

CONSOLIDATION OF CO-OPERATIVE ASSOCIATIONS ACT
R.S.N.W.T. 1988,c.C-19

(Current to: December 18, 2007)

AS AMENDED BY NORTHWEST TERRITORIES STATUTES:

S.N.W.T. 1995,c.2

In force September 1, 1995: SI-007-95

S.N.W.T. 1998,c.5

S.N.W.T. 1996,c.19

In force April 1, 1998: SI-005-98

S.N.W.T. 1998,c.24

AS AMENDED BY STATUTES ENACTED UNDER SECTION 76.05 OF NUNAVUT ACT:

S.N.W.T. 1998,c.35

In force April 1, 1999

AS AMENDED BY NUNAVUT STATUTES:

S.Nu. 2005,c.3,s.2

s.2 in force March 22, 2005

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GLOSSARY OF TERMS USED IN CONSOLIDATIONS

Miscellaneous

- c. means "chapter".
- CIF means "comes into force".
- NIF means "not in force".
- s. means "section" or "sections", "subsection" or "subsections", "paragraph" or "paragraphs".
- Sch. means "schedule".
- SI-005-98 means the instrument registered as SI-005-98 in 1998. (*Note: This is a Northwest Territories statutory instrument if it is made before April 1, 1999, and a Nunavut statutory instrument if it is made on or after April 1, 1999 and before January 1, 2000.*)
- SI-012-2003 means the instrument registered as SI-012-2003 in 2003. (*Note: This is a Nunavut statutory instrument made on or after January 1, 2000.*)

Citation of Acts

- R.S.N.W.T. 1988,c.D-22 means Chapter D-22 of the *Revised Statutes of the Northwest Territories, 1988*.
- R.S.N.W.T. 1988,c.10(Supp.) means Chapter 10 of the Supplement to the *Revised Statutes of the Northwest Territories, 1988*. (*Note: The Supplement is in three volumes.*)
- S.N.W.T. 1996,c.26 means Chapter 26 of the 1996 Annual Volume of the Statutes of the Northwest Territories.
- S.Nu. 2002,c.14 means Chapter 14 of the 2002 Annual Volume of the Statutes of Nunavut.

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CO-OPERATIVE ASSOCIATIONS ACT

INTERPRETATION

Definitions

1. In this Act,

"association" means a co-operative association registered under this Act; (*association*)

"by-laws" means the by-laws of an association; (*règlements administratifs*)

"director" means a director of an association; (*administrateur*)

"extraordinary resolution" means a resolution passed by a majority of at least 3/4 of the members present at a general meeting of an association called for that purpose; (*résolution spéciale*)

"federation" means a group of associations associated together as a federation under section 50; (*fédération*)

"liquidator" means a liquidator appointed by the Supervisor under subsection 38(1) or 41(3); (*liquidateur*)

"member" means a person who is a member of an association under the by-laws governing membership and includes

- (a) a subscriber of the association, and
- (b) in the case of an association having share capital, a shareholder of the association; (*sociétaire*)

"Registrar" means the Registrar of Co-operative Associations appointed under section 2; (*registraire*)

"standard by-laws" means the prescribed by-laws; (*règlements administratifs types*)

"subscriber" means a subscriber to a memorandum of association referred to in subsection 3(1); (*signataire*)

"Supervisor" means the Supervisor of Co-operative Associations appointed under section 2. (*directeur*)

S.N.W.T. 1995,c.2,s.2.

PART I

CO-OPERATIVE ASSOCIATIONS

Registrar and Supervisor

Appointment of Registrar

2. (1) The Minister of Justice may appoint a Registrar of Co-operative Associations to carry out the duties set out in this Act.

Appointment of Supervisor

(2) The Minister responsible for economic development may appoint a Supervisor of Co-operative Associations to carry out the duties set out in this Act.
S.N.W.T. 1995,c.2,s.2.1; S.N.W.T. 1998,c.5,s.9(2); S.Nu. 2005,c.3,s.2(2).

Incorporation

Formation of association

3. (1) Five or more individuals who wish to associate as a co-operative association, with or without share capital, for the purpose of carrying on a co-operative undertaking, business or industry shall

- (a) sign
 - (i) two copies of a memorandum of association, in the presence of a witness who shall attest to the signature, and
 - (ii) two copies of by-laws made under subsection 21(2); and
- (b) comply with the requirements of this Act respecting registration and incorporation of associations.

Contents of memorandum of association

(2) The memorandum of association must state

- (a) the name of the association, with the word "Co-operative" or "*coopérative*" as part of its name and with "Limited" or "*limitée*" as the last word in its name;
- (b) the objects of the association;
- (c) the location of the registered office of the association;
- (d) if there is share capital, the amount of each share and whether the shares are unlimited in number or of a fixed number;
- (d.1) if there is share capital that includes preferred shares, the amount of each preferred share, whether the preferred shares are unlimited in number or of a fixed number and the nature of the preference; and
- (e) if there is no share capital, the terms of membership and the basis on which the interest of each member is to be determined.

Filing of documents

(3) The subscribers shall file with the Supervisor the signed memorandum of association and by-laws together with the prescribed fee.

Duties of Supervisor

(4) Subject to section 6, the Supervisor may approve, amend or reject all or part of the memorandum of association and the by-laws filed under subsection (3) and if the Supervisor

- (a) approves the memorandum and by-laws, the Supervisor shall forward to the Registrar the memorandum and by-laws, the fee paid under subsection (3) and a certificate of approval; or
- (b) does not approve the memorandum or by-laws, the Supervisor shall return to the subscribers the memorandum and by-laws and the fee paid under subsection (3).

Duties of Registrar

(5) On receipt of the documents and fee referred to in paragraph (4)(a) and if the memorandum of association and by-laws appear to the Registrar to comply with this Act, the Registrar shall register them and issue a certificate of incorporation.
S.N.W.T. 1995,c.2,s.3; S.N.W.T. 1998,c.5,s.9(3).

Definition of "certificate of incorporation"

4. (1) In this section, "certificate of incorporation" means a certificate of incorporation issued by the Registrar under subsection 3(5).

Incorporation

(2) From the date of incorporation stated in the certificate of incorporation, the subscribers and any person who becomes a member of the association become a body corporate under the registered name of the association.

Proof of compliance and registration

(3) A certificate of incorporation is conclusive proof that all the requirements of this Act respecting incorporation and registration have been complied with and that the association is duly registered under this Act.

Notice of incorporation

(4) On issuing a certificate of incorporation, the Registrar shall cause notice of the incorporation to be published at the expense of the association in the manner and at the times and places that the Registrar considers advisable.

Memorandum and by-laws

5. The memorandum of association and by-laws of an association are, on registration, binding on the association and members as if the memorandum and by-laws had been signed and sealed by each member and contained covenants binding each member and the heirs, executors and administrators of the member to observe the memorandum and the by-laws, subject to this Act.

Name of Association

6. The Supervisor shall not approve a memorandum of association where
- (a) the proposed name is identical to or so nearly resembles the name by which another association is registered that it would be likely to deceive the members or the public; or
 - (b) the proposed name or part of it includes "Imperial", "*impérial*", "Crown", "*Couronne*", "King's", "*Roi*", "Queen's", "*Reine*", "Royal", "*royal*", "Dominion", "*dominion*", the name of a province or territory or similar words.
- S.N.W.T. 1998,c.5,s.9(4).

Application by extra-territorial association

7. (1) A co-operative association registered under the laws of a jurisdiction other than Nunavut may apply to the Supervisor for registration under the Act where
- (a) the laws of that jurisdiction authorize the application;
 - (b) the applicant was not incorporated by a private act in that jurisdiction; and
 - (c) the applicant is able to comply with the laws of Nunavut.

Requirements for application

- (2) A co-operative association applying under this section shall file with the Supervisor, together with the prescribed fee,
- (a) a memorandum of association and by-laws together with a resolution of the members of the co-operative association adopting the memorandum of association and the by-laws; and
 - (b) proof of compliance with the laws of the jurisdiction in which the co-operative association is incorporated allowing the application under this section.

Supervisor's duties

- (3) The Supervisor may issue a certificate of approval, subject to such conditions as the Supervisor deems necessary, where the Supervisor
- (a) is satisfied that the objects of the association are consistent with the purpose of carrying on a co-operative undertaking, business or industry;
 - (b) is satisfied that the co-operative association is currently carrying on business on a co-operative basis; and
 - (c) considers that it is in the public interest to issue the certificate.

Documents to Registrar

- (4) The Supervisor shall forward the certificate of approval, the application, all documents received with the application and the prescribed fee to the Registrar.

Registrar to register

(5) On receipt of the documents and fee referred to in subsection (4), and if the documents appear to the Registrar to comply with this Act, the Registrar shall register the co-operative association and shall issue a certificate of continuance subject to such conditions as are set out in the certificate of approval.

Deemed the corporation

(6) The co-operative association is deemed to have been incorporated under this Act from the date of registration stated on the certificate of continuance.

Notice of continuance

(7) The Registrar shall notify the proper authority in the jurisdiction in which the co-operative association was incorporated of the continuance of the co-operative association under this Act.

Continuation of rights, liabilities

(8) All rights of creditors against and all liens on the property, rights, assets, privileges and franchises of a co-operative association continued under this section are unimpaired by the continuance and all debts, contracts, criminal or civil liabilities and duties of the co-operative association attach to the continued co-operative association and may be enforced against it. S.N.W.T. 1995,c.2,s.4; S.Nu. 2005,c.3,s.2(3).

Shares

Shares

8. (1) The capital of an association having share capital shall be divided into shares in the denominations set out in the memorandum of association and these denominations may be changed by amendment of the memorandum.

Preferred shares

(1.1) An association may issue preferred shares in addition to other shares with such restrictions as the association may from time to time determine, but no preferred shares may carry the right to vote except for the election of directors specified under subsection 18(4.2).

Approval of existing preferred shares

(1.2) Preferred shares that have been issued based on an amendment to a memorandum of association made and registered before April 1, 1994, are deemed to be valid to the extent that they comply with this Act.

Payment for shares

(2) A share may be paid for by instalments at the time and in the manner specified in the by-laws, but no person

- (a) may at any one time purchase more than one share by instalment;
or
- (b) is entitled to interest on more than the paid-up portion of his or her share.

Lien on shares

(3) An association has a lien on the shares of a member for a debt owing to the association by the member and may set off a sum credited to that member in or towards payment of the debt.

Transfer of shares

(4) Shares are not transferable unless the by-laws provide for the transfer of shares.

Approval of application for shares

(5) No application for a share shall be accepted and no allotment of a share is valid unless approved by the directors.

Approval of assignment or transfer

(6) No assignment or transfer of a share is valid unless approved by the directors. S.N.W.T. 1995,c.2,s.5.

Nomination for transfer on death

- 9.** (1) Notwithstanding subsection 8(4), a member may
- (a) nominate in writing a person, other than an officer or employee of the association, as the person to whom the shares of the member are to be transferred on the death of the member; and
 - (b) revoke or vary the nomination made under paragraph (a).

Record of nominations

(2) An association shall keep a book in which the names of persons nominated under subsection (1) shall be entered.

Exception to by-law

(3) Notwithstanding any by-law providing that the shares of the association are not transferable, the shares affected by entry in the book referred to in subsection (2) are, subject to subsection (4), transferable to the person nominated to receive them.

Transfer with nomination

- (4) On receiving satisfactory proof of the death of a member who has made a nomination under subsection (1) that is unrevoked, the directors at their option shall
- (a) transfer the shares as directed by the member; or
 - (b) pay to the person entitled to the shares the full value of his or her interest in the shares.

Transfer without nomination

(5) If a member who is entitled at his or her death to an interest in the association dies without having made a nomination that is unrevoked at death, the directors at their option shall transfer the interest or pay the value of the interest to or among the persons entitled to the interest.

Members

Membership

10. Subject to this Act, membership in an association is governed by the by-laws.

Subscribers

11. (1) Every subscriber shall be deemed to have agreed to become a member of the association and shall, on registration of the association, be entered in the register of members kept by the association.

Approval of application

(2) No person shall become a member of an association until his or her application for membership has been approved by the directors and the person has complied with the by-laws governing admission of members.

Exception

(3) Notwithstanding subsection (2), an application for shares in an association having share capital constitutes an application for membership and the allotment of a share to the applicant constitutes acceptance of the application.

Transfer of membership

(4) Membership in an association may be transferred but no transfer is valid unless authorized by the board of directors.

Minors

(5) Unless the by-laws provide otherwise, a person who has attained the age of 16 years

- (a) may be a member;
- (b) in the case of an association having share capital, may be a shareholder;
- (c) may enjoy all the rights of a member or shareholder, as the case may be; and
- (d) may execute all instruments and give all acquittances required under the by-laws.

Association

(6) An association may be a member of another association.

Expulsion of member

12. A member who fails to comply with this Act or the by-laws may be expelled by the association after

- (a) a hearing; and
- (b) a 2/3 vote of the members present at a special general meeting called to consider the expulsion.

Definition of "working capital"

13. (1) In this section, "working capital" includes share capital, debenture or bond indebtedness, general reserve fund, deferred dividends, participating reserves and undistributed surplus or deficit accounts.

Withdrawal of members

(2) Members may withdraw from membership in the manner set out in the by-laws and subject to the following conditions:

- (a) the directors may require notice, not exceeding six months, of the proposed withdrawal of a member;
- (b) the association is not required to permit the withdrawal of a member in any fiscal year if the result would be to reduce the amount of working capital of the association at the beginning of that fiscal year by 10% or more.

Payment

(3) When a member withdraws from membership or is expelled, the directors shall make available to the member

- (a) where the association has share capital, the paid-up value of all shares held by the member;
- (b) any amount held by the association to the credit of the member; and
- (c) the equity of the member, other than shares, in the assets of the association.

Limitation of liability of shareholders

14. (1) A shareholder in an association having share capital is liable for or chargeable with a debt or demand owing by the association only to the extent of the amount of the face value of his or her shares that remains unpaid.

Limitation of liability of members

(2) A member, other than a shareholder of an association having share capital, is liable for or chargeable with a debt or demand owing by the association only to the extent of the amount of the membership fees of the member that are due and unpaid.

Management and Administration

Registered office

15. (1) An association shall have a registered office, as specified in the memorandum of association, to which service may be made and notices sent.

Register of members

(2) The association shall keep a register of members, which, in the absence of evidence to the contrary, is proof of the particulars entered in the register relating to

- (a) the name, address and occupation of each member;
- (b) the date on which the name of a member was entered in the register;
- (c) the date on which a person ceased to be a member;
- (d) the number of shares held by each member;
- (e) the number of each share if the shares are distinguished by number; and
- (f) the amount paid or considered as paid on each share.

Inspection of register

(3) Subject to regulations passed by the association at a general meeting, an association shall allow a member to inspect the register kept by the association under subsection (2) at reasonable times during business hours at the head office of the association or the place where the register is kept.

Fiscal year

16. Subject to the by-laws, the fiscal year of an association is the period beginning on January 1 in one year and ending on December 31 in the same year.

Number of directors

17. An association with

- (a) less than 10 members shall have three directors; and
- (b) 10 or more members shall have a minimum of five directors.

Election of directors

18. (1) Subject to subsections (4.1) and (4.2), the directors shall be elected by ballot at an election held on the day and in the manner specified in the by-laws and shall hold office for the period specified in the by-laws.

Election held on another day

(2) If the election of directors is not held on the day specified in the by-laws of the association, an election shall be held on another day and all otherwise valid acts of the directors before their successors are elected are valid.

Defect in election, appointment or qualifications

(3) All otherwise valid acts of the directors are valid notwithstanding any defect in their appointment, election or qualifications.

Requirement for membership

(4) A director elected at the first general meeting of an association who is not a member at the time of the election and fails to become a member within two months after the election shall cease to be a director.

Directors

(4.1) An association may designate up to 25% of the directors of the association as directors to be elected by the members holding preferred shares.

Procedure

(4.2) Where an association designates directors under subsection (4.1), the association shall

- (a) hold a separate election for those directors;
- (b) call a meeting for the purpose of holding the election;
- (c) allow only the members holding preferred shares to attend and vote at the meeting; and
- (d) conduct the election as it would any other election of directors.

Directors have same status

(4.3) Directors elected under subsection (4.2) have all the rights and duties of a director elected under subsection (1).

Prohibition

(5) After the first general meeting of an association, no person who is not a member shall be elected or appointed as a director and the election or appointment of a person who is not a member is void.

Vacancy on board

(6) When a vacancy occurs on the board of directors, the remaining directors may appoint a member as a director who shall hold office until the next general meeting of the association.

Age requirement

(7) No member or shareholder who is under the age of 19 years shall be a director, manager or treasurer of the association. S.N.W.T. 1995,c.2,s.6.

Powers of directors

19. (1) The directors shall have the general direction and supervision of the affairs and business of the association.

Meetings of directors

(2) The directors shall meet at least once every three months.

General meetings

20. (1) The first general meeting of an association shall be held within three months after the date of incorporation and further general meetings shall be held annually at the time and place specified by the by-laws.

Special meetings

(2) Special general meetings of the association may be called as specified by the by-laws.

Voting

- (3) At meetings of the association,
- (a) each member shall have one vote regardless of the number of shares held by him or her; and
 - (b) no member may vote by proxy unless the by-laws provide for proxy voting.

Meeting to pass extraordinary resolution

- (4) Notice of a meeting at which an extraordinary resolution is to be passed must
- (a) specify the intention to propose the extraordinary resolution; and
 - (b) be given at least 30 days before the meeting.

Powers and Duties of an Association

Standard by-laws

21. (1) Subject to subsections (2) and (3), the standard by-laws, as they exist at the time of incorporation of an association, are deemed to be the by-laws of that association.

New by-laws

(2) Individuals who wish to incorporate a co-operative association under this Act may make by-laws for the governance of the co-operative association containing provision for any of the matters the individuals consider advisable.

Power to make and alter by-laws

(3) An association may, by resolution, at an annual meeting or meeting called for that purpose, make, amend or rescind such by-laws as the association considers advisable.

Filing of amendments

(4) Where an association makes a resolution under subsection (3), the association shall file the resolution with the Supervisor, together with the prescribed fee.

Duties of Supervisor

- (5) The Supervisor may approve or reject all or part of the resolution.

Certificate of approval

(6) Where the Supervisor approves the resolution, the Supervisor shall issue a certificate of approval and forward the resolution, the certificate and the prescribed fee to the Registrar.

Registrar to register

(7) The Registrar shall register a resolution that appears to the Registrar to comply with this Act.

Effect of by-law or resolution

(8) No by-law or resolution made under this section has any force or effect until the by-law or resolution is registered by the Registrar.

Subsection (1) does not apply

(9) Subsection (1) does not apply to associations incorporated before December 31, 1994.

Subsections (1) and (2) do not apply

(10) Subsections (1) and (2) do not apply to associations continued or amalgamated under of this Act. S.N.W.T. 1995,c.2,s.7.

Powers of association

22. (1) As ancillary and incidental to the objects set out in its memorandum of association, an association has the following powers, unless those powers are expressly excluded by the memorandum of association:

- (a) to purchase, take on lease or in exchange, hire or otherwise acquire and hold real or personal property that the association considers necessary or convenient for the purposes of its business, and to sell, mortgage, lease or otherwise dispose of that property;
- (b) to construct, improve, maintain, develop, work, manage, carry out or control roads, ways, sidings, factories, warehouses, tanks, shops, stores and other works and conveniences that may seem calculated to advance, directly or indirectly, the interests of the association, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control of them;
- (c) to acquire or undertake the whole or any part of the business, property and liabilities of a person, company, association or society, wherever incorporated, and carrying on any business that the association is authorized to carry on, or possessed of property suitable for the purpose of the association;
- (d) to take or otherwise acquire and hold shares, stock, debentures or other securities of a company, corporation, association or society incorporated by or under an Act, and having objects wholly or in part similar to those of the association, and to sell or otherwise deal with those shares, stock, debentures or other securities;

- (e) subject to the written approval of the Supervisor, to take or otherwise acquire and hold shares, stock, debentures or other securities of or membership in another co-operative association, wherever incorporated, or of a company, corporation, association or society incorporated under a special Act or the *Business Corporations Act*, and having objects wholly or in part similar to those of the co-operative association, and to sell or otherwise deal with those shares, stock, debentures or other securities or memberships;
- (f) to enter into an agreement for co-operation, a joint venture, reciprocal concession or otherwise with another association, or with a person, company or co-operative marketing association having objects wholly or in part similar to the objects of the association or engaged in a business or enterprise capable of being conducted to directly or indirectly benefit the association;
- (g) to unite with a person, company, association or co-operative marketing association in employing and using the same personnel, methods, means or agencies for carrying on their respective businesses, or to use by a separate employment the personnel, means and agencies of another person, company, association or co-operative marketing association;
- (h) to enter into arrangements with a government or authority, municipal, local or otherwise, that seem beneficial to the association, and to obtain from that government or authority any rights, privileges and concessions that the association thinks it desirable to obtain and to carry out, exercise and comply with those arrangements, rights, privileges and concessions;
- (i) to draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments;
- (j) to borrow and secure the payment of money on terms and conditions that the directors may by resolution determine;
- (k) to invest and deal with the moneys of the association not immediately required, in the manner that may from time to time be determined by the directors;
- (l) to make or hold mortgages, hypothecs, liens and charges to secure payment of the price of any part of the property of the association sold by the association or any money due to the association from purchasers and others, and to assign or otherwise dispose of those mortgages, hypothecs, liens and charges;
- (m) to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or former employees of the association or its predecessors in business, or the dependants or connections of those persons, to grant pensions and allowances and to make payments towards insurance;

- (n) to subscribe or guarantee money for charitable or benevolent objects or for an exhibition or for a public, general or useful object;
- (o) to carry on, encourage and assist educational and advisory work relating to co-operative activities;
- (p) to enlarge the area of its operations by the establishment of branches or other means;
- (q) to sell or dispose of the undertaking of the association or a part of it for the consideration that the association thinks fit, and in particular for shares, debentures, securities or other interest in an association having objects altogether in part similar to those of the association;
- (r) to do all other things that are incidental or conducive to the attainment of the objects and the exercise of the powers of the association;
- (s) subject to this Act, to accept money on deposit from its members for future purchase of goods or services by the members;
- (t) to become a member of a credit union registered under the *Credit Union Act*;
- (u) to deposit money on either deposit or share account or both, with a credit union of which the association is a member, or a federation of credit unions registered under the *Credit Union Act*, or to lend money to, or borrow from any such union or federation;
- (v) generally to carry on and undertake a business that seems capable of being conveniently carried on in connection with the business of the association, or calculated to enhance, directly or indirectly, the value of or render profitable any property or rights of the association;
- (w) to do all or any of the above things as principal, agent, contractor or otherwise and by or through trustees, agents or otherwise and either along or in conjunction with others.

Trust account

(2) Where an association accepts a deposit of money from a member, the association shall keep the money in a trust account, available to the member on demand. S.N.W.T. 1995,c.2,s.8; S.N.W.T. 1996,c.19,Sch.,s.3; S.N.W.T. 1998,c.24,s.5(2).

Amendment of memorandum of association

23. (1) An association may, by extraordinary resolution, amend its memorandum of association.

Filing of extraordinary resolution

(2) Where an association makes an extraordinary resolution under subsection (1), the association shall file the extraordinary resolution together with the prescribed fee with the Supervisor.

Powers of Supervisor

(3) The Supervisor may approve or reject all or part of the extraordinary resolution.

Supervisor to issue certificate

(4) Where the Supervisor approves the extraordinary resolution, the Supervisor shall issue a certificate of approval and forward the extraordinary resolution, the certificate and the prescribed fee to the Registrar.

Registrar to register

(5) On receipt of the documents and fee referred to in subsection (4) and where the extraordinary resolution appears to the Registrar to comply with this Act, the Registrar shall register the extraordinary resolution and issue a certificate of amendment.

Effect of extraordinary resolution

(6) No extraordinary resolution made under this section has any force or effect until it is registered by the Registrar.

Effect of change of name

(7) A change of name of an association does not affect any rights or obligations of the association or render defective legal proceedings by or against the association, and any legal proceedings that could have been continued or commenced against the association under its former name may be continued or commenced against it under its new name. S.N.W.T. 1995,c.2,s.9.

Contributions to political parties

24. No association shall make a contribution in money or in kind, directly or indirectly, to an association or organization that has as an object the furthering of the interests of a political party.

Contracts

25. (1) Contracts on behalf of an association may be made, varied or discharged as follows:

- (a) a contract that, if made between private persons, would by law be required to be in writing and under seal, may be made, varied or discharged on behalf of an association in writing under the common seal of the association;
- (b) a contract that, if made between private persons, would by law be required to be in writing and signed by the parties, may be made, varied or discharged on behalf of an association in writing and signed by a person acting under the express or implied authority of the association;
- (c) a contract that, if made between private persons, would by law be valid if made orally, may be made, varied or discharged orally on behalf of an association by a person acting under the express or implied authority of the association.

Marketing contracts

(2) An association may make marketing contracts with a member or a group or class of members requiring them, for a period of time not exceeding five years, to sell all or any of their products specified in the contract exclusively to or through the association or an agency created or specified by the association.

Failure to deliver products

(3) A member who has entered into a marketing contract with an association and who, within 12 months after the date of the contract, does not deliver the products as required by the contract may be expelled under section 12.

Borrowing from members

26. (1) An association may by by-law authorize the borrowing of money from its members for definite periods of not less than 90 days.

Use of loan

(2) Money borrowed under subsection (1)

- (a) shall be credited to a Loan Capital Account; and
- (b) may be used for any purpose of the association, including payments for goods purchased or expenses incurred in connection with the purchase or shipment of the goods.

Pledge of credit

(3) An association may pledge its credit for the purchase of goods or in any other transaction within the scope of its corporate powers.

Loans to members or directors

27. (1) No association shall make a loan to a member or director unless the association is specifically empowered by extraordinary resolution to make these loans.

Voting on loans

(2) A member or director who

- (a) has a direct or indirect pecuniary interest in a loan application on his or her own behalf or while acting for, by, with or through another, and
- (b) is present at a meeting at which the loan application referred to in paragraph (a) is considered,

shall

- (c) as soon as practicable after the start of the meeting,
 - (i) disclose the extent and nature of his or her interest in the loan application, and
 - (ii) absent himself or herself from the meeting while the loan application is considered, and
- (d) not vote on the loan application or attempt to influence the voting before, during or after the meeting.

Sale on credit

28. No association, unless authorized by by-law, shall sell goods to its members or customers on credit or in any manner other than for cash.

Annual distribution to members

29. Within six months after the end of each fiscal year, an association shall, in the manner specified in the by-laws, allocate the amount available for distribution to members at the end of the fiscal year.

Reserve

30. (1) An association

- (a) shall designate not less than 20% of the amount available for distribution to members at the end of the fiscal year as a reserve for contingencies; and
- (b) shall not distribute to the members the amount designated under paragraph (a).

Amount of reserve

(2) Subsection (1) does not apply to an association when its reserve for contingencies reaches an amount equal to

- (a) 30% of that value, if the value of the total assets of the association is \$50,000 or less;
- (b) \$15,000 plus 20% of the amount by which the value exceeds \$50,000, if the value of the total assets of the association exceeds \$50,000 but equal to or is less than \$150,000; or
- (c) \$35,000 plus 10% of the amount by which the value exceeds \$150,000, if the value of the total assets of the association exceeds \$150,000.

Reserve for associations without share capital

(3) An association without share capital shall set aside its net surplus at the end of each fiscal year as a reserve for contingencies and shall not distribute this reserve to its members.

Valuation by Supervisor

(4) When the Supervisor does not agree with the value an association places on its assets for the purpose of subsection (2), the Supervisor may place a value on the assets and for the purpose of subsection (2) this valuation shall be deemed to be the value of the assets.

Audit

Appointment of auditor

31. (1) An association shall, in accordance with the by-laws, appoint a person to hold the office of auditor for the association who shall, on the approval of the Supervisor, be the auditor for the association.

Audit

(2) At the end of each fiscal year the association shall submit its accounts for audit by the auditor.

Annual return to Supervisor

(3) Within 90 days after the end of each fiscal year, an association shall send the Supervisor

- (a) a general statement of the affairs of the association in the form and including the details required by the Supervisor; and
- (b) a copy of the financial statement for the preceding fiscal year certified by the auditors.

Provision of annual statement to members

(4) On the application of a member, an association shall provide to the member, without charge, a summary of the latest annual statement of the association prepared by the auditor.

Request by Supervisor

(5) An association shall, on request, provide the Supervisor with any information required by the Supervisor for the purposes of this Act.

Dissolution**Definition of "resolution"**

32. (1) In this section and section 33, "resolution" means an extraordinary resolution for the dissolution of an association.

Dissolution

(2) Subject to the approval of the Supervisor, an association may be dissolved by resolution.

Contents of resolution

(3) The resolution shall set out in detail

- (a) the assets and liabilities of the association;
- (b) the claims of creditors;
- (c) the number of members;
- (d) the nature and amount of the equity of each member in the association, including
 - (i) amounts paid on shares or membership certificates,
 - (ii) amounts lent to the association through the retention of patronage refunds or otherwise, and
 - (iii) interest on capital, at a rate not exceeding 5% for one year only; and
- (e) the intended disposition of any undistributed surplus remaining after the amounts referred to in paragraphs (a) to (d) have been provided for.

Statutory declaration

- (4) The president and secretary of an association wishing to dissolve shall
- (a) make a statutory declaration that this Act has been complied with; and
 - (b) send to the Supervisor
 - (i) the declaration referred to in paragraph (a), and
 - (ii) a copy of the resolution certified by the president and secretary of the association to be a true copy.

Approval of resolution

(5) Before approving the resolution sent under paragraph (4)(b), the Supervisor may require that those members voting in favour of the resolution represent at least 25% of the equity in the association, as shown by its annual return for the preceding fiscal year.

Special meeting

(6) Where the Supervisor does not approve the resolution on the ground that it does not comply with subsection (5) or on any other grounds that the Supervisor considers reasonable, the Supervisor may request the directors to call a special meeting of the association to reconsider the resolution.

Distribution of assets

33. (1) Where the Supervisor has approved a resolution, the association may distribute its assets after six weeks from publication of the latest advertisement of dissolution unless new valid claims are discovered.

Effect of claims

(2) If claims referred to in subsection (1) are discovered, the amount of the claims shall be deducted from the amount of the undistributed surplus set out in the resolution and if the total amount of the claims exceeds the amount of undistributed surplus, the Supervisor may cancel the dissolution proceedings.

Returns

(3) The Supervisor may require an association to provide annual or other returns showing the progress of dissolution and the distribution of surplus.

Deposit

(4) Where after reasonable investigation a claimant against the association for debt, share capital invested or otherwise cannot be found, the directors may deposit the amount owing to the claimant in a bank or credit union.

Payment

(5) If an amount deposited under subsection (4) is not claimed by the claimant within three years after the deposit is made, the directors may, with the approval of the Supervisor, pay out the amount and any interest accrued.

Inquiry by Supervisor

34. (1) Where the Supervisor has reasonable cause to believe that an association is not carrying on business or is not in operation, the Supervisor shall send a letter by ordinary mail to the registered office of the association, inquiring whether the association is carrying on business or is in operation.

Notice of intent

(2) If, within two months after sending the letter referred to in subsection (1), the Supervisor does not receive an answer, the Supervisor shall, within 14 days after the end of the two-month period, send by registered mail to the registered office of the association a letter

- (a) referring to the first letter and stating that no answer has been received; and
- (b) stating that if no answer is received to either letter within two months after the date of sending the second letter, the Supervisor will forward a certificate to that effect to the Registrar and the Registrar will strike the association from the register and dissolve the association.

Notice of dissolution

(3) Where the Supervisor

- (a) receives from the association an answer to the letter referred to in subsection (1) or (2), stating that the association is not carrying on business or is not in operation, or
- (b) within two months after sending the second letter referred to in subsection (2), does not receive an answer,

the Supervisor shall forward a certificate to that effect to the Registrar.
S.N.W.T. 1995,c.2,s.10; S.N.W.T. 1998,c.5,s.9(5).

Inquiry by Supervisor

35. The Supervisor shall hold an inquiry into the affairs of an association and report the results of the inquiry to the Minister,

- (a) on the order of the Minister; or
- (b) on receiving a written request signed by at least
 - (i) 50% of the members, if there are 10 members or less in the association, or
 - (ii) the greater of 10% of the members and six members, if there are more than 10 members in the association.

S.N.W.T. 1995,c.2,s.11.

Definition of "administrator"

36. (1) In this section, "administrator" means an administrator appointed under subsection (2).

Dissolution or appointment of administrator

(2) The Minister may order the Registrar to dissolve an association or may appoint an administrator to protect the equities of the members where it appears to the Minister from a report of the Supervisor made under section 35 that

- (a) the incorporation of the association was obtained by fraud or mistake;
- (b) the association exists for an illegal purpose;
- (c) the association has wilfully contravened this Act or the by-laws, after receiving notice to cease from the Supervisor;
- (d) the association is no longer operating on a co-operative basis;
- (e) the affairs of the association are being mismanaged; or
- (f) the number of members of the association has been reduced below the minimum number required by this Act for the incorporation of the association.

Powers and duties of administrator

(3) An administrator

- (a) has all the powers of the directors and may perform any of the duties of the officers of the association;
- (b) is responsible to the Supervisor for the conduct of the business of the association and shall carry out all orders and directions of the Supervisor with respect to the association;
- (c) shall take all steps and do all things necessary to protect the equities of the members and the rights of the creditors of the association;
- (d) shall maintain, so far as is practicable, the services provided by the association; and
- (e) may pay the expenses of administration out of the funds of the association.

Powers of directors and officers

(4) As long as an administrator remains in charge of the conduct of the business of an association, the directors and officers of the association shall not exercise any of their powers.

Access to records and assets

(5) For the purposes of this section, an administrator shall have access to all books, accounts, securities, documents, vouchers, cash, goods and other assets of the association and any security held by the association.

Special meeting

(6) Subject to the approval of the Supervisor, an administrator may call a special general meeting of the association to report on the affairs of the association and the steps taken by the administrator to protect their equities.

Term of administrator

- (7) An administrator shall conduct the business of the association until
- (a) the Supervisor is satisfied to have the officers of the association resume the management of its affairs; or
 - (b) the association is dissolved and a liquidator is appointed to wind up its affairs.
- S.N.W.T. 1995,c.2,s.12.

Dissolution

- 37.** (1) The Registrar shall strike the name of an association off the register and dissolve the association where the Registrar receives in respect of an association
- (a) an extraordinary resolution approved by the Supervisor and a copy of the statutory declaration referred to in paragraph 32(4)(a);
 - (b) a certificate forwarded under subsection 34(3); or
 - (c) an order of the Minister to dissolve the association under subsection 36(2).

Publication of notice

(1.1) The Registrar shall, at the cost of the association, publish a notice of dissolution in the manner determined by the Registrar.

Powers of association on dissolution

- (2) An association that is dissolved under subsection (1)
- (a) may do all things necessary to its winding-up;
 - (b) shall be deemed to exist while any matter relating to the association remains unsettled; and
 - (c) may sue and be sued in respect of an unsettled matter.
- S.N.W.T. 1995,c.2,s.13.

Winding-up**Appointment of liquidator**

38. (1) The Supervisor shall appoint one or more liquidators to wind up the affairs of an association that is dissolved.

Expenses

(2) The costs and expenses incurred in winding up an association shall be paid out of the funds of the association.

Commencement of winding-up

39. A winding-up shall be deemed to commence at the time the Registrar strikes the name of the association off the register. S.N.W.T. 1998,c.24,s.5(3).

Effect of winding-up

40. (1) An association shall, after the commencement of the winding-up, cease to carry on its business except as required for the beneficial winding-up of the association.

Validity of transfer of shares

(2) A transfer of shares, except a transfer made to or with the sanction of the liquidator, or an alteration in the status of the members that is made after the commencement of the winding-up is void.

Powers of directors

41. (1) Where a liquidator is appointed, the powers of the directors cease except to the extent that the liquidator sanctions the continuance of those powers.

Exercise of powers by liquidators

(2) Where two or more liquidators are appointed, the powers of the liquidators may be exercised by a majority or as is determined at the time of their appointment.

Replacement of liquidator

(3) Where a vacancy occurs in the office of liquidator, the Supervisor may appoint another liquidator to fill the vacancy.

Duty of liquidator

42. (1) On appointment, the liquidator shall take into his or her custody or under his or her control all property that the association owns or possesses or to which it is or appears to be entitled.

Statement of assets

(2) The liquidator shall

- (a) within 60 days after his or her appointment, prepare a statement of the assets, debts and liabilities of the association as shown by its books and records; and
- (b) without delay send to the Supervisor a copy of the statement prepared under paragraph (a).

Powers of liquidator

(3) The liquidator may

- (a) bring or defend any legal proceeding in the name of and on behalf of the association;
- (b) carry on the business of the association to the extent necessary for the beneficial winding-up of the association;
- (c) sell or otherwise dispose of all or part of the property of the association by public auction or private contract;
- (d) employ persons necessary to assist the liquidator in the discharge of his or her duties;
- (e) make any compromise or arrangement with
 - (i) a creditor,
 - (ii) a class of creditors,
 - (iii) a person claiming to be a creditor, or
 - (iv) a person having or alleging to have a claim, present or future, certain or contingent, ascertained or sounding only

- in damages, against the association or by which means the association may be held liable;
- (f) make any compromise or arrangement, on terms that are agreed on, in respect of
 - (i) calls,
 - (ii) liabilities to calls,
 - (iii) debts and all claims, present or future, certain or contingent, ascertained or sounding only in damages, that subsist or are supposed to subsist between the association and a contributory, alleged contributory, or other debtor or person that possibly involve liability to the association, or
 - (iv) questions relating to or affecting the assets or the winding-up of the association;
 - (g) take security for the discharge of a call, debt, liability or claim referred to in paragraph (f) and give a complete discharge in respect of the call, debt, liability or claim;
 - (h) do all acts and execute all deeds, receipts and other documents in the name of and on behalf of the association and, when necessary, use the common seal of the association for that purpose;
 - (i) draw, accept, make and endorse a bill of exchange or promissory note in the name of and on behalf of the association with the same effect with respect to the liability of the association as if this were done by or on behalf of the association in the course of business; and
 - (j) do anything else that is necessary for winding up the affairs of the association and distributing its assets.

Solicitor

(4) A liquidator shall not employ a solicitor without the consent of the members or the written approval of the Supervisor.

Purchase by liquidator

(5) A liquidator shall not purchase directly or indirectly any stock-in-trade, debts or assets of the association.

Deposit

(6) A liquidator shall deposit in a bank or credit union all sums of money in his or her possession belonging to the association whenever those sums exceed \$100.

Returns

(7) A liquidator shall provide the Supervisor with the annual or other returns that the Supervisor may require showing the progress of the winding-up, the distribution of surplus and any other information the Supervisor may require.

Date for submission of claims

43. (1) A liquidator may fix a day on or before which creditors of the association and others having claims against the association must submit their claims to the liquidator.

Notice

(2) The liquidator shall give notice of the day referred to in subsection (1) by publication for four successive weeks in a newspaper published at or nearest to the chief place of business of the association.

Length of notice

(3) The day referred to in subsection (1) shall not be less than two months after the first publication of notice under subsection (2).

Distribution of assets

(4) The liquidator may, after the day referred to in subsection (1), distribute all or part of the assets of the association among the parties entitled to the assets, having regard to the claims of which the liquidator has notice.

Liability of liquidator

(5) Where the liquidator has not received notice of a claim at the time of distribution under subsection (4), the liquidator is not liable to the claimant for the assets distributed.

Rights of claimant

(6) Nothing in this Act prejudices the right of a claimant to follow assets in the possession of any person who has received the assets.

Priority of wages

44. (1) In distributing the assets of an association the liquidator shall pay, in priority to the claims of the ordinary or general creditors, the wages or salary not exceeding six months wages or salary of persons, other than the directors, employed by the association at the time of or within one year before the commencement of the winding-up.

Ranking for residue of wages

(2) A person paid under subsection (1) is entitled to rank as an ordinary or general creditor of the association for the residue of his or her claim.

Costs of winding-up

45. All costs, charges and expenses properly incurred in the winding-up of an association, including the remuneration of the liquidator, shall be payable out of the assets of the association in priority to all other claims.

Commission of liquidator

46. (1) Where there is no agreement or provision fixing the remuneration of the liquidator, the liquidator is entitled, instead of fees and charges for his or her services, to a commission on the net proceeds of the estate of the association after deducting expenses and disbursements.

Amount of commission

(2) The commission referred to in subsection (1) shall be 5% of the net proceeds not exceeding \$5,000 and a further 1.25% of the net proceeds exceeding \$5,000.

Statutory declaration and statement of liquidator

47. When the affairs of an association have been wound up, the liquidator shall

- (a) make a statutory declaration stating that the affairs of the association have been wound up and that the provisions of this Act respecting the winding-up of the association have been complied with;
- (b) prepare a detailed statement showing receipts and disbursements and other information that the Supervisor may require; and
- (c) file the statutory declaration and statement referred to in paragraphs (a) and (b) with the Supervisor.

Undistributed surplus

48. Where an association is dissolved and wound up under this Act other than under sections 32 and 33, the Supervisor shall pay the undistributed surplus into the Nunavut Court of Justice for disposal as the Court considers fit. S.Nu. 2005,c.3,s.2(4).

Books and records

49. The books and records of an association dissolved under this Act shall be retained by the Supervisor for not less than six years after the statutory declaration referred to in section 47 is filed with the Supervisor.

PART II

CO-OPERATIVE FEDERATIONS

Formation of federation

50. (1) Where two or more associations desire to associate themselves together as a federation with or without share capital for the purpose of carrying on a co-operative undertaking, business or industry, the persons appointed under subsection (3) shall sign two copies of a memorandum of association and comply with section 3 respecting registration and incorporation of associations.

Approval

(2) Where less than 15 associations desire to associate themselves, a federation of those associations shall not be incorporated or registered without the prior written approval of the Minister.

Resolution to form federation

- (3) Before an association may participate in the formation of a federation,
- (a) the directors shall pass a resolution authorizing the association to become a member of the federation and appointing two persons to represent the association at the meetings of the federation until representatives are elected under subsection 52(4); and
 - (b) the resolution passed under paragraph (a) must be ratified by the members at a general meeting of the association.

Resolution to join federation

(4) Before an association may become a member of an existing federation, the directors shall pass a resolution authorizing it to become a member of the federation and the resolution must be ratified by the members at a general meeting of the association.
S.N.W.T. 1995,c.2,s.14.

Application of Act

51. (1) Except as provided in this Part, the provisions of this Act apply, with such modifications as the circumstances require, to and in respect of federations.

Memorandum of association

- (2) In addition to the requirements of subsection 3(2), the memorandum of association for a federation must state
- (a) the names of the member associations;
 - (b) the name, address and occupation of the person acting as provisional secretary for the federation; and
 - (c) the method of calling the first meeting of the federation.

Powers of federation

- (3) In addition to the powers referred to in subsection 22(1) a federation may as ancillary and incidental to the objects set out in its memorandum of association, unless otherwise restricted by its memorandum of association,
- (a) provide marketing and purchasing services, education, staff training and co-ordination services for its member associations;
 - (b) enter into management agreements with its member associations;
 - (c) audit and inspect the books of its member associations; and
 - (d) make representations to governments and other agencies on behalf of itself and its member associations.

Use of services

(4) No federation shall compel any of its member associations to use any service offered by it.

Entitlement to representation

52. (1) At a meeting of a federation, a member association is entitled to have two voting representatives present.

Voting

(2) If a representative referred to in subsection (1) wishes to vote, he or she must vote in person.

By-laws

(3) The by-laws of a federation may provide for representation at meetings of the federation in addition to the representatives referred to in subsection (1), subject to any terms and conditions specified by the by-laws.

Election of representatives

- (4) The representatives referred to in subsection (1) shall
- (a) be elected at the annual general meeting of each member association or at a special general meeting called for that purpose; and
 - (b) hold office until the next annual general meeting or until their successors are elected, whichever occurs first.

General meeting

53. (1) A federation shall hold a general meeting at least once each year.

Exception

(2) The Supervisor may, with the consent of 3/4 of the member associations of a federation, suspend subsection (1) in respect of that federation.

Restriction

(3) A suspension under subsection (2) shall not apply in respect of two consecutive years.

PART III

AMALGAMATIONS OF ASSOCIATIONS

Amalgamation

54. (1) Subject to the approval of the Supervisor, two or more associations incorporated under this Act may, by agreement authorized by extraordinary resolution of each association at a general meeting of each association called for that purpose, amalgamate as one association.

Notice to members

(2) An association shall give members not less than 10 days notice of a meeting referred to in subsection (1), and the notice must state the intention to introduce the resolution authorizing the amalgamation agreement.

Memorandum and by-laws to be included in agreement

(3) The associations entering into an amalgamation agreement shall include, in the agreement, the memorandum of association and by-laws of the amalgamated association.

Filing of extraordinary resolution

(4) Where two or more associations make extraordinary resolutions under subsection (1), the associations shall jointly file with the Supervisor the extraordinary resolutions together with the amalgamation agreement and the prescribed fee.

Supervisor may require notice

- (5) The Supervisor may require an amalgamating association to
- (a) give its creditors notice of the amalgamation; and
 - (b) give notice to the Supervisor setting out the names of its creditors and the amount owed to each.

Powers of Supervisor

(6) The Supervisor may approve or reject the extraordinary resolutions and the amalgamation agreement.

Supervisor to certify approval

(7) The Supervisor shall issue a certificate of approval where the Supervisor approves the extraordinary resolutions and the amalgamation agreement.

Documents to Registrar

(8) The Supervisor shall forward the certificate of approval, the extraordinary resolutions, the amalgamation agreement and the prescribed fee to the Registrar.
S.N.W.T. 1995,c.2,s.15.

Registrar to register

55. (1) On receipt of the documents and fee referred to in subsection 54(8) and if the extraordinary resolutions and the amalgamation agreement appear to the Registrar to comply with this Act, the Registrar shall register the resolutions and the amalgamation agreement and issue a certificate of amalgamation.

Effect of extraordinary resolution

(2) No extraordinary resolution or amalgamation agreement has any force or effect until it is registered by the Registrar.

Notice of amalgamation

(3) An amalgamating association shall give notice of an amalgamation under this section at the time and in the manner that the Supervisor directs.

Effect of amalgamation

(4) From the date of registration stated on the certificate of amalgamation, the amalgamating associations are amalgamated and are continued as one association, under the name and having the authorized capital and objects specified in the amalgamation agreement.

Rights and liabilities continue

(5) The amalgamated association possesses all the property, rights, privileges and franchises and is subject to all the liabilities, contracts and debts of each of the amalgamating associations. S.N.W.T. 1995,c.2,s.15.

PART IV

MISCELLANEOUS

Offences and Punishment

Offences

- 56.** (1) Every person or association is guilty of an offence who
- (a) fails to give notice, send a return or document or do or allow to be done an act or thing that the person or association is by this Act required to give, send, do or allow to be done;
 - (b) neglects or refuses to do an act or to furnish information required for the purposes of this Act by the Registrar or other person authorized under this Act;
 - (c) does an act or thing forbidden by this Act; or
 - (d) wilfully furnishes false or insufficient information.

Punishment for corporation, association

(2) Every corporation or association that is guilty of an offence is liable on summary conviction to a fine not exceeding \$1,000.

Punishment for individual

(3) An individual who is guilty of an offence is liable on summary conviction to a fine not exceeding \$500 or to imprisonment for a term not exceeding two months or to both.

Default

(4) Where a fine is imposed under subsection (3) a term of imprisonment not exceeding two months may be imposed in default of payment of the fine.

Responsibility of officers

(5) An offence under this Act by an association shall be deemed to have been committed by

- (a) each officer of the association where the offence is caused by an officer failing to perform the duties of his or her position as required by the by-laws, or
- (b) each director, if the offence is not caused by an officer as stated in paragraph (a),

unless the officer or director is proved to have attempted to prevent the commission of the offence.

Regulations

Regulations

57. The Commissioner, on the recommendation of the Minister, may make regulations

- (a) prescribing the fees for services done under this Act;
- (b) prescribing standard by-laws for associations;
- (c) prescribing forms for the carrying out of this Act; and
- (d) for carrying out the purposes and provisions of this Act.

Transitional Matters Related to Division

Definition

58. (1) In this section,

"NWT co-operative" means a co-operative association incorporated or continued under the *Co-operative Associations Act* (Northwest Territories) before April 1, 1999 that is not deemed to be incorporated or continued under this Act pursuant to subsection (2).
(*coopérative des T.N.-O.*)

Deemed incorporation in Nunavut

(2) A co-operative association incorporated, continued or dissolved under the *Co-operative Associations Act* (Northwest Territories) before April 1, 1999 is deemed as of that date to be incorporated, continued or dissolved under this Act, where its registered office, as specified in its memorandum of association, is located in Nunavut on March 31, 1999 or on the date of its dissolution, as the case may be.

Additional transitional powers

(3) Notwithstanding subsection 22(1), an association referred to in subsection (2), has the following powers as ancillary and incidental to the objects set out in its memorandum of association, unless those powers are expressly excluded by the memorandum of association:

- (a) to continue to hold, without the written approval of the Supervisor, shares, stock, debentures or other securities, owned by the association on March 31, 1999, of a company, corporation, association or society that
 - (i) was incorporated by or under an Act of the Northwest Territories before April 1, 1999,
 - (ii) is not deemed to be incorporated by or under an Act of Nunavut on April 1, 1999, and
 - (iii) has objects wholly or in part similar to those of the association;
- (b) to take or otherwise acquire, without the written approval of the Supervisor, shares, stock, debentures or other securities, pursuant to an agreement entered into before April 1, 1999, of a company, corporation, association or society that

- (i) was incorporated by or under an Act of the Northwest Territories before April 1, 1999,
 - (ii) is not deemed to be incorporated by or under an Act of Nunavut on April 1, 1999, and
 - (iii) has objects wholly or in part similar to those of the association;
- (c) to take or otherwise acquire, without the written approval of the Supervisor, membership pursuant to an agreement entered into before April 1, 1999 in an NWT co-operative that has objects wholly or in part similar to those of the association;
- (d) to sell or otherwise deal with the shares, stock, debentures or other securities or memberships referred to in paragraphs (a) to (c);
- (e) to fulfill the terms of an agreement for co-operation, a joint venture, reciprocal concession or otherwise entered into before April 1, 1999 with an NWT co-operative; and
- (f) to sell or dispose of the undertaking of the association or a part of it, pursuant to the terms of an agreement entered into before April 1, 1999 with an NWT co-operative that has objects wholly or in part similar to those of the association, for consideration which includes shares, debentures, securities or other interest in the NWT co-operative.

Power of Registrar and Supervisor

(4) The Registrar and the Supervisor have the power to issue whatever certificates or documents they consider necessary to give effect to this section.
S.N.W.T. 1998,c.35,Sch.B,s.1.