



41 VICTORIA.

CHAP. 23.

An Act to reduce the Capital Stock of the Merchants' Bank of Canada.

[Assented to 16th April, 1878.]

WHEREAS the Merchants' Bank of Canada, by its petition, has represented, that it has sustained heavy losses in the course of its business, whereby the value of the paid-up capital stock thereof has been largely reduced, and that in order to enable it advantageously to continue its business, and to realize the largest possible return for its shareholders, it is necessary that it should be authorized to reduce its capital stock by reducing the number of its subscribed shares, and it is expedient to grant the prayer of the said petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Preamble;

1. The number of the existing subscribed shares of the said Bank shall be reduced as follows, namely, for and in lieu of every three shares held by any existing shareholder on the first day of May in the present year one thousand eight hundred and seventy-eight, two new shares of one hundred dollars each shall then be issued to such shareholder: Provided always, that nothing herein contained or done hereunder shall in any way affect or diminish the present liability of holders of shares unpaid or not paid up in full, to pay up in full the amount of such shares to the present nominal amount thereof.

Number of shares shall be reduced.

Proviso: as to shares not paid up.

2. From and after the said first day of May the votes by the shareholders of the said Bank shall be computed upon the basis of the new stock, and no transfer or other transaction of any kind or nature whatsoever shall thereafter be made or take place except in respect of the said new stock, and the Directors may thereupon close the transfer books of the Bank for a period not exceeding one week, for the purpose of re-arranging the stock books of the Bank.

Votes to be on the basis of the new stock.

Re-arrangement of books.