



CHAPTER 42

An Act to establish the Société nationale de l'amiante

[Assented to 25 May 1978]

HER MAJESTY, with the advice and consent of the Assemblée nationale du Québec, enacts as follows:

DIVISION I

ESTABLISHMENT OF THE SOCIÉTÉ

- 1.** A joint-stock company, hereinafter called “the Société”, is established under the name of “Société nationale de l'amiante”.
- 2.** The head office of the Société shall be at the place determined by the Government; notice of the location or of any change of location of the head office shall be published in the *Gazette officielle du Québec*.
- 3.** The Société has the rights and privileges of a mandatory of the Government.
The property of the Société forms part of the public domain, but the obligations of the Société may be levied on its property.
The Société binds none but itself when it acts in its own name.
- 4.** The objects of the Société are
(a) exploration for and the development and exploitation of asbestos deposits, including the marketing of production;
(b) any activity of an industrial, manufacturing or commercial nature directly or indirectly relating to the processing of asbestos fibre;
(c) research and development of new uses or processing methods of asbestos.
- To that end, the Société, as well as any subsidiary of the Société, may associate with or make agreements with any person or company, subject to the other provisions of this act.

DIVISION II

BOARD OF DIRECTORS

- 5.** The affairs of the Société shall be administered by a board of directors having at least seven and at most eleven members.
- 6.** The members of the board of directors, including the chairman, may be elected for a term of over two years but not over five years; they shall not, however, in such a case, carry out their duties or be compensated except under the conditions of a contract binding them to the Société for their whole term of office. Such a contract is void unless ratified by the Government.
- 7.** During a vacancy or while a member is unable to act, a person may be appointed for the interim by the Government, which shall fix his indemnities and allowances.
- 8.** If the directors are elected to the board for two years or less, the Government shall fix the salary of the president as well as the indemnities and allowances to which the chairman and the other directors are entitled. Once fixed, the president's salary cannot be reduced.
- 9.** The president of the Société, who may also be chairman of the board of directors, is responsible for the management and direction of the Société within the scope of its by-laws.
- 10.** The board of directors shall adopt the general by-laws of the Société. These by-laws are subject to approval by the Government.

DIVISION III

FINANCING

- 11.** The authorized capital of the Société is \$250,000,000. It is divided into 250,000 shares of a par value of \$1,000 each.
- 12.** The shares of the Société form part of the public domain and are allotted to the Ministre des finances.
- 13.** The Ministre des finances is authorized to pay to the Société, out of the consolidated revenue fund, with the prior ap-

proval of the Government, an amount of \$250,000,000 for 250,000 fully paid-up shares of its capital stock, for which certificates shall be issued to him by the Société.

Mode of
payment.

Such payment may be made in one or in several instalments; if it is made in several instalments, each of them must be approved as provided in the first paragraph.

Tabling.

14. Every order of the Government approving a payment contemplated in section 13 must be tabled without delay before the Assemblée nationale if it is in session or, if it is not, within fifteen days after the opening of the next session or after resumption, as the case may be.

May
guarantee
payment or
authorize
advance.

15. The Government, on such conditions as it may determine, may

(a) guarantee the payment in principal and interest of any loan made by the Société or by any subsidiary in which it holds more than fifty per cent of the shares, and the payment of the amounts of money payable by the Société or by any such subsidiary pursuant to the inexecution of its contracts;

(b) authorize the Ministre des finances to advance to the Société or a subsidiary contemplated in subparagraph *a* any amount considered necessary for the exercise of the powers of the Société or of such subsidiary, at such rate of interest, for such time and on such other conditions as the Government may determine.

Source of
funds.

The amounts that the Government may be called on to pay under such guarantees or to advance to the Société or a subsidiary shall be taken out of the consolidated revenue fund.

DIVISION IV

SPECIAL POWERS AND CONDITIONS OF EXERCISE

Powers
controlled.

16. The Société shall not, without the authorization of the Government, subject to the exceptions and conditions provided for by regulation of the Government,

(a) exercise its powers relating to the objects contemplated in the second paragraph of section 4;

(b) acquire undertakings pursuing the same or similar purposes or shares forming the joint-stock of any such undertakings;

(c) contract a loan that raises to more than \$1,000,000 the total of the sums borrowed by it and not yet reimbursed;

- (d) dispose of a part or of the whole of its mining property;
- (e) grant loans.

Coming
into force.

Any regulation of the Government provided for in this section comes into force on the date of its publication in the *Gazette officielle du Québec*.

Tabling.

Every order of the Government authorizing the acquisition of an undertaking or shares forming the capital stock of an undertaking contemplated in subparagraph *b* of the first paragraph of this section must be tabled without delay in the Assemblée nationale if it is sitting or, if it is not sitting, within fifteen days after the opening of the next session or, as the case may be, after resumption.

Dividends.

17. The dividends paid by the Société shall be fixed by the Government and not by the directors.

Directives
on
objectives.

18. The Ministre des richesses naturelles, within the scope of the responsibilities and powers entrusted to him, may issue directives regarding the objectives and the orientation of the Société in carrying out the functions entrusted to it by the act.

Approval.

Such directives must be submitted to the Government for approval. If they are so approved, they are binding on the Société and it must comply with them.

Tabling.

Any directive issued under this section must be tabled before the Assemblée nationale, if it is in session, within fifteen days of its approval by the Government. If the directive is issued while the Assemblée is not sitting, the directive must be tabled before it within fifteen days after the opening of the next session or, as the case may be, after resumption.

Municipal
and school
taxes.

19. The Société shall pay all the municipal and school taxes imposed on the immoveable property in its possession.

Agree-
ments on
fixed
payments.

Nevertheless, the Société, notwithstanding any contrary legislative provision, may enter into agreements with corporations of school commissioners, trustees or administrators for the payment of fixed sums of money in lieu of any and all taxes, contributions, assessments or dues for municipal services, whatever the nature of such taxes, contributions, assessments or dues.

Approval.

Every agreement entered into under the preceding paragraph comes into force from its approval by the Government.

DIVISION V

ACCOUNTS AND REPORTS

Financial
year.

20. The financial year of the Société terminates on the date fixed by government regulation, which shall be published in the *Gazette officielle du Québec*.

Annual
report.

21. Each year, on the expiry of four months following the end of its financial year, the Société shall make a report of its activities for its preceding financial year to the Ministre des richesses naturelles.

Additional
informa-
tion.

This report must also contain any and all information the Minister may prescribe.

Tabling.

This report shall be tabled in the Assemblée nationale if it is sitting, or, if it is not, within thirty days after the opening of the next session or after resumption, as the case may be.

Develop-
ment plan.

22. Every year, the Société must have its development plan and that of its subsidiaries approved by the Government.

Form and
tenor.

The Government shall determine the form and tenor of the development plan, as well as the time at which it must be filed.

Audit.

23. The books and accounts of the Société shall be audited annually, as well as every time the Government orders them audited, by such auditors as the Government may designate; the auditors' report must accompany the annual report of the Société.

Provisions
not
applicable.

24. Sections 155 to 158 of the Companies Act do not apply to the Société.

Minister
responsible.

25. The Ministre des richesses naturelles is responsible for the application of this act.

Coming
into force.

26. This act shall come into force on the day of its sanction.