

1982, chapter 28

**AN ACT RESPECTING THE RAFFINERIE
DE SUCRE DU QUÉBEC**

Bill No. 63

Introduced by Mr Jean Garon, Minister of Agriculture, Fisheries and Food

First reading: 1 June 1982

Second reading: 14 June 1982

Third reading: 22 June 1982

Assented to: 23 June 1982

Coming into force: 23 June 1982

Act replaced:

Act respecting the establishment of a beet-sugar factory at Saint-Hilaire (R.S.Q., chapter E-13)



CHAPTER 28

An Act respecting the Raffinerie de sucre du Québec

[Assented to 23 June 1982]

HER MAJESTY, with the advice and consent of the National Assembly of Québec, enacts as follows:

CHAPTER I

STATUS AND OBJECTS OF THE COMPANY

1. The corporation, hereinafter called “the Company”, that was established under the name of “Raffinerie de sucre de Québec” by the issue of letters patent dated 7 July 1943 under the Act respecting the establishment of a beet-sugar factory at Saint-Hilaire (R.S.Q., chapter E-13), continues to exist under the name of “Raffinerie de sucre du Québec” and is governed by this Act.

Con-
tinuance
under new
name.

2. The Company has its corporate seat in the judicial district of Saint-Hyacinthe; it may, with the approval of the Government, transfer it to any other place in Québec. Notice of the location or any change of location of the corporate seat shall be published in the *Gazette officielle du Québec*.

Corporate
seat.

Sittings. The Company may sit anywhere in Québec.

3. The Company enjoys the rights and privileges of a mandatory of the Government.

Mandatory
of the Gov-
ernment.

The property of the Company is part of the public domain but the performance of its obligations may be levied against its property.

Public do-
main.

Liability. The Company binds only itself when it acts in its own name.

Objects. **4.** The objects of the Company are to

(1) produce, refine, condition and market beet or other sugar and the derivatives, substitutes and by-products of sugar;

(2) carry out any expedient industrial, agricultural, commercial or research activity in the pursuit of the objects listed in paragraph 1.

Agreements.

For the purposes of its objects, the Company may, according to law, associate or enter into agreements with any person or partnership.

Profitability.

In carrying out its objects, the Company must aim to be profitable.

CHAPTER II

ADMINISTRATION

Board of directors.

5. The affairs of the Company are administered by a board of directors of three to five members including a chairman and vice-chairman.

Directors.

The members of the board are the directors of the Company within the meaning of the Companies Act (R.S.Q., chapter C-38).

Domicile.

6. Two-thirds of the members of the board of directors including the chairman shall be domiciled in Québec, but no share qualification shall be required in order to be a member of the board of directors of the Company.

Term.

7. The members of the board of directors are appointed by the Government for a period not to exceed five years.

Continuance.

8. Each of the members of the board of directors remains in office notwithstanding the expiry of his term, until he is replaced or reappointed.

Vacancy.

The Government shall fill a vacancy occurring before the expiry of a term in the manner and for the term provided in section 7.

Replacement.

Where a member of the board of directors is unable to act, he shall be replaced, in the case of the chairman, by the vice-chairman and, in the case of any other member, by a person designated for the interim by the Government, which shall fix his indemnities and allowances.

President and managing director.

9. The chairman of the board of directors is *ex officio* the president and managing director of the Company.

Duties.

He shall see that the decisions of the board of directors are carried out and be responsible for the administration of the Company within the scope of its internal management by-laws and policies.

Remuneration.

10. The remuneration and other conditions of employment attached to the position of president and managing director are established by a contract binding between the incumbent and the Company. The contract has effect only if it is ratified by the Government.

Remuneration.

11. The Government shall fix the salary and, where applicable, the fees, allowances and additional salary of the members of the board of directors other than the chairman, and the indemnities to which they are entitled.

Conflict of interest.

12. Any member of the board of directors, other than the chairman, having a direct or indirect interest in an undertaking that causes such interest to conflict with that of the Company shall, under pain of forfeiture of office, disclose it in writing to the chairman and abstain from participating in any deliberation or decision involving the undertaking in which he has such interest.

Conflict of interest.

Neither the president and managing director nor any other officer or employee of the Company may, under pain of forfeiture of office, have any direct or indirect interest in any undertaking causing such interest to conflict with that of the Company. However, such forfeiture is not incurred if such an interest devolves to him by succession or gift, provided he renounces or disposes of it with all possible dispatch.

Exception.

An interest in any security listed on a recognized stock exchange does not give rise to the application of this section if it is equal to less than one ten-thousandth of the total outstanding amount of the listed securities of the undertaking contemplated.

Quorum.

13. A majority of the members including the chairman or the vice-chairman constitute a quorum of the board of directors. If the votes are equally divided, the chairman, or, if he is absent, the vice-chairman, has a casting vote.

Minutes.

14. The minutes of the sittings of the board of directors, approved by the board and certified by the chairman or by any other person authorized to do so by the internal management by-laws of the Company, are authentic, as are documents or copies emanating from the Company or forming part of its records, if so certified.

Appointment and remuneration.

15. The secretary and the other officers and employees of the Company are appointed and remunerated in accordance with the staffing requirements, scales and standards established by the by-laws of the Company.

CHAPTER III

FINANCING

Authorized
capital.
Common
shares.

16. The authorized capital of the Company is \$50 000 000.

It is divided into 500 000 common shares of a par value of \$100 each.

Public do-
main.

17. The shares of the Company form part of the public domain. The Minister of Finance has the exercise of the rights attached to the shares.

Share cer-
tificates.

18. Within sixty days of the coming into force of this Act, the Company shall issue to the Minister of Finance share certificates representing

(1) 20 000 fully paid-up shares of its capital stock in payment of advances of \$2 000 000 that the Minister has made to it under section 12 of the Act respecting the establishment of a beet-sugar factory at Saint-Hilaire; and

(2) 110 000 fully paid-up shares of its capital stock out of the undistributed profits of the Company on 31 March 1982, as a consideration for property transferred to it by the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation.

Additional
payment.

19. The Minister of Finance shall in addition pay to the Company, out of the consolidated revenue fund, during each of the fiscal years 1983-1984 and 1984-1985, up to a sum of \$9 000 000 and during the fiscal year 1985-1986, up to a sum of \$3 000 000 for an equivalent number of fully paid-up shares of its capital stock.

Prohibi-
tion.

In no case may the Company use an amount paid to it under this section for purposes other than those approved by the Government. Third persons are not bound to see that this paragraph is observed and it cannot be invoked by or against them.

Further
payment.

20. The Minister of Finance is furthermore authorized to pay to the Company according to its needs, with the prior approval of the Government, in one or several instalments and on such other conditions as the Government may fix, an amount of \$16 000 000 for an equivalent number of fully paid-up shares of its capital stock.

Sums re-
quired.

The Minister shall take the sums required for carrying out this section out of the consolidated revenue fund.

Share cer-
tificates.

21. The Company shall issue share certificates to the Minister of Finance in return for the payments made under sections 19 and 20, as and when they are made.

CHAPTER IV

SPECIAL POWERS AND CONDITIONS OF EXERCISE

Restrictions.

22. In no case may the Company, without the authorization of the Government,

(1) acquire or hold shares or property of any undertaking pursuing the same or similar objects;

(2) contract any loan that increases its total outstanding borrowings beyond the amount fixed by the Government;

(3) make financial commitments beyond the limits fixed by government regulation published in the *Gazette officielle du Québec*;

(4) acquire, lease or alienate immoveables the value of which exceeds the limits fixed by the Government;

(5) adopt by-laws respecting the exercise of its powers and its internal management.

Dividends.

23. The dividends paid by the Company shall be declared by the Government and not by the directors.

Directives.

24. The Minister of Agriculture, Fisheries and Food may, within the scope of his responsibilities and powers, issue directives on the Company's objectives and orientation.

Prior approval.

The directives must receive prior approval of the Government. If approved, they bind the Company and it must comply with them.

Third persons.

Third persons are not bound to see that this section is observed and it cannot be invoked by or against them.

Tabling.

Every directive issued under this section must be tabled before the National Assembly within fifteen days after its approval by the Government if the Assembly is in session or, if it is not sitting, within fifteen days of the opening of the next session or of resumption.

CHAPTER V

ACCOUNTS AND REPORTS

Fiscal period.

25. The fiscal period of the corporation ends on 31 March each year.

Annual report.

26. Not later than 31 July of each year, the Company shall submit its financial statements and a written report of its activities for the preceding fiscal period to the Minister of Agriculture, Fish-

eries and Food. The financial statements and the report must also contain all the information that may be prescribed by the Minister of Agriculture, Fisheries and Food.

Tabling. The Minister shall table the report of activities and the financial statements of the Company before the National Assembly within thirty days of receiving it if the Assembly is in session or, if it is not sitting, within fifteen days of the opening of the next session or resumption.

Information. **27.** The Company shall furnish to the Minister of Agriculture, Fisheries and Food any information that he requires on its activities.

Audit. **28.** The books and accounts of the Company shall be audited every year and also whenever so ordered by the Government, by the Auditor General or, with the approval of the Government, by an auditor proposed by the Company. The report of the auditors must accompany the annual report of the company contemplated in section 26.

Development plan. **29.** The development plan of the Company and its subsidiaries must be approved every year by the Government.

Form and tenor. The Government shall fix the form and tenor of the development plan and the time when it must be submitted.

CHAPTER VI

MISCELLANEOUS PROVISIONS

Applicability. **30.** Subject to this Act, Part II of the Companies Act, except sections 159 to 162, applies to the Company.

Applicability. **31.** Divisions I and VII of the Special Corporate Powers Act (R.S.Q., chapter P-16) apply to the Company.

Applicability. **32.** The Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) applies to the president and managing director of the Company.

Continuance in office. **33.** The president and the other members of the Company in office at the coming into force of this Act become the president and the directors of the Company; they shall remain in office until they are replaced or reappointed by the Government in the manner and for the term provided in section 7.

R.S.Q.,
c. E-13
and letters
patent, re-
placed.

34. This Act replaces the Act respecting the establishment of a beet-sugar factory at Saint-Hilaire (R.S.Q., chapter E-13) and the letters patent of 7 July 1943 issued under section 1 of the said Act.

1943, c. 23,
preamble
and s. 13,
repealed.

35. The preamble and section 13 of chapter 23 of the statutes of 1943, as in force on 31 December 1977, are repealed.

Minister
re-
sponsible.

36. The Minister of Agriculture, Fisheries and Food is responsible for the carrying out of this Act.

Exception.

37. This Act shall operate notwithstanding the provisions of sections 2 and 7 to 15 of the Constitution Act, 1982 (Schedule B of the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).

Coming
into force.

38. This Act comes into force on the day of its sanction.