

(a) the collection by the extraprovincial registrar of applications, information, forms, notices, documents, fees or other things relating to extraprovincial matters mentioned in subclause 215.1(a)(i) for the registrar and any matter relating to the collection of those things and their transmission to the registrar;

(b) the collection by the registrar of applications, information, forms, notices, documents, fees or other things pursuant to the laws of another jurisdiction in Canada relating to extraprovincial matters mentioned in subclause 215.1(a)(ii) for the extraprovincial registrar of that jurisdiction and any matter relating to the collection of those things and their transmission to the extraprovincial registrar.

(2) An agreement mentioned in subsection (1) may provide for any matter the minister considers appropriate, including describing the powers and duties of the registrar and the extraprovincial registrar with respect to the matters addressed in the agreement.

2012, c.7, s.3; 2015, c.22, s.12.

Regulations for Part

215.3 The Lieutenant Governor in Council may make regulations:

(a) classifying or otherwise designating those extraprovincial registrars to which a regulation made pursuant to this section applies;

(b) classifying or otherwise designating those extraprovincial co-operatives to which a regulation made pursuant to this section applies;

(c) respecting the collection by the registrar of applications, information, forms, notices, documents, fees or other things pursuant to the laws of another jurisdiction in Canada relating to extraprovincial matters mentioned in subclause 215.1(a)(ii) for the extraprovincial registrar and their transmission to the extraprovincial registrar;

(d) respecting the registration of and other matters pertaining to extraprovincial co-operatives, including regulations respecting:

(i) applications for registration of extraprovincial co-operatives;

(ii) annual returns and other returns of extraprovincial co-operatives;

(iii) the reinstatement of registrations of extraprovincial co-operatives;

(iv) changes in the name, charter, head office, directors or attorneys for service of extraprovincial co-operatives;

(v) amalgamations of extraprovincial co-operatives;

(vi) liquidation of extraprovincial co-operatives; and

(vii) the cancellation of registrations of extraprovincial co-operatives;

(e) respecting forms that may be required for the purposes of regulations made pursuant to this section;

(f) respecting the documentation to be issued by the registrar;

(g) **Repealed**. 2013, c.21, s.2.

(h) respecting the furnishing of applications, information, forms, notices, documents, fees and other things to the registrar;

(i) exempting an extraprovincial co-operative from the operation of all or part of Part XVIII or this Part;

(j) providing that a provision of this Act or a provision of a regulation made pursuant to another section of this Act does not apply with respect to extraprovincial co-operatives;

(k) respecting the retention of documents by applicants;

(l) defining, enlarging or restricting the meaning of any word or expression used in this Part but not defined in this Part.

2012, c.7, s.3; 2013, c.21, s.2; 2015, c.22, s.12.

Regulations prevail

215.4 If there is a conflict or inconsistency between a regulation made pursuant to section 215.3 and another provision of this Act or a regulation made pursuant to another section of this Act, the regulation made pursuant to section 215.3 prevails to the extent of the conflict or inconsistency.

2012, c.7, s.3.

PART XIX
Security Issues

Interpretation of Part

216(1) In this Part:

"board" means the Financial and Consumer Affairs Authority of Saskatchewan; (« *commission* »)

"security" includes:

(a) any document, instrument or writing commonly known as a security;

(b) any document constituting evidence of title to or interest in the capital, assets, property or earnings of a co-operative;

(c) any bond, debenture, note or other evidence of indebtedness, share, stock, unit, unit certificate, participation certificate, certificate of share or interest or subscription other than:

(i) a contract of insurance issued by an insurance company; or

(ii) an evidence of deposit issued by a financial institution;

(d) any agreement pursuant to which moneys received may be repaid or treated as a subscription to shares, stocks, units or interests at the option of the recipient or of any person or of the co-operative;

(e) any documents designated as securities in the regulations. (*«valeur mobilière»*)

(2) **Repealed.** 2010, c.22, s.2.

1996, c.C-37.3, s.216; 2002, c.56, s.2; 2010, c.22, s.2; 2012, c.15, s.2.

Non-application of certain Acts

217(1) Subject to subsection (2), *The Securities Act, 1988* does not apply to the issuance of securities by a co-operative incorporated, continued or registered pursuant to this Act.

(2) Where the board considers it to be in the public interest, the board may direct that the proposed issuance of securities by a co-operative be subject to *The Securities Act, 1988*.

(3) Where the board makes a direction pursuant to subsection (2) with respect to the issuance of securities by a co-operative, this Part does not apply to any matters related to those securities of the co-operative.

(4) Where a co-operative has complied with the provisions of this Part with respect to the issuance of securities, the co-operative is exempted from the application of *The Trust and Loan Corporations Act, 1997,* with respect to securities approved by the board.

1996, c.C-37.3, s.217; 2001, c.9, s.3.

218 Repealed. 2010, c.22, s.2.

Invitation to purchase securities

219(1) No co-operative shall trade in or invite its members or the public or both to subscribe for or purchase any security of the co-operative until:

(a) the co-operative has filed with the board any information that the board may require with respect to the issuance of the security; and

(b) the board grants the co-operative written notice of its approval to issue the security.

(2) For the purposes of clause (1)(a), the board may require any information to be filed that it considers necessary, including information dealing with:

(a) the dollar amount to be offered for the subscription or purchase;

(b) the purposes for which the amount subscribed or purchased will be used;

(c) the collateral security to be offered;

(d) the most recent annual financial statement required pursuant to this Act.

1996, c.C-37.3, s.219; 2010, c.22, s.2.

Duties of board

220(1) The board shall:

(a) review the information filed with the board pursuant to section 219;

(b) review the financial position and the operations of the co-operative in order to determine the capacity of the co-operative to pay any interest on the security and the principal secured by the security when the interest and principal respectively become due;

(c) when the board considers it necessary, regulate the manner of creating and setting aside by the co-operative of a redemption fund or establish a plan, other than setting aside a redemption fund, to be put into effect by the co-operative for the purpose of ensuring the repayment of the interest on securities sold and the principal secured by those securities when the interest and principal respectively become due.

(2) The board may set any terms and conditions that it considers necessary to be met by a co-operative before it grants approval to trade in or invite its members or the public or both to subscribe for or purchase its security.

(3) Where a co-operative has filed information with the board pursuant to section 219 and has met any terms and conditions that may be set pursuant to subsection (2), and the board considers it suitable, the board may:

(a) grant approval to the co-operative to trade in or invite the co-operative's members or the public or both to subscribe for or purchase its security; and

(b) place any conditions on the approval granted pursuant to clause (a) that it considers appropriate.

(4) Where a co-operative has been granted approval by the board pursuant to clause (3)(a) or section 222 to trade in or to invite its members or the public or both to subscribe for or purchase its securities, the co-operative shall issue its prospectus and its securities in the form required by the board.

(5) The board may withdraw its approval to a co-operative granted pursuant to subsection (3) where the board is satisfied that:

(a) any information filed by the co-operative pursuant to section 219 is false;

(b) the co-operative did not provide it with information in the co-operative's possession that, in the opinion of the board, would have affected its decision to grant approval; or

(c) the co-operative is not complying with any conditions imposed pursuant to subsection (3).

(6) Where the approval of the board is withdrawn pursuant to subsection (5), a co-operative shall:

(a) cease trading in or inviting its members or the public to subscribe for or purchase its securities; and

(b) take any additional measures that the board may direct to protect the interests of persons who purchase the securities.

1996, c.C-37.3, s.220; 2010, c.22, s.2.

Exemption

221(1) Notwithstanding any other provision of this Part, a co-operative is not required to have the board review or approve securities that are:

(a) bonds, debentures or other evidences of indebtedness of, or guarantees by, a trust corporation or a loan corporation licensed pursuant to *The Trust and Loan Corporations Act, 1997* or an insurance company licensed pursuant to *The Saskatchewan Insurance Act*;

(b) certificates or receipts of a trust corporation or a loan corporation licensed pursuant to *The Trust and Loan Corporations Act, 1997*;

(c) bonds, debentures or other evidences of indebtedness guaranteed by the government of Canada or of any province or territory of Canada; or

(d) securities exempted in the regulations.

(2) Where the board is satisfied that it is not prejudicial to the public interest, it may exempt a sale of securities from this Part and impose any conditions it considers appropriate on that exemption.

1996, c.C-37.3, s.221; 2001, c.9, s.3.

Review procedure

222(1) A co-operative may send a written notice to the board within 30 days after the day of a decision of the board requesting a review of the decision where the board has decided:

(a) to grant or not to grant approval to a co-operative or to impose terms and conditions on an approval pursuant to section 220; or

(b) to grant or not to grant an exemption pursuant to section 221.

(2) Where the board receives a written notice pursuant to subsection (1), it shall hold the review as soon as possible.

(3) A co-operative is entitled to appear before the board and to be heard by the board in a review pursuant to this section.

(4) On a review pursuant to this section, the board may confirm its decision or amend or vary its decision in any manner that it considers appropriate.

(5) A decision of the board on review pursuant to this section is final.

1996, c.C-37.3, s.222; 2010, c.22, s.2.

Form for prospectus

223 Where a co-operative has received the approval of the board pursuant to section 220 or 221 to trade in or to invite its members or the public or both to subscribe for or purchase its securities, the co-operative shall issue its prospectus or offering memorandum and its securities in the form required by the board.

1996, c.C-37.3, s.223.

Order to investigate

224(1) The board may, by order, appoint a person as an investigator to make any investigation that the board considers appropriate where the board has reasonable grounds to believe that any person or co-operative has:

(a) contravened any of the provisions of this Part or the regulations made for the purposes of this Part;

(b) committed an act that may be unfair, oppressive, injurious, inequitable, improper or discriminatory against:

(i) any holder, prospective holder, purchaser or prospective purchaser of any shares or other securities of that person or co-operative; or

(ii) a creditor, prospective creditor of that person or co-operative or another person or co-operative otherwise beneficially interested in that person or co-operative; or

(c) committed an act that secured an unfair advantage for that person or co-operative over another person or co-operative.

(2) In an order made pursuant to subsection (1), the board shall:

(a) determine the scope of the investigation; and

(b) subject to this Act, set out the powers of the investigator.

(3) An investigator appointed pursuant to subsection (1) may seize and take possession of any book, record or other document, any securities or any other property of the person or co-operative whose affairs are being investigated.

(4) Where any book, record or other document has been seized, examined or produced pursuant to this section, the board, an inspector, an officer appointed by the board or any other person authorized by the board may make, or cause to be made, copies of the book, record or other document, and a document certified as a copy made pursuant to this section by the board, an inspector, an appointed officer or any other person authorized by the board is admissible in evidence as proof, in the absence of evidence to the contrary, of the facts set out in the document, without proof of the office or signature of the person appearing to have certified the document.

(5) An inspector appointed pursuant to subsection (1) shall submit a report in writing of the result of the investigation to the board.

1996, c.C-37.3, s.224.

Offences

225(1) No person shall:

(a) make a false or misleading statement of a material fact in any document, evidence or information submitted or given pursuant to this Part or the regulations made for the purpose of this Part to the board, its representative or any person appointed to make an investigation pursuant to this Part;

(b) make a false or misleading statement of a material fact in any application, report, prospectus, return, financial statement or other document required to be filed or provided pursuant to this Part or the regulations made for the purposes of this Part;

(c) contravene this Part or the regulations made for the purposes of this Part; or

(d) fail to observe or comply with any order, direction or other requirement made pursuant to this Part or the regulations made for the purposes of this Part.

(2) Every person who contravenes subsection (1) is guilty of an offence and is liable on summary conviction to a fine of:

(a) not more than $25,000 in the case of a body corporate; and

(b) not more than $5,000 in the case of a person other than a body corporate.

(3) No person is guilty of an offence for contravening clause (1)(a) or (b) where the person did not know that the statement was false or misleading and in the exercise of reasonable diligence could not have known that the statement was false or misleading.

(4) Where a co-operative is guilty of an offence pursuant to subsection (2), every director or officer of the co-operative who authorized, permitted or acquiesced in the offence is guilty of an offence and is liable on summary conviction to a fine of not more than $5,000.

1996, c.C-37.3, s.225; 2010, c.22, s.2.

Non-liability of board, etc.

226 No action lies against the board, any member of the board or any person acting under the board's instructions, under the instructions of a member of the board or pursuant to the authority of this Act or the regulations for any matter or thing done or omitted to be done in good faith in exercising their powers or carrying out their duties pursuant to this Act or the regulations.

1996, c.C-37.3, s.226.

PART XX
Administration

Appointment of Registrar of Co-operatives

227(1) The minister may, by order, appoint:

(a) a Registrar of Co-operatives; and

(b) one or more deputy registrars.

(2) The registrar shall:

(a) under the direction of the minister, supervise the operation of the register; and

(b) perform any additional functions or responsibilities assigned to the registrar by this Act, the regulations, any other Act or the minister.

(3) The registrar is an employee and agent of the Crown and all actions taken by the registrar pursuant to this Act, the regulations and any other Act are taken on behalf of the Crown.

(4) A deputy registrar shall act under the direction of the registrar.

(5) If the registrar is absent or unable to act or the office of the registrar is vacant, a deputy registrar may exercise all the powers and shall perform all of the functions or responsibilities of the registrar, including any statutory duties imposed on the registrar by this Act or any other Act.

(6) The registrar may, in writing, authorize any person to perform any of the functions or responsibilities imposed, including statutory duties, or to exercise any of the powers conferred on the registrar by this Act or any other Act.

(7) The performance or exercise by a person authorized pursuant to subsection (6) of the functions or responsibilities imposed or powers conferred on the registrar by this Act or any other Act is deemed to be a performance or exercise by the registrar.

(8) The registrar may, in writing, set any limit or condition on an authorization pursuant to this section that the registrar considers reasonable.

(9) No person shall seek to direct the registrar in the performance of any statutory duty imposed on the registrar by this Act or any other Act.

(10) No authorization pursuant to subsection (6) prevents the exercise of any power, function or responsibility by the registrar.

2013, c.21, s.2.

Fees and charges of registrar

227.1(1) The minister may, by order, establish:

(a) the fees, charges and taxes payable with respect to all services provided pursuant to this Act; and

(b) the method of payment of those fees, charges and taxes.

(2) The minister shall cause notice of the fees, charges and taxes established pursuant to subsection (1) to be published in the Gazette.

(3) Notwithstanding subsection (1), the registrar may enter into an agreement with a person to provide a special service to that person if, in the opinion of the registrar, a fee, charge, or tax mentioned in subsection (1) is not adequate to allow the registrar to provide that service to the person.

(4) If the registrar considers it appropriate or necessary, the registrar may:

(a) waive any fees, charges or taxes, in whole or in part; or

(b) refund any fees, charges or taxes, in whole or in part.

(5) The registrar is not required to perform any function pursuant to this Act or the regulations until the appropriate fee, charge or tax is paid or arrangements for its payment are made.

(6) All revenues derived from fees, charges or taxes imposed or collected pursuant to this Act are to be paid to and are the property of the Crown, unless the Lieutenant Governor in Council directs otherwise.

2013, c.21, s.2.

Transitional – activities

227.2(1) In this section, **"former registrar"** means the person who was the registrar before the coming into force of this section and includes any person appointed as a deputy registrar pursuant to this Act before the coming into force of this section.

(2) Any activity undertaken by the former registrar and not completed before the coming into force of this section may be continued by the registrar or any deputy registrar after the coming into force of this section as if it had been undertaken by the registrar after the coming into force of this section.

(3) Every number, certificate, order, approval, notice and other document that was issued by the former registrar, and every registration, decision or other action made or taken by the former registrar, pursuant to this Act or any other Act that imposes or confers a duty, power or function on the former registrar before the coming into force of this section that is valid on the day before the coming into force of this section is continued and may be dealt with as if it were issued, made or taken by the registrar.

2013, c.21, s.2.

Immunity

227.3 Except as otherwise provided in this Act, no action or proceeding lies or shall be instituted against the Crown, the minister, the registrar, any deputy registrar, any other person authorized to act on behalf of the registrar pursuant to subsection 227(6) or any employee of the Crown if that person is acting pursuant to the authority of this Act, the regulations or any other Act, for anything in good faith done, caused or permitted or authorized to be done, attempted to be done or omitted to be done by that person or by any of those persons pursuant to or in the exercise or supposed exercise of any power conferred by this Act, the regulations or any other Act or in the carrying out or supposed carrying out of any responsibility imposed by this Act, the regulations or any other Act.

2013, c.21, s.2.

Seal

228 The Lieutenant Governor in Council may prescribe a seal for use by the registrar in the performance of the duties of the registrar.

1996, c.C-37.3, s.228.

Service

229 A document may be served on the registrar by leaving it at the office of the registrar in Regina or by mailing it to the registrar at that office.

1996, c.C-37.3, s.229.

Register

230(1) The registrar shall maintain a register of co-operatives in which is to be kept the name of every co-operative that:

(a) is incorporated pursuant to this Act;

(b) is registered pursuant to this Act;

(c) immediately before the coming into force of this Act is on the register in accordance with a former Act;

(d) is continued as a co-operative pursuant to section 156; or

(e) is revived pursuant to section 166.

(2) A co-operative whose name appears on the register mentioned in subsection (1) is deemed to be registered pursuant to this Act, and any co-operative whose name does not appear on the register is deemed not to be registered pursuant to this Act.

(3) The register mentioned in subsection (1) is a public registry of the people of Saskatchewan.

(4) All information in the register mentioned in subsection (1) is the property of the Government of Saskatchewan.

1996, c.C-37.3, s.230; 2013, c.21, s.2.

Documents pursuant to former Acts

231 Every document kept, filed or registered by the following persons is deemed to be a document sent to the registrar pursuant to this Act:

(a) the registrar appointed pursuant to *The Co-operatives Act, 1989*;

(b) the Registrar of Co-operatives pursuant to *The Co-operatives Act*;

(c) the Registrar of Co-operative Associations for Saskatchewan pursuant to *The Co-operative Associations Act*;

(d) the Registrar of Co-operative Marketing Associations for Saskatchewan pursuant to *The Co-operative Marketing Associations Act*; or

(e) the Registrar of Co-operative Production Associations for Saskatchewan pursuant to *The Co-operative Production Associations Act*.

1996, c.C-37.3, s.231.

Right to inspect and obtain copies

232 A person may:

(a) examine with respect to a co-operative:

(i) its articles;

(ii) its bylaws;

(iii) any amendments to its articles and bylaws;

(iv) any certificates issued to it by the registrar;

(v) a list of its directors;

(vi) the address of its registered office;

(vii) its attorney for service, if any;

(viii) in the case of a co-operative required by this Act to file financial statements with the registrar, its financial statements;

(b) require a copy or extract of any document mentioned in clause (a) to be made; and

(c) require the copy or extract made pursuant to clause (b) to be certified by the registrar as a true copy.

1996, c.C-37.3, s.232; 2013, c.21, s.2.

Form of copies

233(1) Where records maintained by the registrar are prepared and maintained in a form mentioned in subsection 31(1), the registrar may provide, in written or photographic film form, any copy required to be provided pursuant to section 232.

(2) The registrar is not required to produce any document, other than a certificate and attached articles or statement filed pursuant to section 271, after six years after the day the registrar received it.

(3) In the case of an extraprovincial co-operative, the registrar is not required to produce any document filed pursuant to this Act after six years after the day on which the name of the co-operative was last on the register.

1996, c.C-37.3, s.233; 2015, c.22, s.12.

Certificate of registrar

234(1) The registrar may provide a person with a certificate stating that:

(a) a document required to be sent to the registrar pursuant to this Act has or has not been received by the registrar;

(b) a name, whether that of a co-operative or not, is or is not on the register;

(c) a name, whether that of a co-operative or not, was or was not on the register on a stated day.

(2) Where this Act requires or authorizes the registrar to issue a certificate or to certify any fact, the registrar or a deputy registrar shall sign the certificate or the certification.

(3) The signature required in subsection (2) may be printed or mechanically reproduced on the certificate or certification.

(4) A certificate or certification mentioned in subsection (2) is admissible as proof, in the absence of evidence to the contrary, of the facts stated in the certificate or certification without proof of the office or signature of the person purporting to have signed the certificate or certification.

1996, c.C-37.3, s.234.

Power to refuse documents

235(1) The registrar may refuse to receive, file or register a document submitted to the registrar where, in the opinion of the registrar, the document:

(a) contains any matter contrary to law;

(b) by reason of any omission or error in description has not been properly completed;

(c) does not comply with the requirements of this Act;

(d) contains any error, alteration or erasure;

(e) is not sufficiently legible; or

(f) is not sufficiently permanent for the registrar's records.

(2) The registrar may request that:

(a) a document refused pursuant to subsection (1) be amended or completed and resubmitted; or

(b) a new document be submitted in place of a document refused pursuant to subsection (1).

1996, c.C-37.3, s.235.

Form of documents filed

236(1) Every document sent to the registrar must be in typed or printed form.

(2) Where any document required pursuant to this Act is not in the English language, the registrar may require a translation of the document that must be notarially certified.

(3) Where the registrar considers it appropriate, the registrar may exempt a co-operative from subsection (1).

1996, c.C-37.3, s.236.

Proof required by registrar

237 The registrar may require that a document or information contained in a document required by this Act or the regulations to be sent to the registrar be verified by affidavit or otherwise.

1996, c.C-37.3, s.237.

PART XXI
Consumers' Co-operatives

Interpretation of Part

238 In this Part, **"consumers' co-operative"** means a co-operative incorporated, continued or registered pursuant to this Act whose primary purpose is to purchase, procure, process, manufacture, exchange, hire and deal in goods or services for sale at retail to its members and patrons who are to be the ultimate users or consumers of those goods or services.

1996, c.C-37.3, s.238.

Application of Part

239 This Part applies to every co-operative that is organized or operated as a consumers' co-operative.

1996, c.C-37.3, s.239.

Restriction on directorships

240(1) Subject to subsection (2), no employee of a consumers' co-operative may be a director of the co-operative.

(2) A consumers' co-operative may provide in its bylaws that no more than one-third of its directors may be employees of the consumers' co-operative.

1996, c.C-37.3, s.240.

Reserve

241(1) The directors of a consumers' co-operative shall set aside not less than 5% of any surplus in a reserve before paying a dividend or interest on share capital or allocating a patronage dividend.

(2) A consumers' co-operative shall place in its reserve at the end of each fiscal year:

(a) subject to subsection (3), any book gains in that fiscal year over the prescribed amount resulting from the sale of its fixed assets; and

(b) any increase in value of assets resulting from revelation of its assets in that fiscal year.

(3) Where the registrar considers it to be appropriate, the registrar may exempt a consumers' co-operative from clause (2)(a).

(4) When the reserve required pursuant to subsection (1) and subsection (2) is equal to or more than 10% of the total assets of the co-operative as shown in its audited financial statement for the fiscal year, the directors are not required to set aside any part of the surplus or book gains in a reserve.

(5) A consumers' co-operative may charge against its reserve required pursuant to subsections (1) and (2):

(a) net losses resulting from its business operations;

(b) the equity of a member that has been transferred to the reserve when the equity is paid to the member or the member's estate on the provision of proof of claim that is satisfactory to the directors by the member or the estate;

(c) any losses resulting from revaluation or sale of its assets.

1996, c.C-37.3, s.241.

PART XXII
Community Service Co-operatives

Interpretation of Part

242 In this Part, **"community service co-operative"** means a co-operative that is incorporated, continued or registered pursuant to this Act whose primary purpose is to carry on activities or to provide services that are primarily for the benefit of the public or the general welfare of the community.

1996, c.C-37.3, s.242.

Application of Part

243 This Part applies to every co-operative that is organized or operated as a community service co-operative.

1996, c.C-37.3, s.243.

Articles not to be amended without consent

244 Where the articles of a co-operative provide that it is to be a community service co-operative or that this Part is to apply to the co-operative, the co-operative shall not repeal or amend that provision without the prior consent of the registrar.

1996, c.C-37.3, s.244.

Word "Limited" not required

245 Notwithstanding subsection 13(1), a community service co-operative is not required to use the word "Limited" or «Limitée» or the abbreviation "Ltd." or «Ltée» as an addition to its name.

1996, c.C-37.3, s.245.

No interest on share capital or patronage dividends

246(1) No community service co-operative shall pay any dividends or interest on share capital to its members or patronage dividends to its members or patrons.

(2) No part of a community service co-operative's surplus is to inure to any member or patron.

(3) Any surplus of a community service co-operative shall:

(a) be set aside as a reserve fund for unforeseen losses or other contingencies, or for the maintenance or further development of the services provided by the co-operative; or

(b) where the members authorize at an annual meeting as provided in the bylaws, be donated by the directors to one or more:

(i) organizations, associations or groups with objectives of a benevolent or charitable nature; or

(ii) cultural, recreational, educational, social or other community-based organizations of a non-profit nature.

1996, c.C-37.3, s.246.

PART XXIII
Housing Co-operatives

Interpretation of Part

247 In this Part:

"continuing housing co-operative" means a co-operative that is incorporated, continued or registered pursuant to this Act whose primary purpose is to provide housing units for occupancy by its members as nearly as possible at cost; (*«coopérative de logement à possession continue»*)

"housing charges" means the fee charged by a continuing housing co-operative to its members to cover its costs of providing housing accommodation; (*«frais de logement»*)

"housing unit" means housing accommodation intended for individual or family use. (*«logement»*)

1996, c.C-37.3, s.247.

Application of Part

248 This Part applies to every continuing housing co-operative.

1996, c.C-37.3, s.248.

Relationship with members

249 For the purpose of determining the rights, obligations and responsibilities between a continuing housing co-operative and its members, the relationship between a continuing housing co-operative and its members is deemed not to be that between a landlord and its tenants.

1996, c.C-37.3, s.249.

Articles not to be amended without consent of registrar

250 Where the articles of a co-operative provide that it is to be a continuing housing co-operative or that this Part is to apply to the co-operative, the co-operative shall not repeal or amend that provision without the prior consent of the registrar.

1996, c.C-37.3, s.250.

Bylaw requirements

251 In addition to the matters required to be set out in the bylaws pursuant to section 8, a continuing housing co-operative's bylaws are required to include:

(a) the manner in which each member may be required to provide capital for the purposes of the co-operative;

(b) the manner in which a member may be required to pay for housing charges or other services;

(c) the basis for fixing the amount of housing charges;

(d) a method or methods for the final settlement of disputes between the members and the co-operative;

(e) subject to section 120, the manner of withdrawal by a member and the repayment of the member's interests in the co-operative;

(f) the rules governing any leasing of housing units by members to non-members.

1996, c.C-37.3, s.251.

No interest on share capital

252 No continuing housing co-operative shall pay any dividends or interest on share capital to its members.

1996, c.C-37.3, s.252.

Reserves

253(1) The directors of a continuing housing co-operative shall set aside not less than 5% of any surplus in a reserve.

(2) Where the reserve required pursuant to subsection (1) is equal to or more than 20% of the total assets of the co-operative as shown in its audited financial statement for the fiscal year, the directors are not required to set aside any part of the surplus in a reserve.

(3) A continuing housing co-operative shall invest its reserve fund required pursuant to subsection (1) in:

(a) deposits in a credit union, the Saskatchewan Co-operative Credit Society Limited or a chartered bank;

(b) bonds of Canada, of Saskatchewan or of any other province or territory of Canada;

(c) bonds or debentures of other co-operatives; or

(d) securities authorized in *The Trustee Act, 2009*.

(4) A continuing housing co-operative shall use its reserve fund required pursuant to subsection (1) to cover unforeseen:

(a) operating losses; or

(b) any contingencies that the directors consider are necessary to the operation of the co-operative.

(5) Any gains resulting from revaluation or sale of real property are:

(a) to be set aside as a reserve fund for unforeseen operating losses or other contingencies, or for the maintenance or further development of the services provided by the co-operative; or

(b) where the members authorize at an annual meeting, to be donated by the directors to one or more local organizations, associations or groups with objectives of a benevolent or charitable nature or continuing housing co-operatives with similar objectives.

1996, c.C-37.3, s.253; 2009, c.6, s.3.

Non-application of certain Acts

254(1) Subject to subsection (2), if the bylaws of a continuing housing co-operative contain the prescribed provisions, *The Landlord and Tenant Act* and *The Residential Tenancies Act, 2006* do not apply to the relationship between:

(a) the continuing housing co-operative; and

(b) its members and any persons whose memberships in the continuing housing co-operative have been terminated.

(2) If a person's membership in a continuing housing co-operative is terminated and the member does not go out of possession of the housing unit that the member occupies, the continuing housing co-operative may apply:

(a) to the Director of Residential Tenancies for an order for possession pursuant to *The Residential Tenancies Act, 2006*, and the Director or a hearing officer appointed pursuant to that Act may make the order; or

(b) to the court for an order for possession or for the recovery of any arrears of housing charges.

(3) A member of a continuing housing co-operative may not appeal the termination of his or her membership pursuant to section 123 where the membership is terminated because of the member's:

(a) failure to pay housing charges as they become due;

(b) vandalism or destruction of property belonging to the co-operative;

(c) use of the housing unit for illegal purposes; or

(d) contravention of a bylaw regulating the leasing of a housing unit to a non-member.

1996, c.C-37.3, s.254; 2006, c.33, s.3.

Abandoned goods

255(1) A continuing housing co-operative may apply to the Director of Residential Tenancies for an order authorizing it to remove property of a member from a housing unit and sell or otherwise dispose of the property if the member:

(a) has his or her membership terminated or has vacated or abandoned the housing unit formerly occupied by the member; and

(b) has left property in the housing unit.

(2) If the Director of Residential Tenancies receives an application pursuant to subsection (1), the Director or a hearing officer appointed pursuant to *The Residential Tenancies Act, 2006* may make the order requested if the Director or hearing officer is satisfied that the continuing housing co-operative has made a reasonable effort to locate the former member.

(3) If a continuing housing co-operative sells or otherwise disposes of property pursuant to an order made pursuant to subsection (2), it shall pay to the Director of Residential Tenancies, to the credit of the former member, any remaining proceeds of the disposition after deducting:

(a) any amount with respect to costs incurred by it relating to the disposition that it would be authorized to retain if the property were goods sold pursuant to distress for housing charges; and

(b) any arrears of housing charges and any damages that the Director or a hearing officer appointed pursuant to *The Residential Tenancies Act, 2006* may allow.

(4) If a former member does not claim the remaining proceeds described in subsection (3) within three months after the day the moneys were paid to the Director of Residential Tenancies, the Director shall forward the moneys to the Minister of Finance to be deposited in the general revenue fund.

(5) If a continuing housing co-operative removes, sells or otherwise disposes of property pursuant to an order made pursuant to subsection (2), the continuing housing co-operative, the Director of Residential Tenancies, a hearing officer appointed pursuant to *The Residential Tenancies Act, 2006* and any person acting on behalf of the Director or hearing officer is not liable in any action taken by the former member with respect to the removal, sale or disposition.

2006, c.33, s.4.

PART XXIV
Employment Co-operatives

Interpretation of Part

256 In this Part, **"employment co-operative"** means a co-operative that is incorporated, continued or registered pursuant to this Act whose primary purpose is the provision of employment to its members, of whom at least 75% are employees of the co-operative.

1996, c.C-37.3, s.256.

Application of Part

257 This Part applies to every co-operative that is organized or operated as an employment co-operative.

1996, c.C-37.3, s.257.

Member employee

258(1) In an employment co-operative:

(a) at least 75% of all members shall be employees of the co-operative or any of its subsidiaries; and

(b) at least 75% of all employees of the co-operative and its subsidiaries shall be members of the co-operative.

(2) Subject to subsection (3), no employment co-operative shall subcontract out more than 50% of its work.

(3) Where an employment co-operative applies to the registrar, the registrar may allow the employment co-operative to subcontract out more than 50% of its work.

1996, c.C-37.3, s.258.

Employee bylaw

259 In addition to the matters required to be set out in the bylaws pursuant to section 8, an employment co-operative's bylaws are required to include:

(a) conditions of admission, expulsion or suspension of its members; and

(b) procedures for laying off members when there is a lack of work and recalling members to work.

1996, c.C-37.3, s.259.

Restriction on incorporation

260 No employment co-operative is to be incorporated where the acquisition of goods for resale to the public is one of its principal objects stated in its articles unless "employee" or "employment" is part of the name of the co-operative.

1996, c.C-37.3, s.260.

Patronage dividends based on labour

261 Notwithstanding section 35, where an employment co-operative allocates among and credits or pays to its members a patronage dividend, the directors may decide to allocate the patronage dividend by taking into account the labour contribution of each member.

1996, c.C-37.3, s.261.

Employees may be directors

262 Notwithstanding any other provision of this Act, the majority of directors of an employment co-operative may be employees of the co-operative.

1996, c.C-37.3, s.262.

PART XXV
Community Clinics

Interpretation of Part

263 In this Part:

"community clinic" means a co-operative incorporated, continued or registered pursuant to this Act whose primary objectives are:

(a) to promote a scheme of providing health or hospital services to its members and their dependants on a mutual benefit plan;

(b) to establish, maintain and operate facilities for group medical practice of duly qualified medical practitioners;

(c) to establish, maintain and operate facilities for health care; or

(d) to encourage and provide financial assistance for medical research in the community; (*«clinique communautaire»*)

"health services" includes services provided by a licensed medical practitioner or dentist, a registered nurse or any other qualified person and the provision of health appliances and optical and pharmaceutical supplies; (*«services de santé»*)

"hospital services" includes services provided by a facility designated as a hospital pursuant to *The Regional Health Services Act*; (« *services hospitaliers* »)

1996, c.C-37.3, s.263; 2002, c.47, s.2.

Application of Part

264 This Part applies to every co-operative that is organized or operated as a community clinic.

1996, c.C-37.3, s.264.

265 Repealed. 2014, c.18, s.2.

Agreements for certain services

266(1) Notwithstanding any other provision of this Act, a community clinic may:

(a) enter into agreements with duly qualified medical practitioners, dentists and other qualified persons for payment for the provision of services by those persons to its members and other persons;

(b) provide health services to its members and other persons;

(c) employ persons and purchase, lease or otherwise acquire equipment, materials and supplies for the provision of those services to members and other persons ancillary to the services provided by the persons with whom agreements have been entered into pursuant to clause (a); and

(d) operate a pharmacy and employ a pharmacist to manage the pharmacy.

(2) Where the services received by the members of a community clinic and other persons are provided pursuant to an agreement entered into pursuant to clause (1)(a) or are provided by the community clinic pursuant to clause (1)(b) or (d), it may:

(a) receive payment with respect to those services from:

(i) the Minister of Health, where the services are:

(A) insured services pursuant to *The Saskatchewan Medical Care Insurance Act*; or

(B) services for which payment may be made by the Minister of Health pursuant to *The Health Administration Act*; or

(ii) any other person or body required to make payment with respect to the services; and

(b) finance the provision of those services from:

(i) the payments received pursuant to clause (a); or

(ii) subject to the bylaws, any sums assessed, levied and collected from its members or other persons.

1996, c.C-37.3, s.266; 2002, c.47, s.2; 2014, c.11, s.3.

Person entitled to provide health services contracting with a community clinic

267(1) Notwithstanding any other Act, a person who is lawfully entitled to provide certain health services in Saskatchewan may enter into a contract of employment or other agreement with a community clinic for the provision of those services to the members of the community clinic and other persons residing in the locality.

(2) Where a person enters into a contract with a community clinic pursuant to subsection (1), the person is deemed not to have been guilty of unbecoming, improper or unprofessional conduct and not to have violated any code of professional ethics by reason only of having entered into the contract of employment or other agreement and having provided services pursuant to the contract or agreement.

1996, c.C-37.3, s.267.

Eligibility of certain persons to be directors

268(1) Subject to subsection (2), a duly qualified medical practitioner, dentist or other qualified person with whom a community clinic has entered into a subsisting agreement pursuant to section 266 is eligible to be a director of the community clinic but, at any meeting of the board of directors, that person may not vote in connection with any matter directly related to the agreement between the community clinic and that person.

(2) Not more than one-third of the total number of members of the board of directors of a community clinic is to be composed of persons who have entered into a subsisting agreement pursuant to section 266.

1996, c.C-37.3, s.268.

No patronage dividend

269 No member of a community clinic is entitled to a patronage dividend or to claim a share or interest on any reserve fund of the community clinic or on any surplus of the community clinic.

1996, c.C-37.3, s.269.

Use of surplus

270 Any surplus of a community clinic:

(a) must be set aside as a reserve fund for unforeseen losses or other contingencies or for the maintenance or further development of the services provided by the community clinic; or

(b) where the members authorize at an annual meeting, must be donated by the directors to one or more local organizations, associations or groups with objectives of a benevolent or charitable nature or to another community clinic.

1996, c.C-37.3, s.270.

PART XXVI
General

Execution and filing

271(1) In this section:

"duplicate originals" means the two copies of the articles or statements required in subsection (2); (*«duplicata»*)

"statement" means a special resolution stating an intent to dissolve mentioned in section 161. (*«déclaration»*)

(2) Where this Act requires that articles, bylaws or a statement relating to a co-operative be sent to the registrar, unless otherwise specifically provided, the co-operative shall send two copies of the articles, bylaws or statement signed by a director or an officer of the co-operative or, in the case of articles of incorporation, by all of the incorporators.

(3) Subject to the other provisions of this Act, where the registrar receives duplicate originals of any articles, any bylaws or a statement pursuant to subsection (2), and they are in the prescribed form and are accompanied by any other required documents, the registrar shall:

(a) endorse on each of the duplicate originals the word "Registered" and the day of the registration;

(b) issue in duplicate the appropriate certificate and attach to each certificate one of the duplicate originals of the articles, bylaws or statement;

(c) file a copy of the certificate and attached articles, bylaws or statement;

(d) send to the co-operative or its representative the original certificate and attached articles, bylaws or statement; and

(e) publish in the Gazette notice of the issuance of the certificate.

(4) The registrar may date a certificate mentioned in subsection (3) as of the day on which the registrar receives the articles, bylaws, statement or court order pursuant to which the certificate is issued or as of any later day specified by the court or person who signed the articles or statement.

(5) A signature required on a certificate mentioned in subsection (3) may be printed or otherwise mechanically produced on the certificate.

1996, c.C-37.3, s.271; 2013, c.21, s.2.

Approval of Superintendent of Insurance

272(1) No co-operative that is an insurer within the meaning of *The Saskatchewan Insurance Act*, a trust corporation within the meaning of *The Trust and Loan Corporations Act, 1997* or a loan corporation within the meaning of *The Trust and Loan Corporations Act, 1997* shall be incorporated or continued pursuant to this Act without the written approval of the Superintendent of Insurance.

(2) An applicant for incorporation or a co-operative applying for continuance that is mentioned in subsection (1) shall advise the Superintendent of Insurance of its intention to make an application for the written approval required pursuant to this section at least one month before the application is made.

(3) The articles of incorporation or continuance of a co-operative mentioned in subsection (1) are required to set out any restrictions on the business or powers of the co-operative that the Superintendent of Insurance may require for approval.

(4) After incorporation or continuance of a co-operative mentioned in subsection (1), no articles may be registered by the registrar unless the articles are first approved by the Superintendent of Insurance.

(5) **Repealed.** 2013, c.21, s.2.

1996, c.C-37.3, s.272; 2001, c.9, s.3; 2013, c.21, s.2.

Service

273(1) In this section, **"last known address"** means:

(a) in the case of a member, the member's latest address as shown in the records of the co-operative; and

(b) in the case of a director, the director's latest address as shown in:

(i) the records of the co-operative;

(ii) the articles of incorporation; or

(iii) the last notice filed pursuant to section 83.

(2) Any notice or document required by this Act or the regulations to be given or served is, unless otherwise provided for, to be served personally or mailed by registered mail or certified mail to the last known address of the person being served.

(3) A document served by registered mail or certified mail is deemed to have been received on the seventh day following the day of its mailing, unless the person to whom it was mailed establishes that, through no fault of his or her own, the person did not receive the document or that the person received it at a later day.

(4) A notice or document may be served on a co-operative:

(a) by leaving it at or mailing it by registered mail or certified mail addressed to the registered office of the co-operative;

(b) by personally serving any director, officer, receiver-manager or liquidator of the co-operative; or

(c) by leaving it at the office of or mailing it by registered mail or certified mail addressed to any attorney of the co-operative appointed pursuant to section 209.

(5) A director named in the later of the articles of incorporation and the latest notice sent by a co-operative and filed by the registrar is deemed for the purposes of this Act to be a director of the co-operative.

(6) Where a co-operative sends a notice or document to a member or shareholder in accordance with this section and the notice or document is returned on three consecutive occasions because the member or shareholder cannot be found, the co-operative is not required to send any further notices or documents to the member or shareholder until the member or shareholder informs the co-operative in writing of his or her new address.

1996, c.C-37.3, s.273.

Waiver of notice

274 Where a notice or document is required by this Act or the regulations to be sent, the sending of the notice or document may be waived or the time for the notice or document may be waived or abridged at any time with the consent in writing of the person entitled to the notice or document.

1996, c.C-37.3, s.274.

Certificate of co-operative

275(1) A director or officer of a co-operative may:

(a) sign a certificate stating any fact set out in the articles, the bylaws, the securities register, a trust indenture or any other contract to which the co-operative is party or the minutes of a meeting of the directors, a committee of directors or the members; or

(b) certify a copy of the whole or any part of the articles, the bylaws, the securities register, a trust indenture or any other contract to which the co-operative is party or the minutes of a meeting of the directors, a committee of directors or the member.

(2) A certificate or certified copy described in subsection (1) is admissible in evidence as proof, in the absence of evidence to the contrary, of the facts contained in the certificate or certified copy without proof of the signature or official character of the person appearing to have signed the certificate or the certification.

1996, c.C-37.3, s.275.

Proof of ownership

276 An entry in a securities register of, or a security certificate issued by, a co-operative is proof, in the absence of evidence to the contrary, that the person in whose name the security is registered is owner of the securities described in the register or in the certificate.

1996, c.C-37.3, s.276.

Copies of documents

277 Where a notice or document is required to be sent to the registrar pursuant to this Act, the registrar may accept a photostatic or photographic copy of the notice or document.

1996, c.C-37.3, s.277.

Alteration

278 Where the registrar is authorized by the person who sent a notice or document or by the representative of that person, the registrar may alter the notice or document, but the registrar shall not alter an affidavit or statutory declaration.

1996, c.C-37.3, s.278.

Corrections

279(1) Where a certificate containing an error is issued to a co-operative by the registrar:

(a) the directors or members of the co-operative shall, on the request of the registrar, pass the resolutions and send to the registrar the documents required to comply with this Act and take any other steps that the registrar may require; and

(b) the registrar may demand the surrender of the certificate and issue a corrected certificate.

(2) A certificate corrected pursuant to subsection (1) must bear the day of the certificate it replaces.

(3) Where, in the opinion of the registrar, a corrected certificate issued pursuant to subsection (1) materially amends the terms of the original certificate, the registrar shall give notice of the correction in the Gazette.

1996, c.C-37.3, s.279.

Striking name off register

280(1) The registrar may strike the name of a co-operative off the register where:

(a) the registrar does not receive any return, notice or other document required by this Act or the regulations to be sent to the registrar;

(b) the co-operative gives notice to the registrar that it has ceased to carry on business in Saskatchewan;

(c) the co-operative is not entitled to carry on business pursuant to the act of incorporation of the jurisdiction in which it is incorporated;

(d) the registrar has issued the co-operative a certificate of discontinuance pursuant to section 157;

(e) the co-operative is dissolved;

(f) the co-operative is amalgamated with one or more other co-operatives or bodies corporate;

(g) the co-operative is bankrupt within the meaning of the *Bankruptcy and Insolvency Act* (Canada); or

(h) after reasonable notice from the registrar, the co-operative does not comply with the provisions of this Act.

(2) Where, in the opinion of the registrar, a co-operative is in default pursuant to clause (1)(a), the registrar shall send to the co-operative a notice advising it of the default and stating that, unless the default is remedied within 30 days after the day of the notice, the name of the co-operative will be struck off the register.

(3) After the expiry of the time mentioned in the notice sent pursuant to subsection (2), the registrar may strike the name of the co-operative off the register and the registrar shall publish notice of the striking off in the Gazette.

(4) Where the name of a co-operative is struck off the register pursuant to this Act, the registrar may, on receipt of an application in the prescribed:

(a) restore the name of the co-operative to the register; and

(b) issue a certificate noting the day of restoration to the co-operative.

1996, c.C-37.3, s.280; 2013, c.21, s.2.

Actions of unregistered co-operatives

281(1) In this section, **"court"** means any court.

(2) A co-operative that is not registered pursuant to this Act is not capable of commencing or maintaining any action or other proceeding in a court with respect to a contract made in whole or in part in Saskatchewan in the course of, or in connection with, its business.

(3) Subsection (2) does not apply to a federal co-operative.

(4) Where a co-operative is not registered pursuant to this Act but becomes registered, any action or proceeding mentioned in subsection (2) may be maintained as if the co-operative had been registered before the institution of the action or proceeding.

(5) Where an action or other proceeding has been dismissed or otherwise decided against a co-operative on the grounds that an act or transaction of the co-operative was invalid or prohibited by reason of the co-operative not having been registered pursuant to this Act, *The Co-operatives Act, 1989*, *The Co-operatives Act*, or *The Co-operative Associations Act*, the co-operative may, on becoming registered pursuant to this Act and on obtaining leave of the court, maintain a new action or other proceeding as if no judgment had been rendered or entered.

1996, c.C-37.3, s.281.

Acts of unregistered co-operatives

282 No act of a co-operative, including the holding of title to land or of any interest in land by the co-operative, is invalid by reason only that the co-operative was not registered pursuant to this Act.

1996, c.C-37.3, s.282.

Prohibition re agents of unregistered co-operatives

283(1) No person shall:

(a) act as an agent or representative of a co-operative that is not registered pursuant to this Act; or

(b) on behalf of a co-operative that is not registered pursuant to this Act, act in a capacity other than that of agent or representative.

(2) Every person who contravenes subsection (1) is guilty of an offence and liable on summary conviction to a fine not exceeding $50 for each day during which the co-operative remains unregistered pursuant to this Act.

1996, c.C-37.3, s.283.

Non-application of certain Acts

284 *The Business Corporations Act* and *The Companies Winding Up Act* do not apply to a co-operative that is incorporated, continued or registered pursuant to this Act.

1996, c.C-37.3, s.284.

Regulations

285 For the purpose of carrying out this Act according to its intent, the Lieutenant Governor in Council may make regulations:

(a) defining, enlarging or restricting the meaning of any word used but not defined in this Act;

(b) **Repealed**. 2013, c.21, s.2.

(c) prescribing the procedure for appeals to the registrar pursuant to section 123;

(d) prescribing businesses in which co-operatives or any class of co-operatives may not engage without the prior approval of the registrar;

(e) exempting any co-operatives or any class of co-operatives from any provision of this Act;

(e.1) respecting common business identifiers for co-operatives, including:

(i) respecting the establishment or adoption of a system of common business identifiers for co-operatives or a class of co-operatives;

(ii) prescribing the manner in which common business identifiers are assigned to co-operatives or a class of co-operatives;

(iii) requiring the use by co-operatives or a class of co-operatives of common business identifiers and prescribing the manner in which the common business identifiers are to be used;

(iv) authorizing the minister to enter into agreements with the Government of Canada, the government of any other province or territory of Canada or the government of any municipality to integrate or synchronize the system of common business identifiers with a system of common business identifiers used by that other government;

(v) authorizing the minister to disclose to the Government of Canada, the government of any other province or territory of Canada or the government of any municipality any information received by the registrar pursuant to this Act for any purpose that is related to the carrying out of any agreement entered into pursuant to subclause (iv) and that the minister considers appropriate and authorizing the minister to delegate the minister's powers pursuant to this subclause to the registrar;

(vi) providing that the regulations made pursuant to this clause prevail in the case of any inconsistency or conflict with any other Act or any regulations made pursuant to another Act;

(f) prescribing any other matter or thing required or authorized to be prescribed in the regulations.

1996, c.C-37.3, s.285; 2012, c.7, s.4; 2013, c.21, s.2.

S.S. 1989-90, c.C-37.2 repealed

286(1) *The Co-operatives Act, 1989* is repealed.

(2) Notwithstanding subsection (1), where a co-operative is being dissolved or liquidated and dissolved pursuant to *The Co-operatives Act, 1989*, that Act continues to apply to that co-operative.

1996, c.C-37.3, s.286.

Coming into force

287 This Act comes into force on proclamation.

1996, c.C-37.3, s.287.

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