

***An Act to incorporate  
Consumers  
Co-operative Mills  
Limited***

*being a Private Act*

Chapter 116 of the *Statutes of Saskatchewan, 1940*  
(effective March 16, 1940).

**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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**1940**

**CHAPTER 116**

**An Act to incorporate Consumers Co-operative Mills Limited**

(Assented to March 16, 1940)

**Preamble**

WHEREAS Consumers Milling Company Limited was duly incorporated under *The Companies Act* of Saskatchewan on the 13th day of July, 1939, having the objects set forth in its Memorandum of Association, including the milling of flour and has, together with Saskatchewan Co-operative Wholesale Society Limited, by petition, prayed that the said incorporation may be confirmed as hereinafter provided, and that the name of the company may be changed to Consumers Co-operative Mills Limited, and that the business thereof may in future be carried on under the said changed name, and that the powers of the company may be enlarged and defined as hereinafter set forth; and

Whereas it is expedient to grant the prayer of the said petition:

Therefore His Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows:

**Incorporation**

**1** The incorporation of the said company is confirmed and James McCaig, Cyril John Dobson and Hugh Leslie Smith, together with such other persons, associations and companies as are or may become shareholders of the company, are continued as a body corporate under the name of Consumers Co-operative Mills Limited and are declared to have been duly incorporated under the provisions of *The Companies Act*, with all the rights, powers and privileges in the said Act and in the memorandum of association mentioned, and possessed of all the real and personal estate, property, assets and effects and all present and future rights, claims and interests of Consumers Milling Company Limited and liable for all the debts, liabilities and obligations of the said Consumers Milling Company Limited; and any legal proceedings that might have been continued or commenced against the company by its former name may be continued or commenced against it by its new name; and the real and personal estate, property, assets and effects and all present and future rights, claims and interests of Consumers Milling Company Limited are declared to be and are hereby vested in Consumers Co-operative Mills Limited.

1940, c.116, s.1.

**Capital**

**2** The capital of the company is \$200,000 divided into seventy-two hundred ordinary shares of the par value of \$25 each and two thousand preference shares of the par value of \$10 each.

1940, c.116, s.2.

**Head office**

**3** The head office of the company shall be at the City of Saskatoon, in the Province of Saskatchewan, or at such other place in the said province as the company may determine. The directors may establish branch offices at such other places as they may determine.

1940, s.116, s.3.

**Objects and powers**

**4** The objects of the company shall be and the company shall have power:

(a) to establish and operate the business of growers, producers, millers, manufacturers, purchasers, vendors, storers, distributors, transporters, shippers and dealers in grain, flour, meals, cereals, food articles manufactured from grain or cereals and the products or by-products of all or any of them, and to establish and operate the business of wholesale and retail bakers and to manufacture, purchase, deal in and sell merchandise of all kinds which may be required in such businesses;

(b) to purchase, take on lease or in exchange, hire or otherwise acquire and hold any real or personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and to sell or otherwise dispose of any of the property of the company at such time or times or in such manner as may be deemed necessary or expedient;

(c) to borrow or raise or secure the payment of money in such manner as the company thinks fit;

(d) to provide for the government and control of the company by delegates to be elected or appointed by the members of the company, or for the government and control of the company partly by delegates so elected or appointed and partly by members and to provide that such delegates may exercise fully and completely in every way the powers of the members of the company whom they represent as may be so provided for;

(e) to provide that a meeting of the delegates of the members of the company or a meeting partly of such delegates and partly of members shall take the place fully and effectually in every way of a meeting of the members of the company;

(f) to provide for the appointment and dismissal of directors at meetings of delegates or meetings of delegates and members;

(g) to remunerate and pay the expenses of delegates, directors or members in connection with the business of the company;

(h) to limit the issue and transfer of common or preference shares to such class or classes of persons, companies or associations as may be provided for by the articles or bylaws;

(i) to issue preference shares of different classes and with such privileges as may be provided for by the articles or bylaws;

(j) to buy from the holder or holders thereof and to pay off for the purpose of redemption or cancellation any or all of the shares of the company at a premium of ten per cent on the amount paid thereon, provided that such purchase shall not reduce the paid up capital of the company as at the first day of January of the year in which the purchase is made;

- (k) to pay non-cumulative dividends to holders of preference shares in the company;
- (l) to pay the expenses of and incidental to the formation and incorporation of the company or to enter into contracts with any persons, firm, association or company to pay the same;
- (m) to carry on, encourage and assist educational and advisory work relating to co-operation;
- (n) to contribute to the funds or capital of any company, association or a society, incorporated by or under the provisions of any Act of the Dominion of Canada, or any province thereof, having objects wholly or in part similar to those of the company, and to subscribe for, purchase, hold, acquire or dispose of bonds, debentures or securities thereof;
- (o) to act as agent, broker, factor or attorney for others engaged in the same or any other similar business;
- (p) to do all or any of the above things as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others;
- (q) to do all acts, matters and things as are incidental or necessary to the due attainment of the above objects, or any of them.

1940, c.116, s.4.

#### **Ancillary powers**

**5** As ancillary and incidental to the objects of the company, as set forth in section 4, the company shall have and may exercise any or all of the powers set forth in section 29 of *The Companies Act, 1933*, being chapter 21 of the Statutes of Saskatchewan, 1933.

1940, c.116, s.5.

#### **Distribution of surplus**

**6(1)** The company shall, in each and every year out of the surplus earnings of that year only, pay to the holders of preference shares interest at a rate not to exceed six per cent per annum on the amount of the paid up portion of such preference shares; provided that if in any year there is not sufficient surplus to permit the payment of interest on preferred shares then interest at such rate as the surplus permits shall be payable to the said holders of preference shares.

(2) After the payment of interest on preferred shares the company may, in each and every year out of the surplus earnings of that year only, pay to the holders of common shares interest on the paid up portion of such common shares at such rate not exceeding six per cent per annum as may be provided for by the articles or bylaws of the company.

(3) The said interest on preferred shares and the said interest, if any, on common shares, in each and every year shall be payable from the surplus earnings of that year only, and if such surplus earnings are insufficient to pay the said interest then the amount of the deficiency shall not be paid out of the surplus earnings of any other year.

(4) Such further portion of the surplus earnings in each and every year as the company may distribute in accordance with its articles or bylaws shall be distributed as a patronage dividend among the patrons of the company in proportion to the volume of business done by such patrons with the company in such year; provided, however, that patronage dividends due to any patron who is not a shareholder of the company may be retained by the company or credited to the account of such patron on account of capital stock until an amount has accumulated equal to the par value of such number of shares as may be provided for in the articles and bylaws of the company, provided further that the dividends due to a shareholder may be placed to the credit of such shareholder on share capital account until the unpaid balance of all shares held by such shareholder is fully paid up.

1940, c.116, s.6.

**Adoption of articles**

**7** The articles of association and bylaws by which the company is now governed shall, so far as the same are not contrary to any express provision of this Act, continue in full force and effect, but the said articles of association and bylaws or any of them may be added to, amended or repealed and others substituted therefor at any meeting of the members, delegates or delegates and members, subject to the provisions thereof.

1940, c.116, s.7.

**Transfer of shares**

**8** Shares in the company may be assigned or transferred and certificates issued therefor in accordance with the articles of association or the bylaws thereof but no transfer or assignment shall be valid unless and until approved and authorized by resolution of the board of directors.

1940, c.116, s.8.

**Liability limited**

**9** The liability of the members is limited and no personal liability shall attach to any member.

1940, c.116, s.9.

**Lien on shares**

**10** The company shall have a lien on the shares of the members thereof for debts due from them to it and may apply any sum credited to a shareholder in or toward payment of such debt.

1940, c.116, s.10.

***Security Frauds Prevention Act not to apply***

**11** *The Security Frauds Prevention Act shall not apply to shares of the company.*

1940, c.116, s.11.

**Returns**

**12** *The company shall not be required to file any returns under the provisions of *The Companies Act* of Saskatchewan but shall file such returns and give such information as may from time to time be required by the Registrar of Co-operative Associations for Saskatchewan.*

1940, c.116, s.12.

