

Legislative  
Assembly  
of Ontario



Assemblée  
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66 ELIZABETH II, 2017

# Bill 187

**An Act to amend the Co-operative Corporations Act with respect to  
audit exemptions and limits to non-member business**

**M<sup>me</sup> N. Des Rosiers**

**Private Member's Bill**

1st Reading      December 6, 2017

2nd Reading

3rd Reading

Royal Assent



**An Act to amend the Co-operative Corporations Act with respect to audit exemptions  
and limits to non-member business**

Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1 Section 123 of the *Co-operative Corporations Act* is repealed and the following substituted:**

**Exemption from audit provisions**

**123** A co-operative is exempt, in respect of a financial year, from sections 124 and 125, subsections 126 (1) and (2), section 127, clause 128 (1) (b) and subsection 128 (3) if,

- (a) the co-operative is not required to have filed an offering statement under subsection 34 (1);
- (b) no government grant or subsidy that the co-operative receives during the financial year has a condition requiring the co-operative to be audited; and
- (c) a special resolution not to appoint an auditor is confirmed at the most recent annual meeting before the beginning of the financial year.

**2 Subsection 144 (1) of the Act is repealed and the following substituted:**

**Limit to non-member business**

(1) Where the Minister is of the opinion that a co-operative has for a period of three years or longer conducted more of its business with non-members of that co-operative than is specified in its articles or by-laws, or 50 per cent or more of its business with non-members of that co-operative if no limit on business with non-members is specified in its articles or by-laws, the Minister may, after giving the co-operative an opportunity to be heard,

- (a) issue a certificate of amendment changing the co-operative into a corporation subject to the provisions of the *Business Corporations Act* and, where necessary for the purpose, changing the co-operative into a corporation with share capital; or
- (b) issue a certificate of amendment changing the co-operative into a corporation subject to the provisions of Part III of the *Corporations Act* and, where necessary for the purpose, changing the co-operative into a corporation without share capital.

**Commencement**

**3 This Act comes into force on the day it receives Royal Assent.**

**Short title**

**4 The short title of this Act is the *Co-operative Corporations Amendment Act (Audit Exemptions and Limits to Non-member Business), 2017*.**

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EXPLANATORY NOTE

The Bill amends the *Co-operative Corporations Act* to provide for exemptions from audit provisions for certain co-operatives. The Bill also amends the Act to provide for limits to non-member business for certain co-operatives.