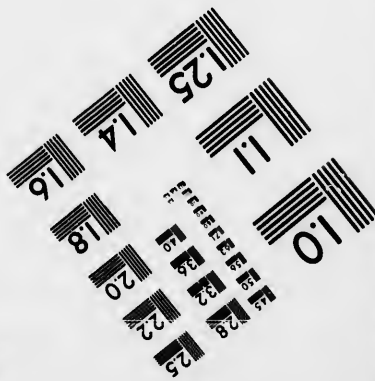
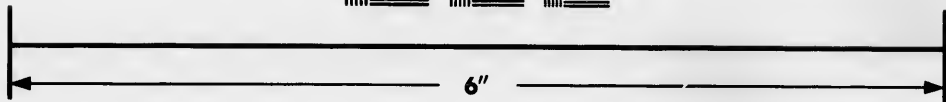
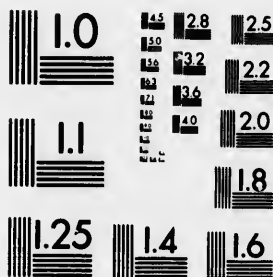


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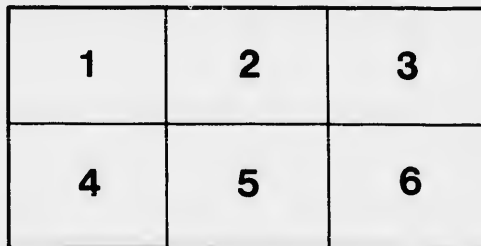
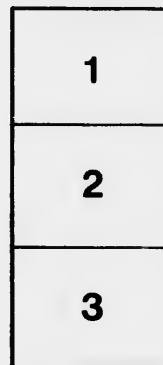
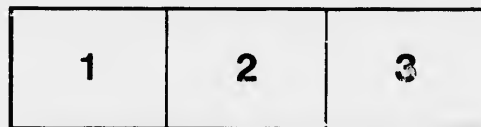
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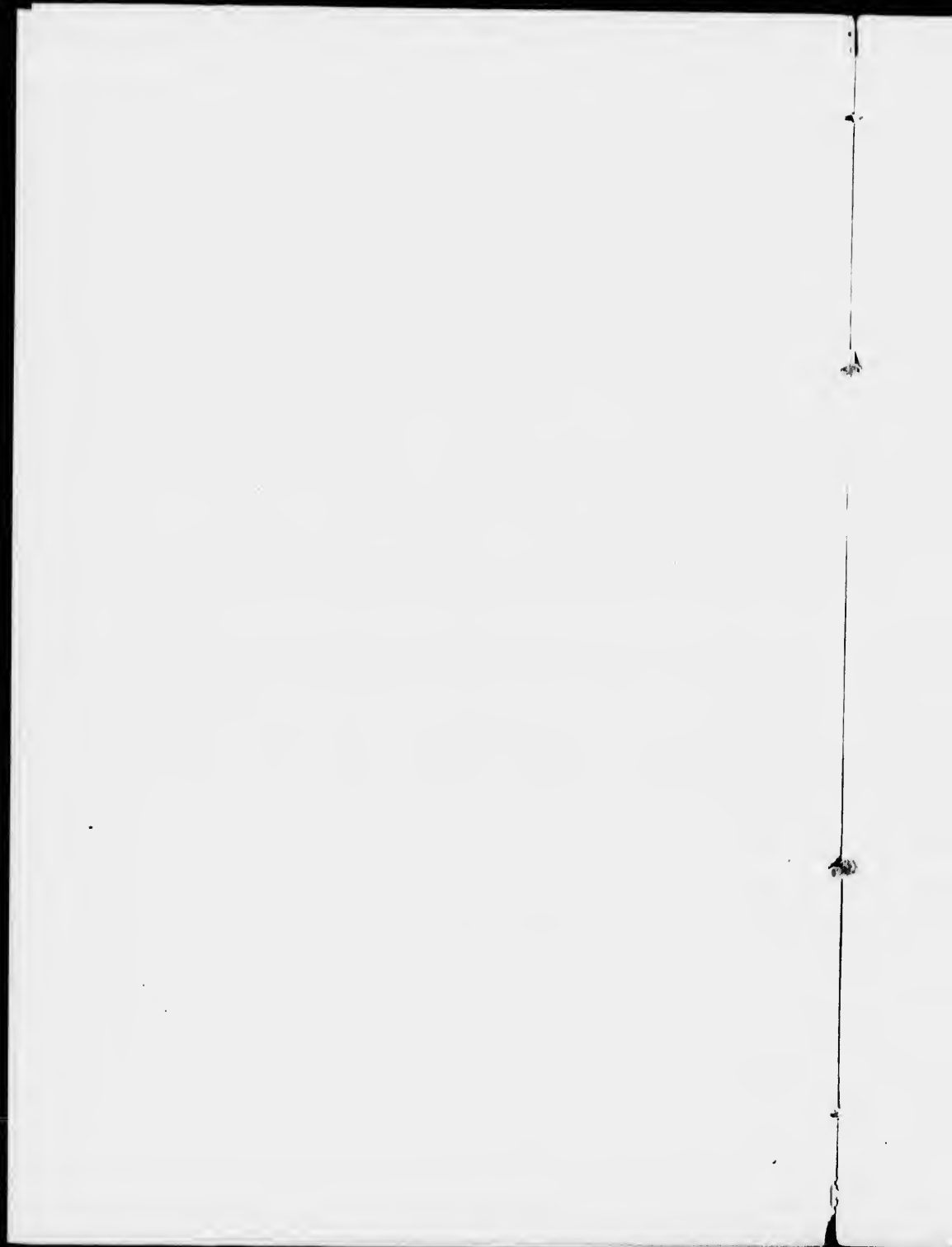
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44 VICTORIA.

CHAP. 34.

An Act to incorporate "The Montreal Board of Trade and Exchange."

[Assented to 21st March, 1881.]

WHEREAS Frederick William Henshaw, the President of the Montreal Board of Trade, and Robert Esdaile, the late President of the Montreal Corn Exchange Association, and Alexander Mitchell, now the President of the Montreal Corn Exchange Association, have, by their petition, represented that the Corporation known as the Montreal Board of Trade and the Corporation known as the Montreal Corn Exchange Association are desirous of uniting under one Corporation; and whereas it is expedient to grant their prayer: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:--

1. The said corporation known as the Montreal Board of Trade and the said corporation known as the Montreal Corn Exchange Association shall be and they are hereby constituted a body politic and corporate, by and under the name of "The Montreal Board of Trade and Exchange."

2. The said Corporation shall have the same rights, powers, and privileges as are now held by and vested in the said Montreal Board of Trade and Montreal Corn Exchange Association; which said rights, powers and privileges are hereby preserved to and vested in the said Corporation hereby created.

3. The President and Council of the Board of Trade, and the President and Committee of Management of the Corn Exchange Association shall be the Council of the Corporation hereby created until a new Council shall be elected in their place; and the Council hereby appointed shall, until

Preamble.

Incorporation.

Corporate name.

Corporation to have the rights, &c., now held by the two corporations amalgamated.

First members of the council.

such

First general meeting to be held within one month from the passing of this Act.

such election, have all the powers necessary to do all matters and things requisite for the full organization and working of the present Corporation. Within one month after the passing of this Act, a general meeting of the said Montreal Board of Trade and the said Montreal Corn Exchange Association shall be called and held for the purpose of taking into consideration and passing by-laws to be submitted at such meeting; for the election of officers in accordance with such by-laws; and for the transaction of the business and affairs of the Corporation generally; and such meeting may be adjourned if deemed necessary.

Corporation may make by-laws, and amend, &c, same.

May repeal existing by-laws of Montreal Board of Trade and Corn Exchange Association.

Officers of the corporation.

Annual election.

Vacancies how filled.

Quorum of Council to be eight.

4. The said Corporation shall have power to make by-laws for its government, and to alter, change, annul, amend or repeal such by-laws from time to time as occasion may require, in the manner provided by such by-laws; and the said Corporation shall likewise have power to repeal the by-laws or any part or portion of the by-laws of the Montreal Board of Trade and of the Montreal Corn Exchange Association, now in existence, when and so soon as the same may become necessary.

5. The affairs, business and concerns of the Corporation shall be managed by a President, Vice-President, Treasurer, and such number of members of the Corporation as may be provided for by the by-laws, as a Council, and shall together constitute and be called the President and Council, and shall be elected annually at such time and place as may be provided for by such by-laws; but at all general meetings of the Corporation not less than twenty members shall be a quorum. All vacancies which may occur in the said Council, by death or otherwise, may be filled by the said Council. Eight of the number of said Council, or such other number as may be fixed by the by-laws, shall constitute a quorum for the transaction of business.

CHAP. 35.

An Act respecting "*La Banque Ville Marie.*"

[Assented to 21st March, 1881.]

WHEREAS *La Banque Ville Marie* has, by its petition, presented that the great losses which it met with during the last financial crisis have diminished its assets; that at a general meeting of its shareholders it was acknowledged that in order to carry on its business with advantage it was necessary that its capital stock should be reduced to five hundred thousand dollars, by reducing the number of the shares of such stock, and a resolution of the shareholders to that effect was passed; that nevertheless, it is desirable that the said bank should hereafter issue new shares to the amount of five hundred thousand dollars, in order to bring its capital stock up again to its original amount of one million dollars; and moreover, that it is the wish of the said stockholders, expressed in the same manner, that the time for the holding of the annual general meeting of the shareholders should be changed; and whereas, it is expedient that the prayer of the said petition be granted: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. From and after the first day of July, eighteen hundred and eighty-one, the capital stock of *La Banque Ville Marie* shall be reduced from one million dollars to five hundred thousand dollars, and it shall be divided into five thousand shares of one hundred dollars each, so that the present number of shares shall be reduced by one-half: Provided always, that the liability of the shareholders to the present creditors of the bank shall not be in any way diminished by the said reduction.

2. The present shares shall be converted, on the said first day of July, into new shares, which shall then be issued to the shareholders in the proportion of one new share for every two shares held by them.

3. Every shareholder who shall then hold an odd number of shares may agree with any other shareholder in the same position for the purpose of uniting their shares and obtaining, in their joint names, their proportion of shares of the new issue.

4. And whereas a certain number of shares of the said bank belonging to shareholders since become insolvent, which the bank acquired in conformity with the provisions of the first section of the Act thirty-eighth Victoria, chapter seventeen, and on which the said bank had a privileged lien, in virtue

Preamble.

Capital stock to be reduced one half.

Proviso.

New shares to be issued, one for two.

Shareholders may unite their odd shares.

Recital.

of

Board of Directors may sell certain shares and buy certain other shares.

of the eighth section of the Act forty-third Victoria, chapter twenty-two, are now held in trust in the interest of the said bank, the Board of Directors shall, at one of its meetings before the said first day of July, fix a uniform rate at which every shareholder shall have a right to buy any of the said shares in order to unite them with his own so as to make an even number of shares; and if the Board of Directors deem it advantageous so to do, they may buy for the bank one of every odd number of shares held by any shareholder.

The bank may dispose of shares of both classes.

5. The bank may, when deemed advantageous, dispose of these new shares, as well as of those held in trust, after they have been reduced in the proportion of from two to one as aforesaid, either by selling them or by distributing them among the shareholders in proportion to the number of their shares, or in both ways at once, as may be thought fit by the Board of Directors.

Half shares arising from certain causes may be sold by the Board of Directors.

6. Three months after the said first day of July the Board of Directors shall have a right to sell, at the market price, or at the best price they can get for the same, every half share arising from an odd number of shares that the owner has not agreed to unite with another, as provided in the third section of this Act, or not made up to an even number, as provided in the fourth section of this Act, and shall pay over the price of sale to the shareholder.

New shares to be transferable only after 1st July, 1881.

7. From and after the said first day of July, only new shares of the new capital stock of the said bank shall be transferable, and the Directors shall be authorized to close the transfer book for such time, not exceeding fifteen days, as they may think fit, in order that it may be made to conform to the new distribution of shares.

Time of holding annual general meetings, &c.

8. The annual general meeting of shareholders, for the election of Directors and the transaction of business generally, shall be held on the third Wednesday in the month of June in each year, or on the following day if such Wednesday be a non-judicial day. At such meeting a balance sheet or correct statement of all the affairs of the bank to the thirty-first day of May then last shall be submitted. The first general meeting after the passing of this Act shall take place in June, eighteen hundred and eighty-one: Provided always, that it shall always be lawful for the shareholders to change the time of these meetings by a by-law to that effect duly passed.

Proviso.

New shares to the amount of \$500,000 may be issued.

9. At any annual general meeting of the shareholders, or at any special general meeting of the shareholders called for the purpose, such shareholders may, by the vote of the majority of those present in person or represented by proxy, decide to issue new shares to the amount of five hundred thousand

thousand dollars currency: Provided always, that this Proviso. enactment shall not be construed in such a way as to deprive the said bank of the benefit of the provisions of sections five and six of the Act relating to Banks and Banking, thirty-four Victoria, chapter five.

10. Nothing in this Act contained shall be construed as Existing impairing the obligations of the present holders of shares of shares to be the said bank, not paid up, to pay up such shares in full, to paid up in the amount of their original nominal value. full.

11. The Act passed in the forty-third year of Her Majesty's Act 43 V., c. reign, intituled "*An Act to provide for the winding up of*" 47, repealed. *La Banque Ville Marie,* is hereby repealed.

CHAP. 36.

An Act to reduce the capital stock of the Exchange Bank of Canada, and otherwise to amend the Act respecting the said Bank.

[Assented to 21st March, 1881.]

WHEREAS the Exchange Bank of Canada, by its Preamble 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 realise the largest possible return for the shareholders, it is necessary that it should be authorized to reduce its capital stock by reducing the number of its subscribed shares, and has prayed for the passing of an Act to that end; and whereas 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:—

1. The number of the existing subscribed shares of the said Bank shall, from and after the date hereinafter mentioned, Number of be reduced to five thousand shares of one hundred dollars shares re- each, whereby each shareholder, on the day that the duced by transfer books of the Bank shall be closed for the purpose of one half. making the said reduction, shall be entitled to one share for every two shares then standing in the books of the Bank to his or her credit, as the case may be; and the date at which From what the books shall be closed for the purpose aforesaid shall be time. fixed at the special general meeting of the shareholders called to ratify the powers conferred by this Act, as herein-after provided.

Old shares,
how dealt
with.

2. In any case wherein any shareholder holds such a number of existing shares as are not divisible into new shares without a remainder, the said Bank is hereby authorized to accept such odd shares and cause them to be sold in such manner as the said Bank shall deem likely to produce the largest return therefor, and thereafter shall distribute the net proceeds of such sale among the shareholders entitled thereto on the execution by such shareholders of suitable discharges for the same.

Votes to be
on new stock.

3. From and after the date on which the books of the Bank shall be closed, as provided in section one, the votes by the shareholders of the said Bank shall be computed on the basis of the new stock.

Number of
directors may
be changed.

4. The shareholders shall have the right, at any annual general meeting or at any special general meeting called for the purpose, to pass a resolution declaring that the Board of Directors shall consist of any number not less than five or more than ten.

Act must be
approved by
the share-
holders before
taking effect.

5. The foregoing provisions of this Act shall have no force or effect until it has been accepted by a resolution passed at a special general meeting of the shareholders of the Bank called for the purpose in the manner provided by law, which resolution may be validly passed, notwithstanding that the notices thereof may be published before the passing of this Act.

Liabilities of
shareholders
not affected.

6. Nothing in this Act shall be construed so as to lessen or vary the liability of the shareholders of the Exchange Bank of Canada to the present creditors thereof.

CHAP. 37.

An Act respecting the Grand Trunk Railway Company of Canada.

[Assented to 21st March, 1881.]

Preamble
Petition of
G.T. Railway
Co. recited.

WHEREAS the Grand Trunk Railway Company of Canada, by their petition, have prayed that an Act may be passed changing the time of holding the half yearly meetings of the said Company to such days in the months of March or April and September or October in each year as the Company or the Directors may, from time to time, fix and determine, and as they find expedient; also, to change the time for the payment of dividends on the stocks and securities of the Company from the dates now fixed for that purpose,

purpose, and to make them respectively payable fifteen days after the day in each half year on which the said half yearly meetings shall be holden; also, to declare the meaning of sections eighteen and twenty of the "*Grand Trunk Arrangements Act, 1873*," to be that, in each half year, the amount available for payment of dividends on the Company's preferred stock shall be divided at the end of each half year and paid over in the order prescribed by the Statutes relating to the Company; and also enacting that at the end of the year any deficiency during the first half year shall be made up before the holders of the stocks ranking after such stock as shall not have received a full dividend shall receive any dividend; and whereas 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:—

1. It shall be lawful for the said Company, from time to time, at any half yearly meeting, or for the Directors of the said Company by by-law passed for that purpose to change the time for holding the half yearly meetings of the said Company from the days now fixed by Statute for that purpose, to such days in the months of March or April and September or October respectively, as the Company or the Directors shall, from time to time, think expedient; and in like manner the said days of holding the said meetings may be varied and changed, from time to time, as the Company or the Directors may find expedient.

Time for holding half yearly meetings may be changed.
And again from time to time.

2. The dividends upon the preferred stocks and securities of the Company shall, in each half year, be payable fifteen days after the day on which the half yearly meeting for the said half year shall be holden,—anything in any Statute heretofore passed to the contrary notwithstanding.

Time for payment of dividends.

3. The meaning of sections eighteen and twenty of the Act known as "*The Grand Trunk Arrangements Act, 1873*," is hereby declared to be,—that in each half year the amount available for the payment of dividends on the preferred stocks of the Company shall be divided at the end of each half year, and paid over in the order prescribed by the Statutes in that behalf; but if in the first half year any of such stocks ranking in their order of preference shall not have received the full dividend appertaining to the said stock in its order of preference as aforesaid, then and in such case, at the end of the year, out of the sum or amount then available for dividend the holders of the said stocks so deficient shall, in their order as aforesaid, receive full dividend for the year then ended before any part of such amount so available is applied to the payment of dividends on stocks ranking after those so deficient in their said order of preference.

Sections 18 and 20 of 36 V., c. 18, explained.

Act must be approved at special general meeting before taking effect.

4. This Act shall not take effect unless and until submitted to a special general meeting of the Company and accepted by a majority consisting of two-thirds of the votes of the persons present or represented by proxy entitled to vote; and the certificate in writing of the Chairman of such meeting shall be taken as *prima facie* proof of its acceptance by the meeting.—such certificate to be filed in the office of the Secretary of State of the Dominion of Canada; and copies certified by the said Secretary of State shall be taken and considered in all courts of law and equity as sufficient *prima facie* evidence of the contents thereof.

CHAP. 38.

An Act respecting the Northern Railway Company of Canada.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS The Northern Railway Company of Canada (hereinafter called "The Company") and the Hamilton and North Western Railway Company (hereinafter called "The North Western") entered into an agreement bearing date the sixth day of June, eighteen hundred and seventy-nine, hereunto attached as Schedule A, for the joint working of their railways for the term of twenty-one years from the first day of July then next, which said agreement came into force on the first day of July, one thousand eight hundred and seventy-nine, since which time the said railways have been worked thereunder; and whereas the Company have by their petition represented, amongst other things, that for the more efficient and economical working of the said railways, it has become necessary to raise additional capital, and the Directors of the two Companies have entered into an agreement bearing date the twenty-first day of February, in the year of Our Lord one thousand eight hundred and eighty-one, hereunto attached as Schedule B, for the issue by the Company of bonds to the amount of one hundred and thirty-four thousand pounds sterling, and by the North-Western of bonds to the amount of sixty-six thousand pounds sterling, the proceeds thereof to be applied in the manner and for the purposes stated in the said last mentioned agreement; and whereas the Company have by their said petition prayed for authority to issue such bonds, and it is expedient to grant the prayer of such petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1.

1. Subject to the provisions of this Act, it shall be lawful for the Directors of the Company and they are hereby authorized to issue from time to time, and as may be required, "joint working and equipment bonds" of the amount of one hundred pounds sterling each, bearing interest at a rate not exceeding six per cent. per annum, as the Directors of the Company may determine, such issue not to exceed in the whole the sum of one hundred and thirty-four thousand pounds sterling; and the principal and interest of such bonds shall be payable in such manner and at such times and places as provided for in the said agreement of the twenty-first day of February, in the year of Our Lord one thousand eight hundred and eighty-one.

Certain bonds may be issued.

2. The bonds to be issued under this Act shall constitute a lien or charge upon the real and personal property, tolls and revenues of the Company next after the third preference bonds, class "B," issued under the authority of an Act respecting the Company, passed in the thirty-first year of Her Majesty's reign, chaptered eighty-six; and the holders of such joint working and equipment bonds shall have the same rights, incidents and privileges as are possessed by the holders of the existing bonds of the Company.

Ranking of such bonds.

3. The interest on the bonds hereby authorized to be issued shall, as provided for in the said agreement of the twenty-first day of February, in the year of Our Lord one thousand eight hundred and eighty-one, be paid by the Company, next after the payment of the interest on the aforesaid third preference bonds, class "B"; and the said bonds shall and may be sold, pledged or hypothecated, and the proceeds thereof used and applied as provided in the last mentioned agreement.

Interest how payable.

Bonds may be sold or pledged.

4. The bonds by this Act authorized shall not be issued by the Directors of the Company, unless and until the issue thereof shall have been approved by a vote of a majority of the ordinary and preference stockholders present in person or represented by proxy and voting together, at a special general meeting of the Company specially called for that purpose, nor unless the North Western shall have obtained the necessary authority and consent to issue the bonds of that Company as provided for in the agreement in the next preceding section mentioned.

Issue of bonds to be approved by shareholders and bondholders.

5. This Act may be cited as "*The Northern Railway Company Act, 1881.*"

Short title.

SCHEDULE A.

AGREEMENT made the sixth day of June, one thousand eight hundred and seventy-nine, between THE NORTHERN RAILWAY COMPANY OF CANADA (hereinafter called the Northern Company) of the one part, and THE HAMILTON AND NORTH-WESTERN RAILWAY COMPANY (hereinafter called the North-Western Company) of the other part,

Whereby, in pursuance and exercise of the several powers enabling them respectively in this behalf, the Northern Company and the North-Western Company hereby agree (subject to such confirmation as is by the several Statutes in that behalf required to be given) in manner following, that is to say :—

1. The working of the railways of the Northern Company and of the North-Western Company and every part of the same, respectively, including any and every railway in connection therewith and particularly the railway of the North Simcoe Railway Company, now in lease to the Northern Company by virtue of an indenture of lease dated the fourteenth of January, one thousand eight hundred and seventy-eight, shall for and during a term consisting of so much of twenty-one years to be computed from the date of this agreement as shall be unexpired at the date hereinafter fixed for the coming into operation of this agreement, be carried on upon the terms and conditions and according to the tenor of this agreement, under the direction and superintendence of the Joint Executive Committee, for the appointment of which provision is hereinafter made, and according to such rules, regulations and resolutions as shall, from time to time, be made by the Executive Committee and shall be confirmed by the Boards of Directors of both Companies, or not disallowed by the Board of Directors of either Company, or in case of disallowance by the Board of Directors of one only of the Companies, shall be confirmed on reference to a Referee as hereinafter provided.

2. For the purposes of such working as aforesaid, all the locomotives and other rolling stock, vessels, equipment and plant, and all the stores, tools and other movable property of the Northern Company and of the North-Western Company shall throughout the said term be used by both Companies and shall accordingly, on the date hereinafter fixed for the coming into operation of this agreement, be placed, and throughout the said term shall remain, at the disposition of the two Companies and subject to the control of the Executive Committee as herein provided.

3. A full inventory arranged according to convenient classes and divisions and a just appraisal and valuation shall

shall be made of all the locomotives and other rolling stock, vessels, equipment, plant, stores, tools and other movable property of each of the Companies, which shall on the date hereinafter fixed for the coming into operation of this agreement, be placed, as herein provided, at the disposition of the two Companies; and the several things included in such inventory shall remain the property of the Company to which the same respectively belong on such date as aforesaid, but shall be used without restriction for the purposes of the working arranged for by this agreement; and such of the same things as are not consumed by use, shall, so far as occasion arises, and the circumstances of the case admit, be maintained and kept in repair, wear and tear only excepted, and such of them as shall be consumed or worn out shall be replaced as soon as occasion arises and the circumstances of the case require, by means and out of the gross earnings produced by the said working, so that the whole equipment be kept up in an efficient manner; and at the end of the said term such, if any, of the same things as shall exist in specie shall be restored to the Company to which the same belong, and a new appraisalment and valuation shall be made of the things so restored, and a new inventory divided as far as may be into similar classes and divisions, and a new appraisalment and valuation shall be made of all other movable property then at the disposition of the two Companies; and the things comprised in such new inventory shall be divided in convenient shares as between the different classes and divisions, and according to the values set upon them in such new appraisalment and valuation between the two Companies, and so that each of the Companies shall be entitled to such amount in value of the things to be divided as with the value of the things so restored to such Company in specie, shall be equal to the value of the things originally placed by such Company at the disposition of the two Companies,—any deficiency being borne rateably, and so that of the surplus, if any, each of the Companies shall be entitled to the same proportion in aggregate value as it has become entitled to, of the net annual earnings produced by the said working, on an average extending over the whole term. And for the making of such appraisements and valuations as aforesaid, the Board of Directors of each Company shall, as soon as conveniently may be after the confirmation of this Agreement, as hereinafter provided, and again, at least three months before the expiration of the said term, appoint in writing a valuer, and the two valuers so appointed shall, on each occasion, before they enter upon the appraisalment and valuation, appoint in writing a third valuer, to whom shall be referred for final appraisalment and valuation any item or items as to the value of which the two valuers so appointed by the Companies as aforesaid cannot agree. If the Board of Directors of either of the Companies shall not, within ten days after notice

notice in writing of the appointment of a valuer by the other Company, appoint a valuer on their behalf, then the valuer so appointed shall enter upon and make such appraisement and valuation, and his valuation shall have the same force and effect as if the two valuers had been appointed.

4. In order to render more effectual and profitable the working of the railways under this agreement, as well the railways of or connected with the Companies respectively, as also all stations, sidings, buildings, works, warehouses, elevators, stationary engines, fixed machinery and equipment, with the appliances and conveniences belonging thereto respectively, and any other real or immovable property of either of the Companies, including lands leased to or held by either of the Companies shall, so far as may be necessary or desirable for the working of the railways during the said term, or the then remainder thereof, be placed at the disposition of the two Companies, and subject, as herein provided, to the control of the Executive Committee, who shall provide out of the gross earnings produced by the working arranged for by this agreement, for all out-goings in respect thereof, and shall receive and treat as gross earnings all income arising therefrom: Provided always, that if and whenever any question shall arise whether any of the aforesaid particulars ought to be subject to the operation of this clause, the question shall be referred to the Board of Directors of the Company to which the same belong, whose decision shall be accepted, subject only to a reference to the Referee hereinafter provided for, if required by the Board of Directors of the other Company: and provided also, that none of the aforesaid particulars shall be sold or disposed of as not being necessary or desirable for the working of the railways, except in accordance with the decision of the Executive Committee, or in the event of their disagreeing then of the Referee: Provided also, that unless and until the elevator at Hamilton becomes the property of the North-Western Company or arrangements are made by the North-Western Company at their own separate expense for its use by the Executive Committee, the Executive Committee shall not be bound to work or use the same or pay any outgoing or incur any liability in respect thereof; but so soon as such elevator becomes the property of the North-Western Company or as such arrangements as aforesaid are made, with respect thereto, the said elevator shall be subject to the provisions relating to other like property of the same Company: Provided also, that if any lands of either of the Companies be sold, the net proceeds of such sale shall not be treated as part of the said gross earnings, but shall be paid to and received or retained by the Company to which such land belongs.

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5. Out of the gross earnings to be produced by the working of the railways, and from all other the property movable or immovable, placed at the disposition of the two Companies, shall be paid all working expenses as hereinafter defined; and the net surplus, after providing for such payment, hereinafter called net earnings, from time to time shall be divided between the Companies in manner hereinafter provided.

6. Under the expression working expenses, shall be included the following expenses and charges, that is to say—

- (a) All expenses of the maintenance of the railways, stations, sidings, buildings, works, warehouses, elevators, appliances, conveniences, real and immovable property, the subject of the management and working arranged for by this agreement, and of the rolling and other stock, machinery, equipment, plant and movable property used in the working of the railways or any of them;
- (b) All rents or annual sums payable in respect of any railways, warehouses, wharves or other property, including land leased to or held by either of the Companies, which, under the provisions of this agreement, shall be subjected to the control of the Executive Committee, and including such rent or annual sum as may, from time to time, be payable under any lease or agreement to or with the Northern Company, or in respect to the said railway of the North Simcoe Railway Company, not exceeding eighteen thousand dollars per annum, but exclusive of any rent, royalty or other payments in respect of the user of the Hamilton Elevator unless and until the same shall be subject to the provisions relating to other like property of the North Western Company;
- (c) All expenses of and incident to the working of the railways and the traffic thereon, including stores or consumable articles;
- (d) All rates, taxes, insurance and compensation for accidents, losses and damages;
- (e) All salaries, wages, commissions and compensations of persons employed in or about or for the working of the railways and traffic, including the expenses of the Executive Committee, and of their Chairman and Secretary, and of the Auditors, and of the Joint London Committee (if any) and of the London Agent, to be appointed as hereinafter provided, and all legal, parliamentary and all other incidental working expenses whatsoever, and including also an allowance of two thousand five hundred dollars per annum towards the payment of the

the separate secretarial and establishment expenses and Directors' fees of the North Western and Northern Companies respectively, (but without prejudice to the amount which either of the said Companies may expend on this account) and all other sums whatsoever which are, by any clause of this agreement, expressly authorized to be paid out of gross earnings.

7. The net earnings in each year of the said term shall, from time to time, be divided between the Companies in manner following, that is to say:—

Up to the sum of eighty thousand pounds sterling in each year, the same shall be appropriated and paid as to sixty-six and a quarter per cent. thereof to the Northern Company and as to thirty-three and three-fourths per cent. thereof to the North-Western Company:

After eighty thousand pounds shall have been so appropriated in any one year, any additional net earnings of the year shall, as to the next ten thousand pounds (between the sums of eighty thousand pounds and ninety thousand pounds) be appropriated and paid to the Northern Company, and as to the next ten thousand pounds (between the sums of ninety thousand pounds and one hundred thousand pounds), be appropriated and paid as to seventy per cent. thereof to the Northern Company and as to thirty per cent. to the North-Western Company; and any excess of net earnings over one hundred thousand pounds in any year, shall be appropriated and paid to the Northern Company and to the North-Western Company in equal shares:

Each Company shall apply its proportion of net earnings as and when from time to time received, in the first place in payment of the interest due upon its bonds, according to the priorities of such bonds.

8. For the better carrying into effect of this agreement and arrangement there shall be appointed a Joint Committee, herein called and referred to as the Executive Committee, with such powers and functions as are hereby conferred upon them.

9. The Executive Committee shall consist of eight appointed members, with the addition, as chairman, of the Managing Director or General Manager of the Northern Company, if not one of the appointed members. Four of the appointed members shall be Directors of the Northern Company, to be appointed annually by the Directors of the Northern Company within fourteen days after the annual general meeting of that Company, and the remaining four shall be Directors of the North-Western Company, to be appointed annually by the Directors of the North-Western Company within fourteen days after the annual general meeting

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meeting of that Company, and the eight members so appointed shall enter into office immediately upon their appointment. The first members of such Committee shall be appointed by the Directors of the said respective Companies within fourteen days after the confirmation of this agreement, and the members appointed by the Directors of either Company shall, from time to time, continue in office until the appointment of their successors.

10. In the event of the death or resignation of any of the eight appointed members of the Executive Committee, or of his ceasing to be a Director of the Company by whose Directors he was appointed, the remaining members of the Executive Committee, Directors of the same Company, shall appoint another Director of the same Company to fill during the remainder of the current year the vacancy so occasioned, but the proceedings of the Executive Committee shall not be stayed or invalidated by reason of the happening or continuing of any vacancy, so long as a quorum of members remains.

11. The Managing Director or General Manager for the time being of the Northern Company, whether he be an appointed member or not, shall be *ex-officio* chairman, and shall, if present, preside at all meetings of the Executive Committee, but shall not, unless he be an appointed member, have any casting vote or other vote on any question submitted to the Executive Committee, and if he be an appointed member shall vote only as the other members vote and shall not have a casting vote. In the event of the absence of the *ex-officio* chairman from any meeting of the Committee the members present thereat shall appoint one of their number to act as chairman *pro tem.* who shall vote only as the other members vote and shall not have a casting vote.

12. Each of the eight appointed members of the Executive Committee may, by writing under his hand, appoint any other appointed member of the Committee, being a Director of the same Company, to be his proxy to vote for him, in his absence, at the meetings of the Committee.

13 The Executive Committee for the time being shall have power to make by-laws not inconsistent with the provisions of this agreement for the regulation of their meetings and business, including the appointment of sub-committees, the fixing the quorum necessary for the transaction of business, the mode of giving notices and all other matters which may be necessary or expedient for the due and convenient conduct of their business, but all such by-laws shall, before becoming operative, require to be confirmed by the Boards of Directors of the Companies, respectively, or, in case of difference between the boards, by the Referee, as herein provided with reference to rules, regulations or resolutions of the Executive Committee.

14. Until by the by-laws of the Committee otherwise prescribed, the quorum for a meeting of the Committee shall be five members of the Committee, exclusive of the chairman, present personally or by proxy.

15. Meetings of the Executive Committee shall be held, unless and until otherwise prescribed by the by-laws of the Committee, at Toronto, twice in each month, and may also be held, at the call of the chairman, at the offices of the North Western Company at Hamilton, or at such other place as the chairman shall find expedient and may appoint.

16. Notice of each meeting may be given to each member of the Executive Committee by letter sent by post to an address to be given by him for the purpose, and, until the Executive Committee shall otherwise prescribe, two days shall elapse between the posting of the notices and the day appointed for the meeting.

17. The Secretary, for the time being, of the Northern Company shall be and act as Secretary of the Executive Committee, and the Managing Director or General Manager, for the time being, of the Northern Company shall be and act as General Manager of the railways and properties submitted to the control, or placed at the disposition of the two Companies as aforesaid.

18. Minutes of all proceedings of the Executive Committee shall be kept, and copies of all such minutes shall forthwith be given or forwarded to the Northern Company and to the North Western Company for the use of the Companies, respectively.

19. The Executive Committee shall have and exercise all powers and functions which shall be required for enabling them effectually to work, in accordance with rules, regulations and resolutions to be, from time to time, made by them, the railways and properties submitted, under the provisions of this agreement, to their control, and for the purposes aforesaid shall be entitled, and are hereby authorized, to act as agents for and in the name of the Companies, respectively; and may, as occasion requires, or as may be expedient, treat the said railways and properties as being worked or used by either or both of the said Companies.

Provided always, that no rule, regulation or resolution of the Executive Committee shall be deemed to be of any validity or shall be acted upon, unless and until the same shall be confirmed by the Board of Directors of each of the Companies, or unless and until, with reference to each of the Companies, a copy of the minute of such rule, regulation or resolution shall have been given or forwarded as hereinbefore directed, and seven days shall have elapsed from the day

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day on which the same was so given or forwarded without such rule, regulation or resolution being disallowed by the Board of Directors of such Company,—in which case the rule, regulation or resolution shall be deemed to have been confirmed by such Board of Directors; or unless and until, in case of disallowance by the Board of Directors of one only of the Companies, the rule, regulation or resolution disallowed shall have been referred to and confirmed by the Referee hereinafter provided for: Provided also, that every rule, regulation or resolution of the Executive Committee with reference to the working of the said railways and properties, which shall not be disallowed by the Board of Directors of either Company, or which, in case of disallowance by the Board of Directors of one only of the Companies, shall be confirmed by the Referee, shall have the full force and effect of a rule, regulation or resolution of the Board of Directors of each of the Companies: Provided also, that, in fixing the rates and tolls to be charged for traffic, the Executive Committee shall so adjust the same that the rates and tolls to be charged to and from points common to and now actually occupied by the lines of both Companies, and the cities of Hamilton and Toronto, shall be the same without prejudice or preference to either city, and so that the rates and tolls to be charged between the cities of Hamilton and Toronto, respectively, and all points beyond Collingwood reached by water carriage therefrom, and all through rates or tolls quoted or charged through the cities of Hamilton and Toronto, to or from the points last aforesaid, shall, as to the parts thereof charged for transport over the said railways, whatever the route may be, and exclusive of terminal or transfer charges, if any, at Hamilton or Toronto, be the same without prejudice or preference to either city.

Provided also, that all engagements and liabilities entered into or incurred by the Executive Committee, in the performance of the powers and functions hereby intrusted to them, or by reason of the working, shall, as between the Northern Company and the North Western Company, and without prejudice to their being provided for out of the gross earnings, be deemed and taken to be joint engagements and liabilities of both Companies for the performance and satisfaction of which both Companies shall be equally answerable; but save as aforesaid nothing in this agreement shall extend to make either of the Companies responsible or liable for any of the present or future debts or liabilities of the other of them: Provided however, that the Executive Committee shall, in the exercise of their powers, have regard to all existing contracts and agreements made by either Company for services, supplies or other matters coming under the head of working expenses, and shall not cause or do anything inconsistent therewith.

20. The Executive Committee shall direct and control all receipts and disbursements in respect of the working arranged for by this agreement, and shall cause proper books of account to be kept of all such receipts and disbursements and of all other matters of account connected with the said working, and shall, as soon as practicable after the expiration of each successive period of six months from the date fixed for the coming into operation of this agreement, state in writing a just and true account or statement of their receipts and disbursements, credits and liabilities in respect of the previous six months' working; and copies thereof shall be forthwith given or forwarded to the Northern Company and to the North Western Company for the use of the Companies respectively.

21. The Directors of the Northern Company shall, within fourteen days after the confirmation of this agreement, and thereafter in the event of the office being vacant, from time to time appoint one auditor, and the Directors of the North Western Company shall, within the like time and in the like event, appoint another auditor of the accounts of the Executive Committee; and within fourteen days after the appointment of the auditor, who shall be secondly appointed after the date fixed for the coming into operation of this agreement, and within fourteen days after every succeeding appointment, the two auditors for the time being shall appoint a third auditor, who is to act as umpire between such auditors in the event of disagreement between them; and if within such respective periods of fourteen days a third auditor be not appointed as aforesaid, the Executive Committee shall appoint such third auditor; and the said auditors shall, at all reasonable times and under such reasonable regulations as the Executive Committee shall, from time to time, prescribe, have free access to all books and accounts of the Executive Committee, with power to take extracts therefrom and copies thereof for the use of the Companies respectively. In the event of one auditor only being appointed in accordance with the foregoing provisions, the Directors of the Company who appointed such auditor may require the other Company, by notice in writing, to appoint another auditor on their behalf, and if they shall fail to make such appointment, then at or after the expiration of ten days from the service of such notice, the one auditor so appointed shall act for both Companies: Provided always, that the Directors of the Company in default may afterwards appoint an auditor on their behalf, but to act only in regard to the audit of accounts subsequent to such appointment.

22. The Executive Committee may appoint and may, from time to time, remove and replace, a joint agent to act for both Companies in London, England, for all matters relating to the business entrusted to the Executive Committee.

23. At the request of the Executive Committee the Directors of the Northern Company and the Directors of the North-Western Company respectively may, from time to time, appoint an equal number of representatives in London, England, being respectively members of the London Committee of Directors of the Company making the appointment, and shall delegate to such representatives such powers and functions as the Executive Committee shall recommend; and the representatives so appointed shall act as a joint London Committee corresponding to the Executive Committee.

24. With a view to the settlement of any differences or disputes that may arise between the companies, and to provide a tribunal by which shall be decided any matters referred by the Board of Directors of either of the companies, as herein provided, there shall be a Referee, as hereinafter provided.

25. Charles John Brydges, of the City of Montreal, shall be and he is hereby appointed to be the first Referee, and shall hold the office of Referee until the thirty-first day of May, one thousand eight hundred and eighty, and afterwards, from year to year, until he shall die or resign, or become incapable to act, or be replaced after notice as hereinafter provided.

26. Any four members of the Executive Committee, of whom the Chairman may be one, may, at any time, being not less than three calendar months before the thirty-first day of May in any year, give notice in writing of their desire that a new Referee shall be appointed for the next ensuing year; and thereupon the Referee in office shall cease to be Referee on the thirty-first day of May next ensuing.

27. The Executive Committee shall, in the event of any vacancy occurring in the office of Referee, or of any such notice as aforesaid being given of a desire that a new Referee be appointed, proceed to appoint by the unanimous vote of all the members voting personally or by proxy (except the Chairman, in case he be not an appointed member), and at a meeting summoned for the purpose, (after not less than one week's notice to all the members of the Committee) a Referee to fill the vacancy, or to succeed as Referee for the following year; and such Referee shall hold office from year to year until he shall die, or resign, or become incapable to act, or be replaced at the end of any year after notice as hereinbefore provided.

28. In the event of the members of the Executive Committee voting for the choice of a Referee being unable to agree in their selection, the members appointed by the Northern

thern Company shall nominate one arbitrator, and those appointed by the North-Western Company shall nominate another, and the two arbitrators so nominated shall nominate a third arbitrator, and if within fourteen days from the nomination of such one of the arbitrators as shall be secondly or last nominated a third arbitrator be not nominated as aforesaid, either Company may apply to the Chief Justice of the Court of Appeal of Ontario for the appointment by him of a third arbitrator. And the majority of the said three arbitrators after consulting with and hearing the third, shall appoint a Referee, and the Referee so appointed shall hold office subject to the same provisions as are herein contained, with reference to a Referee appointed by the Executive Committee.

29. Every difference or dispute arising between the Companies touching the construction of this agreement, or any matter or thing arising out of, or connected with the same, shall, at the request of the Board of Directors of either Company, be referred to the Referee for the time being; and among other things, if any by-law of the Executive Committee shall fail to be confirmed, or if any rule, regulation or resolution of the Executive Committee, with reference to the working of the said railways and properties, shall be disallowed by the Board of Directors of one only of the Companies, the question whether such by-law should be confirmed, or such rule, regulation or resolution shall or shall not be confirmed, shall, at the request of the Board of Directors of the other Company, be referred to such Referee for the time being.

30. The decision of the Referee for the time being on the matter or matters from time to time referred to him, shall in all cases be final and conclusive upon the Companies and the Executive Committee.

31. Nothing in this agreement contained shall limit, restrict or prejudicially affect the rights of any holders of bonds charged upon any separate part of the undertakings intended to be affected by this agreement.

32. Special meetings of the Northern Company and of the North Western Company shall be duly convened for the purpose of confirming and ratifying this agreement, and in the event of the same not being confirmed as required by the statutes in that behalf made and provided, the same shall be of no effect, and in the event of the same being so duly confirmed, this agreement shall come into operation as from the first day of June, one thousand eight hundred and seventy-nine, or the first day of the month next ensuing after the month in which the last of such special meetings as aforesaid may be held, whichever shall last happen.

In

In witness whereof the said parties hereto have caused their corporate seals to be hereto affixed.

JOHN STUART. [L.S.]
President, H. & N.W.R.
MAITLAND YOUNG,
Secretary.
FRANK SMITH. [L.S.]
President,
WALTER TOWNSEND,
Secretary

Signed, sealed and delivered)
by the North-Western Com-)
pany in presence of)

A. BRUCE, of Hamilton,
Solicitor, &c.

SCHEDULE B.

THIS AGREEMENT, made the twenty-first day of February, A.D., 1881,

BETWEEN the Northern Railway Company of Canada (hereinafter called the Northern Company), of the first part, and the Hamilton and North Western Railway Company (hereinafter called the North Western Company), of the second part.

Whereas the said two Companies entered into an agreement, bearing date the sixth day of June, A.D. 1879, for the joint working of their railways, including any and every railway in connection therewith, and such railways have been worked under such agreement since the first day of July, A.D. 1879:

And whereas, for the more efficient and economical working of the said railways, it has become necessary to change the gauge of the Northern from five feet six inches (5 ft. 6 in.) to the standard gauge of four feet eight and a-half inches (4 ft. 8½ in.), to provide further rolling stock and equipment to meet the requirements of the increased traffic of the said two railways, as well as that likely to result from connections with the Ontario and Pacific Junction Railway, to improve and extend certain stations, sidings, and junction lines, and to acquire certain leased lands and properties with a view to the better interchange and operation of the joint traffic, and to provide working capital necessary to the economical operation of the said joint working agreement:

And whereas the Directors of the said two Companies have agreed that additional capital is necessary, and should, from time to time, be raised for the purposes aforesaid by the

issue

issue of joint working and equipment bonds of the respective Companies to the aggregate amounts, according to the particulars, and subject to the powers, limitations and confirmations hereinafter provided, and that the Executive Committee, appointed under such agreement, should have power conferred on them to deal with the expenditure of the moneys to be raised by such bonds, and have entered into this agreement, subject to authority to issue such bonds being granted by the Parliaments of the Dominion of Canada and of the Province of Ontario, respectively, as hereinafter also provided :

Now this Agreement witnesseth that the said two Companies do agree together as follows :—

First.—The Northern shall, under and subject to the authority hereinafter mentioned, issue from time to time and as may be required, “joint working and equipment bonds” of the amount of one hundred pounds sterling each, bearing interest at a rate not exceeding six per cent. per annum,—such issue in the whole not to exceed one hundred and thirty-four thousand pounds sterling.

The principal of such bonds shall be made payable on the first July, A.D. 1902, and the interest thereon half-yearly on the first days of January and July in each year, and the principal and interest shall be payable at such place, and the interest shall be at such rate, as the Directors of the Company, with the approval of the Executive Committee, shall determine.

And such joint working and equipment bonds shall constitute a lien or charge upon the real and personal property, tolls and revenues of the Northern, next after the existing bonds of that Company, and the interest thereon shall be paid next after payment of the interest on such existing bonds.

Second.—The North Western shall, under and subject to the authority hereinafter mentioned, issue from time to time, and as may be required, “joint working and equipment bonds” of the amount of one hundred pounds sterling each, bearing interest at a rate not exceeding six per cent. per annum, such issue in the whole not to exceed sixty-six thousand pounds sterling. The principal of such bonds shall be made payable on the first day of June, 1898, and the interest thereon half-yearly, on the first days of June and December in each year, and the principal and interest shall be payable at such place, and the interest shall be at such rate, as the Directors of the said Company may determine. And such “joint working and equipment bonds” shall form a claim and charge upon the undertaking and the real and personal property of the said Company, subject, however, to the claim and charge thereon of the existing bonds of the said Company, and the interest thereon shall be paid next after the payment of the interest on such existing bonds.

Third.—

Third.—Upon the necessary authority being obtained for the issue by the respective Companies of such joint working and equipment bonds, it shall be the duty of the Directors of each Company to execute the said bonds to the amounts above respectively set forth, and to deposit the same, subject to the order of the said Executive Committee, in and with such chartered bank within the Province of Ontario, as the said Executive Committee may nominate and direct.

And the said Executive Committee shall have power to raise money, from time to time, by the sale, pledge, or hypothecation of such bonds, or of any part or parts thereof, and in such manner as they may deem meet: provided always, that in any partial issue, sale, pledge or hypothecation or application of the said bonds by the said Executive Committee to the purposes aforesaid, such partial issue, sale, pledge, hypothecation or application shall be in a ratable proportion of the bonds of each Company as aforesaid, that is to say, as one hundred and thirty-four pounds of the Northern issue is to sixty-six pounds of the North Western issue: and provided also, that the exercise of the powers and authorities hereby conferred upon the said Executive Committee, shall be subject to confirmation by the Directors of the two Companies respectively, or in case of their disagreement, by the Referee, as provided for in the said agreement of the sixth day of June, A.D. 1879: and provided further, that none of the said bonds hereby authorized, shall be sold, pledged, or hypothecated, unless and until the same shall have been first countersigned by the Chairman and Secretary respectively for the time being of the said Executive Committee. And the moneys arising out of any such sale, pledge, or hypothecation shall be received by the said Executive Committee, and shall be used and applied by them for the purposes aforesaid, and in the manner, and to the extent as follows, that is to say: out of the proceeds of the sale, pledge, or hypothecation of the aggregate issue of one hundred and thirty-four thousand pounds sterling, to be made by the Northern Company as aforesaid, the said Executive Committee shall reserve and apportion one hundred thousand dollars, part thereof, to the separate use and benefit of the Northern Company, and shall transfer and pay over the same to the Northern Company on its demand and from time to time, as the said Executive Committee may deem meet and convenient; and out of the proceeds of the sale, pledge, or hypothecation of the aggregate issue of sixty-six thousand pounds sterling, to be made by the North Western Company as aforesaid, the said Executive Committee shall reserve and apportion sixty thousand dollars, part thereof, to the separate use and benefit of the North Western Company, and shall transfer and pay over the same to the North Western Company on its demand, and from time to time, as the said Executive Committee may deem meet and convenient: provided

vided always, that in respect of forty thousand dollars, part of the sum to be reserved and apportioned to the North Western Company as aforesaid, the same shall not be transferred and paid over, unless and until the Hamilton Elevator shall have been acquired by, and become the property of the North Western Company, and shall have been placed at the disposal of the said two Companies, and subject to the control of the said Executive Committee as hereinafter provided; and the balance of the said proceeds shall be applied to the joint purposes of the Companies, in changing the gauge of the tracks, and of the locomotives, and carriages, and rolling stock of the Northern Railway, in the purchase of such new locomotive engines, carriages, rolling stock, and other equipments of the railways, in extending the sidings and improving the station accommodation thereof, in constructing a junction line between the main lines of the railways at Allandale,—in constructing a deviation line of railway in the town of Collingwood as already in progress,—in the payment of the liabilities on "suspense capital account" already incurred, in the provision of various works and equipments of the railways, by order of the said Executive Committee, and properly chargeable to capital account,—and generally to such other purposes, in adding to, improving, and extending the facilities, and the transport, and the earning power of the railways, and such other expenditure on capital account, as the said Executive Committee may, from time to time, deem meet and proper. And any such movable property, as shall be hereafter purchased under this agreement, as well as that already purchased, and included in the "Suspense Capital Account" aforesaid, shall be considered additions to the movable property of the said two Companies, and at the expiration of the term in the said agreement of the sixth day of June, A.D. 1879 mentioned, the provisions in the said agreement, as to the appraisalment and division of movable property shall apply thereto, as fully and effectually as if the same had been incorporated herein.

Fourth.—The lease of the North Simcoe Railway to the Northern Company, dated the 19th day of January, 1881, is hereby confirmed, and the annual payment on rental to be paid in respect thereof, not exceeding eighteen thousand dollars per annum, is hereby recognised and confirmed as a charge upon and part of the annual joint working expenses as defined in the agreement of the sixth day of June, A.D. 1879, aforesaid.

Fifth.—The North Western Company hereby agrees and undertakes to purchase at its own sole cost and expense the property known as the Hamilton Elevator, and to procure the same to be conveyed to and vested in the said North-Western Company, and immediately thereupon to place the same at the disposition of the said two Companies and subject to

to the control of the said Executive Committee, as in the said agreement of the sixth day of June, A.D. 1879, is provided in regard to the elevators of the Northern Company therein referred to; provided always, that when and so soon as the said Hamilton Elevator shall have been placed as aforesaid at the disposition of the said two Companies and under the control of the said Executive Committee, the Executive Committee shall transfer and pay over to the North Western Company the sum of forty thousand dollars as hereinbefore provided.

Sixth.—This agreement is to be understood and accepted by the said respective Companies, and shall operate as a full, final and complete settlement, and a full and sufficient release in respect of all differences, disputes and claims between them, relating to or in any way connected with the matters referred to in, or to the meaning and intent of, the said agreement of the sixth day of June, A.D. 1879, by or between the respective Companies, and its execution shall operate as a bar and estoppel to all such claims, and as a settlement of every difference and dispute arising out of or in any way connected with the said agreement up to the date hereof.

Seventh.—Nothing herein contained shall, in any way, affect, impair or alter the provisions contained in the said agreement of the sixth day of June, A.D. 1879, except so far as the same are added to or extended hereby; and all the provisions and stipulations of the said agreement, in so far as the same are applicable to the subject matter of this agreement, shall be incorporated herein, and be read and construed as part and parcel hereof.

Eighth.—This agreement is subject to confirmation at any special general meeting of the Northern specially convened for that purpose, and the certificate of the Chairman and Secretary of the proceedings at such meeting shall be conclusive evidence thereof; and until such confirmation and approval shall be first had, the bonds agreed to be issued under the first clause hereof shall not be issued.

Ninth.—This agreement is also subject to confirmation at any annual general meeting or at any special general meeting of the North Western to be convened for that purpose, and the certificate of the Chairman and Secretary of the proceedings at such meeting shall be conclusive evidence thereof; and until such confirmation and approval shall be first had, the bonds agreed to be issued under the second clause hereof shall not be issued.

Tenth.—The provisions herein contained for the issue of such joint working and equipment bonds by either of the said Companies shall not take effect, unless and until the
necessary

necessary confirmation and approval for the issue of such additional bonds by the other Company shall have been obtained; and the rate of interest shall be alike in the bonds to be issued by the two Companies under this agreement.

Eleventh.—The Directors of the said two Companies may hereafter make such amendments hereto as may be necessary to make the same conform to the result of the proposed legislation.

In witness whereof the said parties hereto have caused their corporate seals to be hereto affixed.

JOHN STUART, [L.S.]
President, H. & N.W.R.
MAITLAND YOUNG,
Secretary.
FRANK SMITH, [L.S.]
President.
WALTER TOWNSEND,
Secretary.

CHAP. 39

An Act to remove doubts as to the true construction of section twelve of "The Northern Railway Company Act, 1877."

[Assented to 21st March, 1881.]

Preamble.
40 V., c. 57.

WHEREAS doubts have arisen as to the construction of the twelfth section of the Act known as "*The Northern Railway Company Act, 1877*," in relation to the right of certain preferential stockholders to vote jointly with the private shareholders of the said Company therein referred to, in the election of one Director from among such private shareholders by their exclusive vote; and whereas it is expedient that such doubts should be removed, and that the preference stockholders should be given a Director to be elected by their separate vote: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Section 12 explained, as to choice of Director by private holders of ordinary shares.

1. It is the true intent and meaning of section twelve of the Act passed in the fortieth year of Her Majesty's reign, chaptered fifty-seven, and intitled "*An Act respecting the Northern Railway Company of Canada*," that the one Director to be chosen from amongst the private shareholders as therein set forth, was and is to be chosen by the exclusive vote

vote of the holders of the original ordinary share capital of the said Company, without the vote of any preferential stockholders or other persons whomsoever.

2. Notwithstanding anything in this or any previous Act of the Parliament of Canada contained, the holders of the preferential stock of the Northern Railway Company shall, by their exclusive vote, elect one Director of the said Company, and the Board of Directors of such Company shall hereafter consist of eleven instead of ten members in addition to the two chosen by the two corporations of the City of Toronto and County of Simcoe.

Preferential stockholders to elect a Director.

Number of Directors.

3. Nothing done, permitted, or suffered by the Board of Directors of the said Company since the eighteenth day of February, one thousand eight hundred and eighty, shall be affected or prejudiced by anything herein contained.

Certain acts of Directors not affected.

CHAP. 40.

An Act further to amend the Act incorporating "The International Railway Company."

[Assented to 21st March, 1881.]

WHEREAS the International Railway Company have, by their petition, represented that they are desirous of obtaining certain further amendments to their Act of incorporation, and of acquiring additional powers in order to enable them to extend their railway across the State of Maine and Province of New Brunswick to some point on the Atlantic coast, 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 said Company may acquire by lease or purchase, or by amalgamation with any other incorporated company or companies, any railway projected, in course of construction, or constructed, either in the United States or in Canada, between the City of Sherbrooke and a point on the coast of the Atlantic Ocean or Bay of Fundy, within the limits of the Dominion, or between any intermediate points; and in case of such amalgamation the Company thereby formed shall be known by the said corporate name of the International Railway Company, and shall be liable for all the debts and shall do and perform all the contracts, stipulations and agreements which either of the amalgamated

Other railways may be acquired by the Co., and in what manner.

Amalgamation with another company.

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Deed of
agreement,
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and effect.

Deposit.

As to stock,
bonds, &c.

Company
may sell or
lease their
railway.

Proviso, for
sanction of
shareholders.

gated companies would have been liable to pay or compellable to perform if no such amalgamation had taken place; and the Company, after amalgamation, shall have and may exercise all the rights, privileges, powers and franchises which any or either of the amalgamated companies could or might have and exercise under their respective Acts of incorporation; and such amalgamation may be effected in each case by a deed of agreement made with the sanction and approval of the shareholders of both companies by resolution passed at special meetings thereof respectively called for the purpose, according to their respective Acts of incorporation and such deed of agreement shall only have full force and effect after a duplicate thereof shall have been deposited in the office of the Secretary of State of Canada, and from and after the date at which a notice of such deposit shall be published by the Secretary of State in the *Canada Gazette*; and the Company may make any contract by way of purchase or otherwise in respect of the stock, bonds or property of any such railway in connection with such purchase or amalgamation, or for the purpose of facilitating the same.

2. The said Company shall have power to sell or lease their railway to any other company or companies or corporations having power to acquire the same, now incorporated or formed either in Canada or elsewhere, or to make running arrangements with any other railway company; but in no case shall such sale, lease or arrangement with any other company or companies be valid and effectual until after such sale, lease or arrangement has been sanctioned and approved by the shareholders of the said Company by resolution passed at a special meeting duly called for that purpose.

3. This Act shall not in any way affect any rights acquired or contracts made by or with any other railway company or corporation or corporations mentioned in the first and second sections hereof.

CHAP. 41.

An Act respecting The Ontario and Pacific Junction Railway Company.

[Assented to 21st March, 1881.]

WHEREAS The Ontario and Pacific Junction Railway Company have, by their petition, prayed for an Act conferring upon them power to extend their line of railway from Lake Nipissing in a northerly direction to a point on the Ottawa River, south of Lake Temiscamingue, and it is expedient to grant the prayer of the said petition, and otherwise to amend the Act incorporating the said Company: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. The Ontario and Pacific Junction Railway Company, hereinafter called the Company, shall have full power to extend their main line in a northerly direction from Lake Nipissing to any convenient point on the Ottawa River south of Lake Temiscamingue.

Power to extend line northerly.

2. The Company shall make running arrangements with, and give running powers to any railway company or companies in the Dominion of Canada (whether incorporated by the Dominion or any of the Provincial Legislatures) which are now or may hereafter be situate on the line or lines hereby authorized, or which touch or cross the same, or any line or lines which connect with any of such lines, upon terms to be agreed upon; and such running powers shall include all proper and necessary facilities in sidings for obtaining fuel and water, and generally for the passing and working of the trains of the company or companies exercising the same; and the facilities so to be given shall be equal to all companies exercising such powers, so that no unfair advantage shall be given to any one company over another in the use of the said lines; and all the powers mentioned in this Act shall be so given upon the payment of a reasonable compensation therefor; and any railway company or companies as aforesaid which may claim and use the running powers and facilities over the line or lines of the Company as hereby authorized shall grant similar running arrangements and powers over any line or lines of railway which such company may own or control, and which may now or may hereafter be situate on, or may touch or cross the same, or any line or lines which connect with any of such lines, and all such powers shall be so given and exercised upon the payment of a reasonable compensation therefor: Provided, that the running powers mentioned in this Act shall not include any right for one company to engage or participate in, or operate upon or over

Company to give to and receive from other companies running powers and facilities.

Equal facilities to all companies;

On reasonable compensation.

Facilities to be mutual.

Provide: as to certain traffic.

the

the line of any other company, or on any part thereof, any local traffic served by, collected or distributed at, or belonging to places upon the line or lines of the company over whose lines running powers are exercised, or at which such company shall have established stations: and provided further, that the company or companies exercising the running powers as herein provided shall have the right to interchange through traffic with any other railway company or companies whose line or lines of railway shall reach to and connect with the lines of the Company at Lake Nipissing or the commencing point of the said line of railway: and provided further that the running powers hereby given over the lines of the Company shall not be extended or continued to any company which shall construct and work a line of railway from any point connecting with the railway system of Ontario to any point to which the Company may construct the line as authorized by this Act or by the Act incorporating the same.

Proviso: as to interchange of through traffic.

Proviso: as to certain companies.

Facilities to be afforded by the company to include receiving and forwarding traffic by one company for the other.

And all needful accommodation.

Company not to give or allow any preference to

3. In order to afford reasonable facilities to all companies whose lines of railway may, at any point or points, be connected, mediately or immediately, with the railway of the Company, for the receiving, forwarding, delivering, interchange and working of traffic upon and by way of the several railways belonging to or worked by such companies respectively, the Company shall, for the purposes of all traffic whatsoever whether passengers and their baggage, including the usual accommodation for express matter, or freight of any description, including live stock and minerals, and whether such traffic shall originate or terminate upon the railway systems of such companies or either of them, or come from or be destined to some other railway or railways or other carriers connecting mediately or immediately with them, at all times receive, ticket, bill, invoice and forward the traffic upon and over its railway from such connecting point to or towards its destination, and deliver any and all such traffic as consigned, either in final delivery upon or from its own railway, or to some other carrier for further transmission to its destination according to the ticket, bill, or invoice; and in like manner shall receive, ticket, bill, invoice and forward the traffic destined to or by way of such connecting railway and duly deliver the same at such connecting point to such connecting railway; and the Company shall afford to all such companies having connecting railways as aforesaid, all needful accommodation, facility and convenience at their stations and by their trains and otherwise and by through rating, billing, and ticketing for the promotion of their business and the interchange of such traffic:

2. And the Company shall not give or allow directly or indirectly any preference or advantage to, or to the traffic by, any other railway or portion of a railway or other carriers

carriers' line forming part of a continuous route, whether owned or operated by or in interest directly or indirectly with the Company or otherwise, over any such connecting railway or the traffic thereby; and it shall be unlawful for the Company to make, and it shall not make any greater or higher charge for the carriage of traffic or any service connected with the traffic passing to or from any such connecting railway than the lowest charge it shall make for a like or similar service over any part of its own railway, or which shall be made over any part of a railway worked by or in interest with it, nor make or allow any discrimination, preference or advantage as between any such connecting railways:

any other company:

Or exact higher charges from one than from another.

3. And the Company shall carry all such traffic interchanged with any such connecting railway at the lowest mileage rate for the time being charged or received by it for the carriage of like or similar classes of traffic over the same part of its railway,—which lowest mileage rate shall in no case exceed the *pro rata* mileage rate charged or received for the haulage of the like or similar classes of traffic over any part of the whole line of railway worked by or in interest with the Company:

Traffic interchanged with other railway cos. to be charged at lowest rates charged on any part of line.

4. Provided that nothing herein shall oblige the Company to accept for the carriage of any such traffic less than its *pro rata* share, according to mileage, of the entire through charge, rate or fare at which the same shall be carried by railway:

Provide: as to rate of charge.

5. And provided further, that the Company shall be obliged to furnish the facilities and to work through traffic with any other connecting company, only so long as the said other company shall afford to the Company the like facilities in return.

Provide: facilities to be mutual.

4. In case the said companies shall fail to agree upon the extent or manner of working or carrying into effect any of the provisions contained in sections two and three of this Act, such matters in difference shall be settled by three arbitrators, appointed from time to time, one to be appointed by each of the said railway companies, parties to such difference, and the third by one of the Judges of one of the Superior Courts of Ontario; and in the event of either of the said companies refusing or neglecting to appoint such arbitrator for the space of ten days after being requested or notified so to do by the other company, then the said judge shall appoint such arbitrator for the company so neglecting or refusing; and the decision and award of the said arbitrators, or a majority of them, shall be final and binding on the said companies, and may be enforced in any court of law or equity having jurisdiction in the premises.

Arbitration in case of difference under ss. 2 and 3.

Judicial appointment of arbitrators.

Award and its effect

Time for commencement and completion of work.

Penalty for default.

5. The powers granted by this Act to the Company shall be exercised by the commencement within three years, and the completion within six years from the passing of this Act, of the extension of their line of railway hereby authorized, in default whereof, all such powers shall be forfeited in so far as respects so much of the said extension as then remains incomplete.

CHAP. 42.

An Act to amend the Acts relating to the New Brunswick Railway Company.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS the New Brunswick Railway Company have, by their petition, prayed for the passing of certain amendments to the Acts relating to the said Company, 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:—

Declaratory.

1. The work of the New Brunswick Railway Company is hereby declared to be a work for the general advantage of Canada.

Extension of line authorized to the River St. Lawrence.

2. The Company may extend their railway of a gauge of four feet eight and a half inches from its present terminus to any point on the River Saint Lawrence, in the Province of Quebec, between Rivière du Loup and Rivière Ouelle or in the vicinity of either of those places, provided the line be entirely constructed on Canadian territory; and shall have power to erect and maintain docks, dockyards, wharves, slips and piers at any point on or in connection with the railway, and at any terminus thereof on navigable water, for the accommodation of vessels and elevators, and also to acquire and work elevators, and to acquire, hold, charter, work and run steam and other vessels for cargo or passengers upon any navigable water which the railway may reach or connect with.

Power to erect works at any terminus on navigable water, and to hold vessels, &c.

New section substituted for s. 5 of Act of N.B., 1870.

3. The fifth section of the Act passed by the Legislature of the Province of New Brunswick, on the seventh day of April, one thousand eight hundred and seventy, and intituled "*An Act to incorporate the New Brunswick Railway Company*," is hereby repealed, and the following substituted therefor:—

"5.

“5. The capital stock of the said Company shall be three million five hundred thousand dollars, and shall be divided into thirty-five thousand shares of one hundred dollars each.”

Capital and shares.

4. The Board of Directors of the said Company shall be composed of not less than seven nor more than fifteen Directors, who shall have the qualification provided by the by-laws.

Board of Directors.

5. Notwithstanding anything contained in the Acts relating to the Company, the Directors of the Company shall have power to make by-laws (not inconsistent with the laws of Canada) for the management and disposition of the stock, property and affairs of the Company, determining and regulating the holding of special meetings of shareholders, the number and qualification of the Directors, the quorum, the appointment of a President, Vice-President and Managing Director, or of Committees of Directors, the remuneration of the President, Vice-President and other Directors, or of committees of them, or of a Managing Director if any be appointed, the mode of voting of the Directors, and whether by proxy or not, the form of proxies, transfers of stock, and stock certificates, and the registration of stock and bonds, the declaration and payment of dividends and the closing of the transfer books, and for the appointment of all officers, servants and artificers, and prescribing their respective duties: Provided, that any by-law passed by the Directors fixing the remuneration of the President, Vice-President or Directors, or committees of them, or of a Managing Director, shall only have force and effect until the next meeting of shareholders unless it shall be confirmed at such meeting.

Power of directors to make by-laws and for what purposes.

Proviso.

6. “The Consolidated Railway Act, 1879,” and any Act in amendment thereof passed during the present session of Parliament, shall apply to the extension of the said railway hereby authorized, so far as it is applicable to the same; and the provisions of the said “Consolidated Railway Act, 1879,” under the head of “Tolls” and any amendment thereof passed during the present session of Parliament, shall apply to the Company; and all enactments in the Acts of the Legislature of the Province of New Brunswick incorporating the Company or amending the Act incorporating the Company inconsistent therewith are hereby repealed; but such repeal shall not affect any rights acquired or things validly done under and by virtue of the said enactments hereby repealed.

42 V., c. 9, and amendments to apply to extension.

Inconsistent enactments repealed.

7. The said Company shall have full power and authority to construct, maintain, work, manage and use a railway bridge over the River St. John at or near the City of Fredericton, and also a railway bridge across the said River St. John.

Company may construct certain bridges over River St. John.

42 V., c. 9, and amendments to apply.

John at or near the town of Woodstock, in the County of Carleton; and the sections of "*The Consolidated Railway Act, 1879*," or of any Act relating thereto passed during the present session of Parliament, under the heads of "Powers," "Plans and Surveys" and "Lands and their Valuation" shall so far as necessary apply to the power hereby given.

Bridges to be subject to approval by Governor in Council.

8. The said Company shall not commence the said bridges or any work thereto appertaining, until the Company shall have submitted to the Governor General in Council plans of such bridge as is intended to be erected and of all the intended works thereunto appertaining, nor until the plans and site of such bridge shall have been approved of by the Governor in Council and such conditions as he shall have thought fit for the public good to impose touching the said bridge and works shall have been complied with; nor shall any such plans be altered, nor any deviation therefrom allowed except upon the permission of the Governor in Council and upon such conditions as he shall impose: Provided, that in case of the erection of the bridge at or near the City of Fredericton, it shall be so constructed as to have one draw in the main channel of the river to be used under such regulations as the Governor in Council may, from time to time, prescribe.

Proviso, as to bridge near Fredericton.

A certain provision of 42 V., c. 9, to apply to existing railway.

9. Sub-section nineteen of section seven of "*The Consolidated Railway Act, 1879*," shall apply and extend to the parts to be constructed hereafter.

Power to issue mortgage bonds to a certain amount, secured by conveyance of tolls, &c., in trust.

10. It shall be lawful for the Company to issue mortgage bonds to the extent of twenty thousand dollars per mile upon its entire length of railway, and also at the same rate per mile upon any extension, branch or branches thereof that may hereafter be constructed; and for the purpose of securing the payment of the same and the interest thereon, to convey to trustees in trust for that purpose its property, rights and interests owned, possessed or enjoyed by it, and the tolls, income, profits, improvements and renewals thereof, and all additions thereto, after deduction from such tolls and income of the working expenses of the railway.

Exception as to working expenses.

On what authority to be issued.

11. Such bonds and conveyance may be executed and issued, at any time, under the authority of a vote of the shareholders of the Company, passed at any meeting of such shareholders legally called and held, authorizing the execution and issue of such bonds and conveyance.

Form and execution of bonds.

12. Such bonds shall be of such denominations, and shall be made payable at such time and place, in Canada or elsewhere, and in currency or sterling, or in both, and shall bear such rate of interest, payable at such times, and be executed in

in such manner as the shareholders at such meeting shall direct; and each of the said bonds shall be certified by the trustees mentioned in the conveyance executed to secure the payment of the same, as being one of the bonds secured by such conveyance.

To be subject to trust under s. 10.

13. The trustees, to whom such conveyance shall be made shall be designated by the shareholders at the said meeting, and the said conveyance may be made in such form and executed in such manner as the shareholders at such meeting shall direct; and the Company and the said trustees may therein stipulate for the filling of any and all vacancies that may happen in the said board of trustees, and also for the changing, from time to time, of such trustees and replacing one or more of them by another trustee, or other trustees; and may also stipulate therein as to who shall have the possession, management and control of the said property therein conveyed, and receive the tolls and income thereof, and how the same shall be applied and disposed of, while such bonds shall be outstanding, as well before as after default shall be made in the payment thereof, or of any of the coupons thereto attached; and may make such other provisions therein, not contrary to law, as may be considered necessary or convenient for the purposes of such trust.

Appointment of trustees under s. 10.

Vacancies, how filled.

Conditions of conveyance in trust.

Other conditions.

14. In the event of default being made in the payment of the said bonds, or any of the coupons thereto attached, and upon the performance of all things in the said conveyance stipulated and set forth, as being necessary to divest the Company of all interest, right of redemption, claim or title in or to the said railway and other property therein conveyed, the Company shall be absolutely divested of all interest, right of redemption, claim or title in or to the said property.

Effect of default.

15. And whereas the New Brunswick Land and Lumber Company (limited), incorporated under "The Canada Joint Stock Companies' Act, 1877," was formed in order to acquire the land grants of the said New Brunswick Railway Company, it shall be lawful for the said railway Company to take and hold shares or stock in the said New Brunswick Land and Lumber Company (limited); and the resolution of the shareholders of the said railway Company, passed at a special meeting on the twenty-eighth day of October last, to guarantee to the holders thereof the principal of and interest on any bonds executed by the said New Brunswick Land and Lumber Company (limited) as part of the consideration of the lands so acquired and purchased, and the guarantee of the said railway Company endorsed on the said bonds in pursuance thereof, are hereby confirmed.

Company may hold shares in a certain Land and Lumber Company.

Resolution for that purpose confirmed.

16. The following sections in the Acts relating to the Company are hereby repealed, that is to say:—section two of

Repeal of certain enactments of N.B.

in Act of 1873.

In Act of 1874.

Saving clau e.

of an Act of the Legislature of New Brunswick, passed on the eleventh day of April one thousand eight hundred and seventy-two, and intituled "*An Act in amendment of an Act to incorporate the New Brunswick Railway Company,*" and sections one, two, four and five of an Act of the Legislature of New Brunswick, passed on the eighth day of April one thousand eight hundred and seventy-four, and intituled "*An Act in amendment of the Acts relating to the New Brunswick Railway Company;*" but such repeal shall not affect any rights acquired or things validly done under and by virtue of the said sections hereby repealed.

CHAP. 43.

An Act to amend the Acts incorporating the Montreal, Portland and Boston Railway Company.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS the Montreal, Portland and Boston Railway Company, a corporation whose railway has been declared to be a work for the general advantage of Canada, have by their petition represented that it would greatly add to their efficiency if their powers were extended as hereinafter set forth, and have prayed for the passing of an Act to that end, and it is expedient that the said petition be granted: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Branch railway may be built to, or near the city of Sherbrooke.

1. The said Montreal, Portland and Boston Railway Company shall have full power and authority to lay out and construct a branch railway, with double or single track, of uniform gauge with their present railway, commencing at some point on their present main line at or near the village of Marieville, or in the parish of St. Angèle, in the county of Rouville, and thence extending in a straight line as near as may be until it connects with the Lake Champlain and St. Lawrence Junction Railway at a point at or near the village of Abbottsford in the county of Rouville.

Rights and powers of the company as to such branch.

2 All the rights, powers, privileges and franchises which the said Montreal, Portland and Boston Railway Company now hold and enjoy under the laws of the Province of Quebec, or of the Dominion of Canada, with reference to their main line, they may also hold, exercise and enjoy with regard to the said branch railway. and this Act shall be read and construed as if it had formed a part of the original Act of incorporation of the said railway Company.

3.

3. The second section of the Act fortieth Victoria, chapter fifty-eight, is hereby amended by substituting the word "five" for the word "three" in the second line of the said section: Provided however, that nothing in this Act shall have the effect of reviving the power of the said Company to construct a railway between the towns of St. Johns and Sorel.

Section 2 of 40 V., c. 58 amended. Provide.

4. This Act may be cited as "*The Montreal, Portland and Boston Railway Act, 1881.*" Short title.

CHAP. 44.

An Act to incorporate the Ontario and Quebec Railway Company.

[Assented to 21st March, 1881.]

WHEREAS the persons hereinafter named and others have petitioned for incorporation as a Company to construct and operate a railway from Toronto to Ottawa, passing through or near Carleton Place, with power to unite, amalgamate, or make running arrangements with railway lines in the Provinces of Ontario and Quebec, and whereas the construction of such a railway would be of great public advantage by affording facilities for the settlement of the back country, bringing to market the productions thereof, and forming, through the Capital of the Dominion, a most valuable line of communication for national defence, and is a work for the general advantage of Canada; and it is for the reasons aforesaid expedient to grant the prayer of the petitioners: 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 Ontario and Quebec Railway is hereby declared to be a work for the general advantage of Canada.

Declaratory.

2. H. S. Howland, Honorable L. R. Church, Honorable J. A. Chapleau, C. J. Campbell, Honorable J. Rosaire Thibault, Alphonse Desjardins, W. H. Lockhart Gordon, E. B. Osler, Pierre Garneau, Duncan McIntyre, A. B. Chaffee, E. O. Bickford, Adam Brown, F. X. Archambault, and J. Alderic Ouimet, with all such other persons and corporations as shall become shareholders in the Company to be hereby incorporated, shall be, and are hereby constituted a body corporate and politic by the name of the "Ontario and Quebec Railway Company," (hereinafter called the Company) and shall have all the powers and privileges conferred on such corporations by "*The Consolidated Railway Act, 1879,*" subject, however, to the provisions hereinafter contained.

Certain persons incorporated. Corporate name.

Line of railway which may be built by the company.

Branches.

Capital stock and shares.

Company may receive aid.

Provisional Directors and their powers.

3. The Company and their agents and servants may lay out, construct, finish and operate a double or single line of railway, from the City of Toronto, in the Province of Ontario, through the Counties of York, Ontario, Victoria, Durham, Peterborough, Hastings, Addington, Frontenac and Lanark to a point at or near Carleton Place *viz* the Towns of Peterborough and Perth, with power to construct a branch line to the Town of Lanark and from Carleton Place through the County of Carleton to the City of Ottawa and across the Ottawa River at or near the City of Ottawa, into the Province of Quebec, to effect a junction with railways in that Province.

4. The capital stock of the Company shall not exceed, in the whole, the sum of two million dollars, to be divided into twenty thousand shares of one hundred dollars each, which amount shall be raised by the persons hereinbefore named, and such other persons and corporations as may become shareholders in the Company; and the money so raised shall be applied, in the first place, to the payment of all fees, expenses, and disbursements for procuring the passing of this Act, and for making the surveys, plans, and estimates connected with the railway; and all the rest and remainder of such money shall be applied towards making, completing and maintaining the said railway, and other purposes of this Act.

5. It shall be lawful for the Company to receive, either by grant from Government, or from any private individuals or corporations, as aid in the construction of the said railway, any lands in the vicinity thereof, or any other real property, either as gifts, or in payment of stock, and legally to dispose of the same, and to alienate the lands or other real property, for the purposes of the Company, in carrying out the provisions of this Act.

6. The said H. S. Howland, Honorable L. R. Church, Honorable J. A. Chapleau, C. J. Campbell, Honorable J. Rosaire Thibaudeau, Alphonse Desjardins, W. H. Lockhart Gordon, E. B. Osler, Pierre Garneau, Duncan McIntyre, A. B. Chaffee, E. O. Bickford, Adam Brown, F. X. Archambault, and J. Aldéric Ouimet, shall be and are hereby constituted the provisional Board of Directors of the Company, and shall hold office as such until the Directors shall be appointed under the provisions of this Act by the shareholders, and shall have power and authority to fill vacancies occurring therein, —and the persons so appointed to fill vacancies shall thereupon become and be Directors of the Company equally with themselves—to open stock books and procure subscriptions for the undertaking, to cause surveys and plans to be made and executed, and to call a general meeting of shareholders for the election of Directors, as hereinafter provided.

7. When and so soon as one-tenth part of the capital stock shall have been subscribed as aforesaid, and one hundred thousand dollars of the amount so subscribed paid into some chartered bank, the said Directors or a majority of them may call a meeting of the shareholders at such time and place as they shall think proper, giving at least two weeks' notice in one or more newspapers published at Ottawa, Toronto, and Montreal; at which said general meeting, and at the annual general meetings in the following sections mentioned, the shareholders present in person or represented by proxy, shall elect Directors in the manner and qualified as hereinafter provided to constitute the Board of Directors; and the said Directors so elected shall hold office till the first Tuesday in February in the year following their election.

First meeting
of shareholders.

Notice.

8. On the said first Tuesday in February and on the first Tuesday in February in each year thereafter, at the principal office of the Company, at some place within the Province of Ontario to be established by by-law, there shall be held a general meeting of the shareholders of the Company, at which meeting the said shareholders shall elect the Directors for the then ensuing year, in the manner and qualified as hereinafter provided; and public notice of such annual meeting and election shall be published for four weeks before the day of election, one day in each week, in one newspaper in Ottawa, in one in Toronto, and in one in Montreal, and also in the *Canada Gazette*; and the election for Directors shall be by ballot, and the persons so elected shall form the Board of Directors. The number of the Directors to be so elected shall be settled by the by-laws of the Company and shall be not less than five nor more than nine.

Annual
general
meeting.

Notice.

Number of
directors.

9. A majority of the Directors shall form a quorum for the transaction of business, and the said Board of Directors may employ one or more of their number as paid Director or Directors: Provided however, that no person shall be elected as Director unless he shall be the holder and owner of at least fifty shares of the stock of the Company and shall have paid up all calls upon the said shares.

Quorum.

Qualification.

10. The Directors may, at any time, call upon the shareholders for instalments upon each share, which they, or any of them, may hold in the capital stock of the Company, in such proportion as they may see fit, no such instalment exceeding ten per cent.; and the Directors shall give one month's notice of such call, in such manner as they may appoint.

Calls on
stock.

11. The Directors of the Company elected by the shareholders may make and issue as paid-up stock shares in the Company,

Certain pay-
ments may be

made in paid
up stock and
mortgage
bonds.

Company, whether subscribed for or not, and may allot and hand over such stock as paid-up stock, and the mortgage bonds of the Company, in payment of right of way, plant, rolling stock, or materials of any kind, and also for the services of contractors, engineers and other persons, whether Directors or not, who may have been, are, or may be engaged in promoting the undertaking and interests of the Company; and such issue and allotment of stock or bonds shall be binding on the Company, and the paid-up stock shall be unassessable thereafter for calls.

Special
general
meetings.

Notice.

12. A special general meeting of the shareholders of the Company may be called at any time by the Directors or by one fourth part in value of the shareholders of the Company after refusal by the Directors to call the same: but notice thereof, stating the objects for which the meeting is called, signed by the Secretary of the Company or by the shareholders calling the same must be sent by post or otherwise to each shareholder, four weeks before the day on which the said meeting is to be held, and must also be inserted once a week, for four weeks previous to the said meeting, in some newspapers published in Toronto, Ottawa and Montreal, and in the *Canada Gazette*.

Company
may become
parties to
promissory
notes.

13. The Company shall have power and authority to become parties to promissory notes and bills of exchange, for sums not less than one hundred dollars; and any such promissory note made or endorsed by the President or Vice-President of the Company, and countersigned by the Secretary and Treasurer of the Company, and under the authority, general or special, of a majority of a quorum of the Directors, shall be binding on the Company; and every such promissory note or bill of exchange so made, shall be presumed to have been made with proper authority; and in no case shall it be necessary to have the seal of the Company affixed to such promissory note or bill of exchange, nor shall the said President, or Vice-President, or the Secretary and Treasurer be individually responsible for the same, even if the same be made, accepted or endorsed by him or them on behalf of the Company, provided the consideration for the said bill or note was received by the Company, unless the said promissory notes or bills of exchange have been issued without the sanction and authority of the Board of Directors as herein provided and enacted: Provided however, that nothing in this section shall be construed to authorize the Company to issue notes or bills of exchange payable to bearer, or intended to be circulated as money or as the notes or bills of a bank.

Proviso as to
bank notes.

Bonds may
be issued by
directors duly
authorized.

14. The Directors of the Company, after the sanction of the shareholders shall have been first obtained, at any special general meeting to be called from time to time for such purpose,

purpose, shall have power to issue bonds made and signed by the President or Vice-President of the Company, and countersigned by the Secretary and Treasurer, and under the seal of the Company, for the purpose of raising money for prosecuting the said undertaking; and such bonds shall, without registration or formal conveyance be taken and considered to be the first and preferential claims and charges upon the undertaking and the tolls and property of the Company, real and personal, then existing and at any time thereafter acquired: Provided however, that the whole amount of such issue of bonds shall not exceed in all the sum of twenty-five thousand dollars per mile; and provided also, that in the event at any time of the interest upon the said bonds remaining unpaid and owing, then, at the next ensuing annual general meeting of the Company and at all other general meetings as long as the said default shall continue, all holders of bonds shall have and possess the same rights and privileges and qualifications for directors and for voting as they would have had if the bonds they held had been shares, provided that the bonds and any transfers thereof shall have been first registered in the same manner as is provided for the registration of shares; and it shall be the duty of the Secretary of the Company to register the same, on being required to do so by any holder thereof.

Proviso:
amount
limited.

Proviso; if
bonds are
not paid.

15. And the Company may secure such bonds by a deed or deeds of mortgage executed by the Company, with the authority of its shareholders expressed by a resolution passed at such special general meeting; and any such deed may contain such description of the property mortgaged by such deed, and such conditions respecting the payment of the bonds secured thereby and of the interest thereon, and the remedies which shall be enjoyed by the holders of such bonds or by any trustee or trustees for them in default of such payment, and the enforcement of such remedies, and may provide for such forfeitures and penalties in default of such payment, as may be approved by such meeting; and may also contain, with the approval aforesaid, authority to the trustee or trustees, upon such default, as one of such remedies, to take possession of the railway and property mortgaged, and to hold and run the same for the benefit of the bondholders thereof for a time to be limited by such deed, or to sell the said railway and property, after such delay, and upon such terms and conditions as may be stated in such deed; and with like approval any such deed may contain provisions to the effect that upon such default and upon such other conditions as shall be described in such deed, the right of voting possessed by the shareholders of the Company, shall cease and determine, and shall thereafter appertain to the bondholders; and such deed may also provide for the conditional or absolute cancellation after such sale of any or all of the shares so deprived

Bonds may
be secured
by mortgage
deed which
may contain
certain con-
ditions.

Voting
powers of
bondholders.

Deed to be valid.

How railway shall be run in case of change of ownership.

Further powers as to bonds.

No registration of mortgage deed.

Deposit with Secretary of State.

Arrangements with other companies.

Certain other railways may be acquired

deprived of voting power, and may also, either directly by its terms, or indirectly by reference to the by-laws of the Company, provide for the mode of enforcing and exercising the powers and authority to be conferred and defined by such deed, under the provisions hereof. And such deed, and the provisions thereof, made under the authority hereof, and such other provisions thereof as shall purport (with like approval) to grant such further and other powers and privileges to such trustee or trustees and to such bondholders, as are not contrary to law or to the provisions of this Act, shall be valid and binding; but if any change in the ownership or possession of the said railway and property shall, at any time, take place under the provisions hereof, or of any such deed, or in any other manner, the said railway and property shall continue to be held and operated under the provisions hereof, and of "The Consolidated Railway Act, 1879" as hereby modified.

16. The bonds authorized by this Act to be issued by the Company, may be so issued in whole or in part in the denomination of dollars, pounds sterling or francs, or in any or all of them, and the coupons may be for payment in denominations similar to those of the bond to which they are attached. And the whole or any of such bonds, may be pledged, negotiated or sold upon such conditions and at such price as the Board of Directors shall from time to time determine.

17. It shall not be necessary, in order to preserve the priority, lien, charge, mortgage or privilege, purporting to appertain to or be created by any bond issued or mortgage deed executed under the provisions of this Act, that such bond or deed should be registered in any manner, or in any place whatever. But every such mortgage deed shall be deposited in the office of the Secretary of State, of which deposit notice shall be given in the *Canada Gazette*. And in like manner any agreement entered into by the Company, under section nineteen of this Act, shall also be deposited in the said office. And a copy of any such mortgage deed, or agreement, certified to be a true copy by the Secretary of State or his Deputy, shall be received as *prima facie* evidence of the original in all courts of justice, without proof of the signatures or seal upon such original.

18. The Directors of the Company, in accordance with the provisions of this Act, shall have power and authority to enter into and conclude any arrangements with any other railway company, for the purpose of making any branch or branches to facilitate a connection between the Company and such other chartered railway company.

19. The Company is also authorized and empowered to make the necessary arrangements and to contract and agree with

with the Credit Valley Railway Company, the Great Western Railway Company, the Canada Central Railway Company and the Quebec, Montreal, Ottawa and Occidental Railway, or any of them, for amalgamation with the said companies or any of them, or for the acquisition or leasing of the lines thereof, or such parts of the Canada Central Railway as may, in the opinion of the Directors of the Company hereby incorporated, be made available to establish early and advantageous through connection between Toronto and Ottawa; and may also make traffic or running arrangements with any of the said companies; and (also for a period not exceeding four years from the date of the passing of this Act), with the Grand Junction Railway Company: Provided that the terms of such amalgamation, acquisition or lease are approved of by two-thirds of the shareholders, present in person or represented by proxy, at a special general meeting to be held for that purpose, in accordance with this Act.

or amalgamated with.

Traffic arrangements may be made.

Proviso: approval of shareholders to be obtained.

20. After the purchase of, or amalgamation with any such railway or part thereof, the Company may, with the consent of a majority of the shareholders, and also with the consent of a majority of the bondholders of the companies entering into such arrangement, issue bonds to the extent of twenty-five thousand dollars per mile according to the actual mileage of the railways of the companies entering into such arrangement; and such bonds shall, without registration or conveyance, be a first and preferential lien and charge upon the whole joint undertaking of the railways of the companies entering into the said arrangement, and the tolls, revenues and property real and personal thereof, and may be secured by a deed or deeds of mortgage containing the same provisions and in the same manner as the bonds mentioned in the fifteenth section of this Act: Provided however, that all bonds of the several companies entering into the said arrangement, outstanding at the time of the said issue, shall be reckoned as part of the said issue of twenty-five thousand dollars per mile, and the said amalgamating company shall only have power to issue the difference between the amount of bonds of the said companies then outstanding and the amount required to make up twenty-five thousand dollars per mile.

Powers as to issue of bonds after arrangements have been entered into.

Proviso: as to outstanding bonds.

21. Subject to the provisions in this Act contained, the amalgamating company shall be vested with all the rights, franchises, powers, privileges and property that the said companies entering into the arrangement for amalgamation have, at the time of the said arrangement being made, by virtue of the several Acts relating to the said companies; and the amalgamating company shall be liable for all the debts, duties and obligations of the respective companies entering into the said arrangement; and no proceeding of any nature either by or against the said companies or any of them, shall be

Certain rights and liabilities transferred to new company.

be abated or discontinued by reason of the said amalgamation, but shall be continued to their natural and ordinary termination as if this Act had never been passed; and if any judgment be rendered therein, such judgment shall be binding upon and executory against the amalgamating company, or shall enure to the benefit thereof and may be enforced thereby, as the case may be. The name of the companies, when amalgamated, the place for the head office of the Company within the Dominion of Canada, the amount of the capital stock of the amalgamating company after the amalgamation has taken place, not exceeding the aggregate capital stock of the amalgamating companies, the division of such stock among the shareholders of the respective companies, parties to the amalgamation, the number of directors which the amalgamated company shall have, and all other matters affecting either the respective companies forming the amalgamation or affecting the amalgamating company, may be settled by the deed of amalgamation: Provided however, that the provisions of such deed shall be in accordance with the powers vested in the said company by the several Acts affecting the same or by this Act.

What the deed of amalgamation may contain.

Proviso.

Equal rights of shareholders.

22. All shareholders in the Company, whether British subjects or aliens, or residents of Canada or elsewhere, shall have equal rights to hold stock in the Company, and to vote on the same and to be eligible to office in the Company.

Powers as to telegraph lines.

23. The Company shall have full power and authority to construct, work and operate such line or lines of telegraph in connection with and along the line of their railway and branches as may be necessary or useful for the purposes of their undertaking; and for the purpose of constructing, working or protecting the telegraph lines to be constructed by the Company on their line of railway, the powers conferred on telegraph companies by the Act chapter sixty-seven of the Consolidated Statutes of the late Province of Canada, intitled "*An Act respecting Electric Telegraph Companies*" are hereby conferred on the Company; and the other provisions of the said Act for the working and protection of telegraph lines shall apply to such telegraph lines constructed by the Company.

Bonds may be pledged.

24. The Company may, from time to time, for advances of money to be made thereon, mortgage or pledge any bonds which they can, under the provisions of this Act, issue for the construction of the railway or otherwise.

Branch offices and business which may be transacted thereat.

25. The Directors of the Company may appoint an agent in the City of London, England, and also in the City of New York, in the State of New York, one of the United States of America, with such powers and to perform such duties as the Board

Board of Directors may think fit to impose upon them; and the said agents may open and keep books of transfer for the shares of the Company and for the issue of share certificates; and thereupon shares that have been transferred from the register of shares in Canada to London or New York, or *vice versa*, may be transferred by the holders at the London or New York offices, and *vice versa*, in the same manner as shares may be transferred at the Canada office; and shares originally taken and subscribed for in Great Britain, and shares originally taken and subscribed for in the United States, or in Canada, may after they have been recorded in the register of shares as aforesaid, be entered upon the books at the London or at the New York or Canada office, irrespective of the place where they were originally subscribed for, and certificates be issued for them; and such agents shall transmit an accurate list of all the transfers made at their offices respectively, together with certificates that may be surrendered to them, to the Secretary or other proper officer of the Company in Canada, who shall thereupon make the requisite entries respecting such transfer and share certificates in the register kept in Canada, and thereupon the same shall be binding on the Company, as to all the rights and privileges of shareholders, as though the share certificates had been issued by the Secretary of the Company in Canada.

Shares may be recorded in books of any office.

26. Shares in the capital stock of the Company may be transferred in such manner and by such form of instrument as the by-laws of the Company may provide, but no transfer shall become effectual unless the share certificates issued in respect of shares intended to be transferred are surrendered to the Company, or the surrender thereof dispensed with by the Company.

Transfer of shares.

27. The Directors may, from time to time, make such regulations as they shall think fit respecting the transfer and registration of shares of stock, and the forms in respect thereof, as well in Canada as elsewhere, and as to the closing of the register of transfer for the purpose of dividends, as they may find expedient; and all such regulations not being inconsistent with the provisions of this Act and of the Railway Act, as altered or modified by this Act, shall be valid and binding.

Transfers in Canada and elsewhere.

28. The Company shall have the right, on and after the first day of November in each year, to enter into and upon any lands of Her Majesty, or into or upon any lands of any corporation or any person whatever, lying along the route or line of the railway, and to erect and maintain snow fences thereon, subject to the payment of such damages (if any) as may be thereafter established in the manner provided by law in respect to such railway, to have been actually suffered: Provided always, that any such snow fences so

Power to erect snow fences.

Provido as to erected

their removal in April. erected shall be removed on or before the first day of April next following.

Form of conveyance of land to the Company.

29. Conveyances of land to the Company for the purposes of and exercise of the powers given by this Act, made in the form set out in the schedule hereunder written, or to the like effect, shall be sufficient conveyance to the Company, their successors and assigns, of the estate and interest, and sufficient bar of dower respectively, of all persons executing the same; and such conveyances shall be registered in the same manner and upon such proof of execution as is required under the registry laws of Ontario.

Land for warehouses, &c.

30. The Company shall have full power to purchase land for and erect warehouses, elevators, docks, stations, workshops and offices, and to sell and convey such land as may be found superfluous for any such purpose; and the Company shall have power to acquire and hold as part of the property of the Company as many steam or other vessels as the Directors of the Company may deem requisite, from time to time, to facilitate the carriage of passengers, freight and other traffic, in connection with the railway.

Reasonable facilities to be afforded to other companies as to traffic.

31. In order to afford reasonable facilities to the Great Western Railway Company, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway Company, and to all other companies whose lines of railway may at any point or points be connected mediately or immediately with the railway of the Company hereby incorporated, for the receiving, forwarding, delivering, interchange and working of traffic upon and by way of the several railways belonging to or worked by such companies respectively, the Company hereby incorporated shall, for the purposes of all traffic whatsoever, whether passengers and their baggage, including the usual accommodation for express matter, or freight of any description, including live stock and minerals, and whether such traffic shall originate or terminate upon the railway systems of such companies or either of them, or come from or be destined to some other railway or railways or other carriers connecting mediately or immediately with them, at all times receive, ticket, bill, invoice and forward the traffic upon and over its railway from such connecting point to or towards its destination, and deliver any and all such traffic as consigned either in final delivery upon or from its own railway, or to some other carrier for further transmission to its destination according to the ticket, bill or invoice; and in like manner shall receive, ticket, bill, invoice and forward the traffic destined to or by way of such connecting railway and duly deliver the same at such connecting point to such connecting railway; and the Company hereby incorporated shall

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shall afford to the Great Western Railway Company, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway Company, and all such other companies having connecting railways as aforesaid, all needful accommodation, facility and convenience at their stations and by their trains and otherwise and by through rating, billing, and ticketing for the promotion of their business and the interchange of such traffic :

2. And the Company hereby incorporated shall not give or allow directly or indirectly any preference or advantage to, or to the traffic by, any other railway or portion of a railway or other carriers' line forming part of a continuous route, whether owned or operated by or in interest directly or indirectly with the Company hereby incorporated or otherwise, over the Great Western Railway, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway, or any such other connecting railway or the traffic thereby ; and it shall be unlawful for the Company hereby incorporated to make, and it shall not make any greater or higher charge for the carriage of traffic or any service connected with the traffic passing to or from the Great Western Railway, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway, or any such other connecting railway than the lowest charge it shall make for a like or similar service over any part of its own railway, or which shall be made over any part of a railway worked by or in interest with it, nor make or allow any discrimination, preference or advantage as between any such connecting railways :

No undue preference to be given.

Restriction as to rates of charges.

3. And the Company hereby incorporated shall carry all such traffic interchanged with the Great Western Railway, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway, or any other such connecting railway at the lowest mileage rate for the time being charged or received by it for the carriage of like or similar classes of traffic over the same part of its railway, which lowest mileage rate shall in no case exceed the *pro rata* mileage rate charged or received for the haulage of the like or similar classes of traffic over any part of the whole line of railway worked by or in interest with the said Company hereby incorporated :

Rate for interchanged traffic.

4. Provided that nothing herein shall oblige the Company hereby incorporated to accept for the carriage of any such traffic less than its *pro rata* share, according to mileage, of the entire through charge, rate or fare at which the same shall be carried by railway :

Proviso : company not bound to accept less than its *pro rata* share.

Proviso:
facilities to
be mutual.

5. And provided further, that the Company hereby incorporated shall be obliged to furnish the facilities and to work through traffic with the said Great Western Railway Company, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway Company, or any such other connecting company, only so long as the said Great Western Railway Company, the Quebec, Montreal, Ottawa and Occidental Railway, the Credit Valley Railway Company, or such other company, shall afford to the Company hereby incorporated the like facilities in return. In case the said companies shall fail to agree upon the extent or manner of working or carrying into effect of the provisions contained in this section, such matters and difference shall be settled by three arbitrators, appointed from time to time, one to be appointed by each of the said railway companies, parties to such difference, and the third by one of the Judges of the Exchequer Court of Canada; and in the event of either of the said companies refusing or neglecting to appoint such arbitrator for the space of ten days after being requested or notified so to do by the other company, then the said Judge shall appoint such arbitrator for the company so neglecting or refusing; and the decision and award of the said arbitrators, or a majority of them, shall be final and binding on the said companies, and may be enforced in any court of law or equity having jurisdiction in the premises.

Appointment
of arbitrators
in case of dis-
agreement.

Award to be
final.

Limitation
of time for
commence-
ment and
completion.

32. The powers given by this Act shall be exercised by the commencement of the said railway within one year, and its completion within three years, from the passing of this Act.

SCHEDULE.

Know all men by these presents, that I (or we) (*insert the names of the vendors*) in consideration of _____ dollars paid to me (or us) by the Ontario and Quebec Railway Company, the receipt whereof is hereby acknowledged, do grant and convey, and I (or we) (*insert the names of any other party or parties*) in consideration of _____ dollars paid to me (or us) by the said Company, the receipt whereof is hereby acknowledged, do grant and release all that certain parcel (or those certain parcels, *as the case may be*) of land situated (*describe the lands*), the same having been selected and laid out by the said Company for the purposes of their railway, to hold with the appurtenances unto the said Ontario and Quebec Railway Company, their successors and assigns (*here insert any other clauses, covenants or conditions required*) and I (or we) the wife (or wives) of the said do hereby bar my (or our) dower in the said lands;

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1881. *Ontario and Quebec Railway Co., &c.* Chaps. 44, 45.

As witness my (or our) hand and seal (or hands and seals)
this day of one thousand eight hundred
and

Signed, sealed and delivered }
in the presence of } A. B. [L.S.]

CHAP. 45.

An Act to incorporate the Northern, North-Western and
Sault Ste. Marie Railway Company.

[Assented to 21st March, 1881.]

WHEREAS the construction of an independent line of Preamble.
railway running from the village of Gravenhurst, in
the District of Muskoka, to Callander Station on the Canadian
Pacific Railway at Lake Nipissing, and from a point on the
line of the said Canadian Pacific Railway at or near
Wharnapit River on the said Canadian Pacific Railway
to the town of Sault Ste. Marie, with power to the
Company incorporated to construct the same, to bridge the
Sault Ste. Marie River, and to connect the railway system
of Canada with that of the North-western States of the
United States of America, open to all the railways that could
connect therewith, and affording equal traffic facilities to all
railway companies, and also from Callander Station on the
Canadian Pacific Railway to the waters of the Upper Ottawa,
would be of general benefit to the Dominion; and whereas
a petition has been presented for that purpose, and it is
expedient to grant the prayer of such petition: Therefore
Her Majesty, by and with the advice and consent of the
Senate and House of Commons of Canada, enacts as fol-
lows:—

1. The Honorable Frank Smith, of the city of Toronto, Certain persons in-
corporated.
merchant, Senator of the Dominion of Canada; Adam Brown,
of the City of Hamilton, merchant; Noah Barnhart, merchant;
the Honorable Alexander Morris, M.P.P.; D'Alton McCarthy,
M.P., and Frederick W. Cumberland, Esquire, all of the
City of Toronto; John Stuart, merchant; John Proctor,
railway contractor; A. T. Wood, merchant; Alexander
Turner, merchant; E. Gurney, manufacturer; William
Hendrie, railway contractor; M. Leggatt, merchant;
P. D. Dayfort, merchant; Thomas Robertson, M.P., Q.C.;
Francis

Francis Edwin Kilvert, M.P.; Britton B. Osler, Q.C.; James Turner, merchant, and Alexander McInnes, merchant, all of the City of Hamilton; C. W. Bunting, M.P., newspaper publisher; Samuel Platt, M.P., Esquire; James Beaty, Junior, M.P., Q.C.; G. D'Arcy Boulton, barrister-at-law; Frederick W. Strange, M.P., physician; John Fiske, merchant; William B. Hamilton, President of the Board of Trade of the City of Toronto, merchant; William F. McMaster, merchant; William Thompson, merchant; A. M. Smith, merchant; William Ince, merchant; Alderman David Walker; William B. Searth, broker; Eugene O'Keefe, brewer; the Honorable John McMurrich, merchant; R. W. Elliott, merchant; Alfred Boulton, M.P.; Alderman A. R. Boswell, and Robert Hay, M.P., furniture manufacturer, all of the City of Toronto; Thomas Arkell, M.P., of the Town of St. Thomas; Timothy Coughlin, M.P., of Offa; D. Macmillan, M.P., of the City of London, barrister-at-law; S. R. Hesson, M.P., of the Town of Stratford, in the County of Perth; William O'Brien, of the Township of Oro, in the County of Simcoe, farmer; William Carruthers Little, M.P., of the Township of Innisfil, Esquire; Thomas Long, M.P., of the Town of Collingwood, merchant; Charles Cameron, of the same place, steamboat owner; George Moberley, of the same place, barrister-at-law; Nathaniel C. Wallace, M.P., of Woolbridge; John White, M.P., of Roslin; Alexander Robertson, M.P., of Belleville; and Arthur Rankin, of the Town of Windsor, Esquire; together with all such persons and corporations as shall, under the provisions of this Act, become shareholders in the Company hereby incorporated, are hereby constituted and declared to be a body corporate and politic by the name of "The Northern, North-Western and Sault Ste. Marie Railway Company," (hereinafter called the Company,) and shall have all the powers and privileges conferred on such corporations by "The Consolidated Railway Act, 1879," or any Act relating thereto which may be passed during the present session of Parliament, subject, however, to the provisions hereinafter contained.

Corporate
name.

Lines of rail-
way may be
built.

2. The Company and their agents and servants shall have full power and authority to lay out, construct, complete and operate a double or single line of railway, of four feet eight and one-half inches gauge, from a point on the line of the Northern Railway of Canada at or near the village of Gravenhurst, in the District of Muskoka, *via* Bracebridge, and thence through the Districts of Muskoka and Parry Sound to Callander Station at Lake Nipissing on the Canadian Pacific Railway, and from a point at or near the point of intersection of the Wharnapit River by the Canadian Pacific Railway, through the District of Algoma to the Town of Sault Ste. Marie, in the District of Algoma, and from some convenient point at or near Callander Station aforesaid

aforesaid on the Canadian Pacific Railway, at or near Lake Nipissing, to the River Ottawa at or near the Long Sault, on the Upper Ottawa, or to some convenient point in navigable connection with Lake Temiscamingue, and shall have full power and authority to lay out, construct and complete, as an extension of the said firstly mentioned line of railway, a spur or branch from at or near the Town of Sault Ste. Marie to the navigable waters of Lake Superior.

Branch line.

3. The Company shall have such running powers over the line of the Canadian Pacific Railway from the point of junction at or near Callander Station, to the point of junction at or near Wharnapit River, as have been or may be agreed upon by the Canadian Pacific Railway Company and the Government of Canada, in pursuance of and under the terms and provisions of the resolution of the Board of Directors of the Canadian Pacific Railway Company, which is appended as Schedule B to this Act, and subject to the authority of the Governor in Council and to such conditions, stipulations and terms as may be imposed by order of the Governor in Council.

Provisions as to running powers.

4. The Company shall have full power and authority to lay out and construct, complete, maintain, work, manage and use a railway bridge over the River Ste. Marie from some convenient point on their line of railway, to connect with any railways in the State of Michigan, one of the United States of America; and the sections of "*The Consolidated Railway Act, 1879*," or of any Act relating thereto passed in the present session of Parliament, under the heads of "Powers," "Plans and Surveys," and "Lands and their Valuation," shall, so far as necessary, apply to the power hereby given.

Railway bridge may be built.

5. The undertaking hereby authorized shall be divided into two sections, which shall be known as the "Railway Section" and the "Bridge Section," respectively. The railway section shall consist of the lines of railway which the Company is hereby empowered to construct and operate, together with all its rolling stock, plant and equipments; and the bridge section shall consist of the bridge over the River Ste. Marie and its approaches, and all the machinery and plant thereof; and the capital account, tolls and revenues of each section shall be kept separate and distinct.

Undertaking divided.

Railway section.

Bridge section.

6. The Company shall not commence the said bridge, or any work thereunto appertaining, until the Company shall have submitted to the Governor in Council plans of such bridge and of all the intended works thereunto appertaining, nor until the plans and site of such bridge shall have been approved by the Governor in Council, and such conditions as he shall have thought fit for the public good to impose touching

Plans, &c., to be submitted to Governor in Council for approval.

Draw in
bridge.

Lights.

Certain ar-
rangements
may be en-
tered into as
to such
bridge.

Other con-
necting rail-
ways may use
such bridge
at corres-
ponding
tariff rates.

touching the said bridge and works shall have been com-
plied with, nor shall any such plan be altered, nor any de-
viation therefrom allowed except upon the permission of the
Governor in Council, and upon such conditions as he shall
impose: Provided always, that if the said bridge be placed
over the said river at a place where the same is navigable,
it shall be constructed so as to have one draw in the main
channel of the river, which draw shall be of such width as
the Governor in Council may determine, and shall otherwise
give free and unobstructed passage to vessels of every des-
cription navigating the said river; and the said draw shall
at all times during the season of navigation be kept open,
except when actually required to be closed for the passage
of railway trains, and shall be otherwise tended and moved
at the expense of the Company so as not to hinder unneces-
sarily the passage of any vessel. From sundown until sun-
rise, during the season of navigation, suitable lights shall be
maintained upon the said bridge to guide vessels approach-
ing the said draw.

7. The Company shall have power to unite with any other
company incorporated, or which may be incorporated, under
and by virtue of the laws of the United States of America,
or of any of the said States, or with any body politic or corpor-
ate, in building the said bridge and approaches, and in
maintaining, working, managing and using the same, and to
enter into any agreement with such company or corporation
respecting the construction, maintenance, management and
use thereof; and it shall be lawful for the Company to levy
and collect rates, tolls, rents and compensations for the use
of the said bridge and its approaches, and to hypothecate,
pledge and appropriate the receipts derivable from such
bridge, after payment thereof of the other working ex-
penses and the cost of maintenance, to the payment exclu-
sively of the principal and interest of any bond, security or
debt contracted for or in the construction thereof, or to agree
that the interest on such bond, security or debt shall form
part of the working expenses of the railway.

8. So soon as the said railway bridge is completed and
ready for traffic, all trains, locomotives and cars of all rail-
ways connecting with the same, either in Canada or the
United States, now constructed, or hereafter to be construct-
ed, and also the trains, locomotives and cars of all companies
whose lines shall connect with any company so connecting
with the said bridge and its approaches, shall have the right
to use the said bridge and its approaches at corresponding
tariff rates for the persons and property, including that of
the Company, which may pass over the said bridge, so that
no discrimination in tariff for such transportation shall be
made in favor of or against any railway, including the railway
of the Company, whose trains, locomotives or cars may pass
over

over the said bridge, under such regulations for the use of the said bridge as may, from time to time, be made, which shall, before the same are put in force, be submitted to and approved of, and which may, from time to time, be revised, after notice to the Company, by the Governor in Council

Regulations to be submitted to Governor in Council for approval.

9. Tolls for the use of the bridge shall be, from time to time, fixed and regulated by the by-laws of the Company, or by the Directors, if thereunto authorized by the by-laws, or by the shareholders at any general meeting, and may be demanded and received for all trains, locomotives and cars, and all passengers and property transported thereon, and shall be paid to such persons and at such places near to the bridge, in such manner and under such regulations as the by-laws direct :

Tolls to be fixed by by-laws or otherwise.

2. In case of denial or neglect of payment on demand of any such tolls, or any part thereof, to such persons, the same may be sued for and recovered in any competent court ; or the agents or servants of the Company may seize the goods for or in respect whereof such tolls ought to be paid, and detain the same until payment thereof; and in the meantime the said goods shall be at the risk of the owners thereof :

How payment of tolls may be enforced.

3. If the tolls are not paid within six weeks, the Company may sell the whole or any part of such goods, and out of the money arising from such sale retain the tolls payable, and all charges and expenses of such detention and sale, rendering the surplus, if any, or such of the goods as remain unsold, to the person entitled thereto :

When if tolls are not paid, goods distrained may be sold.

4. If any goods remain in the possession of the Company unclaimed for the space of twelve months, the Company may thereafter, and on giving public notice thereof by advertisement for six weeks in the *Official Gazette* of the Province in which such goods are, and in such other newspapers as they deem necessary, sell such goods by public auction at a time and place to be mentioned in such advertisement, and out of the proceeds thereof pay such tolls and all reasonable charges for storing, advertising and selling such goods ; and the balance of the proceeds, if any, shall be kept by the Company for a further period of three months, to be paid over to any party entitled thereto :

When goods unclaimed may be sold.

Proceeds how dealt with.

5. In default of such balance being claimed before the expiration of the period last aforesaid, the same shall be paid over to the Receiver General, to be applied to the general purposes of Canada, until claimed by the party entitled thereto :

How balance to be disposed of.

Tolls, how raised or reduced.

6. All or any of the tolls may, by any by-law, be reduced and again raised as often as deemed necessary for the interests of the undertaking; but the same tolls shall be payable at the same time and under the same circumstances upon all trains, locomotives and cars, including those of the Company, and by all persons, so that no undue advantage, privilege or monopoly may be afforded to any company, including the Company hereby incorporated, person or class of persons by any by-laws relating to the tolls:

Table of tolls to be stuck up in offices or cars.

7. The Directors shall, from time to time, print and stick up, or cause to be printed and stuck up, in the office, and in all and every of the places where the tolls are to be collected, in some conspicuous place there, a printed board or paper exhibiting all the tolls payable, and particularizing the price or sum of money to be charged or taken for the carriage or passage of any matter or thing:

Tolls to be approved by the Governor in Council.

8. No tolls shall be levied or taken until approved of by the Governor in Council, nor until after two weekly publications in the *Canada Gazette* of the by-law establishing such tolls, and of the Order in Council approving thereof:

The Governor may revise by-laws fixing tolls.

9. Every by-law fixing and regulating tolls shall be subject to revision by the Governor in Council, from time to time, after approval thereof; and after an Order in Council, reducing the tolls fixed and regulated by any by-law, has been twice published in the *Canada Gazette*, the tolls mentioned in such Order in Council shall be substituted for those mentioned in the by-law, so long as the Order in Council remains unrevoked:

When Parliament may reduce tolls.

10. The Parliament of Canada may, from time to time, reduce the tolls upon the bridge, but not without consent of the Company so as to produce less than ten per cent. per annum profit on the capital actually expended in its construction; nor unless, on an examination made by the Minister of Public Works of the amount received and expended by the Company, the net income from all sources in connection with the bridge for the year then last passed, is found to have exceeded ten per cent. upon the capital so actually expended:

By-laws imposing tolls, &c., to be approved by the Governor in Council.

11. No by-law of the Company by which any tolls are to be imposed or altered, or by which any party other than the members, officers and servants of the Company are intended to be bound, shall have any force or effect until the same has been approved and sanctioned by the Governor in Council:

Capital defined.

12. The said word "capital" as used in this section means the paid up stock and share capital of the Company, with

with interest added for periods during which no dividend is paid, to the exclusion of all subsidies and bonuses and of any debt of the Company contracted on the pledge thereof, or of any part thereof; but the interest on such debt shall, for the purpose of this section, be deemed part of the working expenses of the bridge.

10. In case the State of Michigan or the United States shall at any time provide for the appointment of a Commission for regulating the working of the said bridge, the use thereof, and the compensation to be made therefor, and for settling any disputes arising in respect thereof, it shall be lawful for the Governor in Council to join in the appointment of the said Commission on such terms as he shall think proper, and to appoint one or more persons as members of the said Commission; and in the event of any such appointment, the said Commission shall have the powers hereby conferred on the Governor in Council, and the decisions of the said Commission shall be final and conclusive to the extent to which the same are final and conclusive by virtue of the provisions which may be made by the State of Michigan or the United States of America.

Commission may be appointed.

11. Until the said bridge shall be constructed, the Company shall have power to construct, purchase, charter, own and navigate scows, boats and steam and other vessels, for the purpose of crossing the said River Ste. Marie, and of carrying passengers and goods over the said river; and the Company shall also have power to construct, purchase, charter, own and navigate steam vessels and other water craft on the waters of Lake Superior or on the said River Ste. Marie, for the purpose of traffic in connection with the railway, and shall also have power to make traffic arrangements with any line or lines of steam vessels or other water craft trading on Lake Superior.

Vessels may be held and used.

12. In addition to the powers and rights conferred by section nine of "The Consolidated Railway Act, 1879," or of any Act relating thereto which may be passed during the present session of Parliament, and notwithstanding anything therein contained, the Company may, without the assent of the proprietors thereof, acquire for the purposes of the undertaking and hold on the sides of or along the line of the railway, wherever it may be needed for the erection of snow-drift fences or barriers, such additional breadth of land as may be requisite and necessary so as to prevent the obstruction of the line by drifting snow; and the sections of the said "Consolidated Railway Act, 1879," under the heads of "Powers," "Plans and Surveys," and "Lands and their Valuation," so far as may be, shall apply to the additional powers hereby given.

Additional powers as to lands.

13.

Provisional directors and their powers.

13. The persons named in the first section of this Act shall be and are hereby constituted Provisional Directors of the Company (of whom twelve shall be a quorum), and shall hold office as such until the first election of Directors under this Act. The Provisional Directors shall have power forthwith to open stock books and procure subscriptions of stock for the undertaking, and to receive payments on account of stock subscribed, and to deposit in any chartered bank of Canada all moneys received by them on account of stock subscribed and to cause surveys and plans to be made and executed; and upon a sufficient subscription of stock being obtained as hereinafter provided, they shall call a meeting of the shareholders of the Company for the election of Directors.

Capital stock and shares.

14. The capital stock of the Company shall be two millions of dollars, to be divided into shares of one hundred dollars each; and the money so raised shall be applied in the first place to the payment of all fees, expenses and disbursements for procuring the passing of this Act; secondly, for making or acquiring the surveys, plans and estimates connected with the works hereby authorized; and all the remainder of such money shall be applied to the making, equipping, completing and maintaining of the said railway and other purposes of this Act.

First meeting of shareholders.

15. When and so soon as shares to the amount of two hundred thousand dollars in the capital stock of the Company have been subscribed and ten per cent. paid thereon, the Provisional Directors shall call a general meeting of the subscribers to the said capital stock, at the City of Toronto, for the purpose of electing Directors of the Company, giving at least two weeks' notice by public advertisement in the *Canada Gazette* and in a newspaper published in the City of Toronto and in one published in the City of Hamilton, of the time, place and purpose of such meeting.

Ex officio directors.

16. The Mayors of the Cities of Toronto and Hamilton and the Warden of the County of Simcoe shall be *ex-officio* Directors of the Company.

Board of directors.

17. There shall be twelve Directors, exclusive of the mayors and warden in the last preceding section named, who, together with the mayors of the said cities and the warden of the said county, shall manage the affairs of the Company, and of whom seven shall be a quorum; and the said Board of Directors may employ one or more of their members as paid director or directors; and no person, except the mayors of the said cities and the warden of the said county, shall be qualified to be elected a Director, unless he be a shareholder holding at least twenty shares of the stock of the Company absolutely

Quorum.

Qualification.

absolutely in his own right and is not in arrears for any calls made thereon. The President, Vice-President and a majority of the Board of Directors shall be British subjects.

18. At the first general meeting the shareholders who have paid ten per cent. on the capital stock subscribed by them, shall elect the Directors, who shall hold office until the first annual general meeting thereafter.

Election of directors.

19. The annual general meeting shall be holden on the second Wednesday of the month of February in each year, or such other day as the Directors may, by by-law from time to time, enact, at the City of Toronto or at the City of Hamilton, notice of which and of the holding of any general meeting of shareholders (all of which meetings shall be holden at the said City of Toronto or the City of Hamilton, as the Directors may from time to time by by-law direct) shall be given by public advertisement inserted in the *Canada Gazette* and in a newspaper published in the City of Toronto and also in a newspaper published in the City of Hamilton, at least two weeks before the day named for the holding of such meeting; and in the said notice shall be specified the particular place in the said City of Toronto or Hamilton where such meeting is to be held.

Annual general meeting.

20. No call shall be made for more than ten per centum at any one time on the amount subscribed, nor shall more than fifty per centum of the stock be called up in any one year.

Calls on stock.

21. The Directors of the Company elected by the shareholders may make and issue as paid up stock shares in the Company, whether subscribed for or not, and may allot and hand over such stock and the mortgage bonds of the Company in payment of right of way, plant, rolling stock or materials of any kind, and also for the services of contractors, engineers, and other persons, whether Directors or not, who may have been, are, or may be engaged in promoting the undertaking and interests of the Company; and such issue and allotment of stock or bonds shall be binding on the Company, and such paid up stock shall not be assessable for calls.

Certain payments may be made in stock or bonds.

22. A special general meeting of the shareholders of the Company may be called at any time by the Directors or by one-fourth part in value of the shareholders of the Company after refusal by the Directors to call the same; but notice thereof, stating the object for which the meeting is called, signed by the Secretary of the Company, or by the shareholders calling the same, must be sent by post or otherwise to each shareholder, three weeks before the day on which the said meeting is to be held, and must also be inserted once a week

Special general meetings.

week for four weeks previous to the said meeting, in some newspapers published in Toronto and Hamilton.

Company
may become
parties to
promissory
notes.

23. The Company shall have power and authority to become parties to promissory notes and bills of exchange, for sums not less than one hundred dollars; and any such promissory note, made or endorsed by the President or Vice-President of the Company, and countersigned by the Secretary and Treasurer of the Company, and under the authority, general or special, of a majority of a quorum of the Directors, shall be binding on the Company; and every such promissory note or bill of exchange so made, shall be presumed to have been made with proper authority until the contrary be shewn; and in no case shall it be necessary to have the seal of the Company affixed to such promissory note or bill of exchange, nor shall the said President or Vice-President, or the Secretary and Treasurer be individually responsible for the same, even if the same be made, accepted or endorsed by him or them on behalf of the Company, provided the consideration for the said bill or note was received by the Company, unless the said promissory note or bill of exchange has been issued without the sanction and authority of the Board of Directors as herein provided and enacted: Provided however, that nothing in this section shall be construed to authorize the Company to issue notes or bills of exchange payable to bearer, or intended to be circulated as money or as the notes or bills of a bank.

Proviso: as to
bank notes.

Bonds may
be issued.

24. The Directors of the Company, after the sanction of the shareholders shall have been first obtained at any special general meeting to be called from time to time for such purpose, shall have power to issue bonds, made and signed by the President or Vice-President of the Company, and countersigned by the Secretary, and under the seal of the Company, for the purpose of raising money for prosecuting each of the said sections of the said undertaking; and such bonds shall without registration or formal conveyance, be taken and considered to be the first and preferential claims and charges upon the section for the purpose of which the same may be issued and the tolls and property, real and personal, of and belonging to each of the said sections then existing and at any time thereafter acquired, after deduction from such tolls and revenues of the working expenses of the railway and the bridge, respectively; and each holder of the said bonds shall be deemed to be a mortgagee or incumbrancer upon the said securities, respectively, *pro rata*, with all the other bondholders of their respective sections: Provided however, that the whole amount of the issue of bonds on the railway section shall not exceed in all the sum of twenty thousand dollars per mile, to be issued in proportion to the length of railway constructed, or under contract to be constructed, and on the bridge section the sum of six hundred

How secured.

Proviso:
amount
limited.

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hundred thousand dollars : and provided also, that in the event at any time of the interest upon the said bonds remaining unpaid and owing, then, at the next ensuing annual general meeting of the Company, and at all other general meetings as long as the said default shall continue, all holders of bonds shall have and possess the same rights, privileges and qualifications for Directors and for voting as they would have had if the bonds they held had been shares ; provided that the bonds and any transfers thereof shall have been first registered in the same manner as is provided for the registration of shares ; and it shall be the duty of the Secretary of the Company to register the same, on being required to do so by any holder thereof ; and the Company may provide for the payment annually of a sum by way of a sinking fund towards the payment of the principal of the said bonds, and such sinking fund may be invested in the re-purchase or redemption of the bonds of the Company ; and it shall be lawful for any other railway company or companies whose line or lines can connect with the railway hereby authorized, by means of running powers, to agree for the loan of its or their credit, either by direct guarantee or traffic contract or otherwise, to secure the payment of the interest or the sinking fund or any part of the interest or sinking fund of such bonds.

Voting power of bondholders in case of default of payment.

Sinking fund.

Guarantee of other companies

25. The Company may secure such bonds by a deed or deeds of mortgage executed by the Company, with the authority of its shareholders, expressed by a resolution passed at such special general meeting ; and any such deed may contain such description of the property mortgaged by such deed, and such conditions respecting the payment of the bonds secured thereby and of the interest thereon, and the remedies which shall be enjoyed by the holders of such bonds or by any trustee or trustees for them in default of such payment, and the enforcement of such remedies, and may provide for such forfeitures and penalties in default of such payment, as may be approved by such meeting ; and may also contain, with the approval aforesaid, authority to the trustee or trustees, upon such default, as one of such remedies, to take possession of the railway and property mortgaged, and to hold and run the railway on the railway section, and to work the bridge on the bridge section respectively, for the benefit of the bondholders thereof respectively, for a time to be limited by such deed, or to sell the said railway and property, or bridge and property, after such delay and upon such terms and conditions as may be stated in such deed ; and with like approval any such deed may contain provisions to the effect that upon such default and upon such other conditions as shall be described in such deed, the right of voting possessed by the shareholders of the Company shall cease and determine, and shall thereafter appertain

Bonds may be secured by mortgage deed.

What such deed may contain.

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hundred

Deed of mortgage valid.

How railway shall be held and operated in case of change of ownership.

Bonds may be in dollars or sterling.

Sale of bonds.

No registration necessary.

Deposit with Secretary of State.

Certified copy to be evidence.

appertain to the bondholders ; and such deed may also provide for the conditional or absolute cancellation after such sale of any or all of the shares so deprived of voting power, and may also, either directly by its terms, or indirectly by reference to the by-laws of the Company, provide for the mode of enforcing and exercising the powers and authority to be conferred and defined by such deed, under the provisions hereof. And such deed, and the provisions thereof, made under the authority hereof, and such other provisions thereof as shall purport (with like approval) to grant such further and other powers and privileges to such trustee or trustees and to such bondholders, as are not contrary to law or to the provisions of this Act, shall be valid and binding ; but if any change in the ownership or possession of the said railway and property, or bridge and property, shall, at any time, take place under the provisions hereof, or of any such deed, or in any other manner, the said railway and bridge property shall continue to be held and operated under the provisions hereof and of "*The Consolidated Railway Act, 1879*," and of any Act which may be passed during the present session of Parliament relating thereto, as hereby modified.

26. The bonds authorized by this Act to be issued by the Company, may be so issued in whole or in part in the denomination of dollars or pounds sterling, or in either or both of them ; and the coupons may be for payment in denominations similar to those of the bond to which they are attached, and payable at such place or places in Canada or elsewhere, and bearing such rate of interest, as the Directors may think proper ; and the whole or any of such bonds may be pledged, negotiated or sold upon such conditions and at such price as the Board of Directors shall, from time to time, determine.

27. It shall not be necessary, in order to preserve the priority, lien, charge, mortgage or privilege, purporting to appertain to or be created by any bond issued, or mortgage deed executed, under the provisions of this Act, that such bond or deed should be registered in any manner, or in any place whatever. But every such mortgage deed shall be deposited in the office of the Secretary of State of Canada, of which deposit notice shall be given in the *Canada Gazette*. And in like manner any agreement entered into by the Company under section thirty-three of this Act, shall also be deposited in the said office. And a copy of any such mortgage deed, or agreement, certified to be a true copy by the Secretary of State or his Deputy, shall be received as *prima facie* evidence of the original in all courts of justice, without proof of the signatures or seal upon such original.

28. The Company may, from time to time, for advances of money to be made thereon, mortgage or pledge any bonds which they can, under the provisions of this Act, issue for the construction of the railway section or bridge section but only for the purposes for which such bonds have been issued.

Bonds may be pledged.

29. All the bonds, debentures, mortgages and other securities hereby authorized, and the coupons and interest warrants thereon respectively, may be made payable to bearer, and shall, in that case, be transferable by delivery; and any holder of any such bonds, debentures, mortgages or coupons so made payable to bearer, may sue at law thereon in his own name, unless and until registry thereof in the manner provided in this Act, and while so registered they shall be transferable by written transfer, registered in the same manner as in the case of shares; but they shall again become transferable by delivery, upon the registration of a transfer to bearer, which the Company shall be bound to register, on the demand of the registered holder for the time being.

Transfer of bonds and debentures.

30. The Company may receive from the Government of Canada or from the Government of any of the Provinces, or from private individuals or municipal or other corporations, who may have power to make or grant the same, money or securities for money in aid of the construction, equipment and maintenance of the said railway and bridge, and the same may be received by way of bonus or gift or by way of loan. And in like manner and for the same purpose the Company may receive, take and hold grants of land from either or any of the said Governments or from private individuals, municipal or other corporations who may have power to grant the same, and upon accepting such aid from either or any of the Governments aforesaid, may agree to give such running powers to, or to make such traffic arrangements with any other railway company or companies, as the said Government may require to be made or given, as a condition of such grant; but nothing herein contained shall render it lawful for the Company to make any arrangement whereby one company may obtain advantages over any other company.

Aid may be received.

Aid may be conditional.

31. The Company may hold, and may alienate and mortgage any lands that may be granted to it, not required for the purposes of the undertaking, and apply the proceeds thereof for the purposes of the undertaking.

Disposal of lands.

32. The Company shall make running arrangements with, and give running powers to any railway company or companies in the Dominion of Canada (whether incorporated by the Dominion or any of the Provincial Legislatures) which are now or may hereafter be situate on the line or lines hereby authorized, or which touch or cross the same,

Arrangements with other companies.

or

or any line or lines which connect with any of such lines, upon terms to be agreed upon; and such running powers shall include all proper and necessary facilities in sidings for obtaining fuel and water, and generally for the passing and working of the trains of the company or companies exercising the same; and the facilities so to be given shall be equal to all companies exercising such powers, so that no unfair advantage shall be given to any one company over another in the use of the said lines; and all the powers mentioned in this Act shall be so given upon the payment of a reasonable compensation therefor; and any railway company or companies as aforesaid which may claim and use the running powers and facilities over the line or lines of the Company as hereby authorized shall grant similar running arrangements and powers over any line or lines of railway which such company may own or control, and which may now or may hereafter be situate on, or may touch or cross the same, or any line or lines which connect with any of such lines, and all such powers shall be so given and exercised upon the payment of a reasonable compensation therefor: Provided that the running powers mentioned in this Act shall not include any right for one company to engage or participate in, or operate upon or over the line of any other company, or on any part thereof, any local traffic served by, collected or distributed at, or belonging to places upon the line or lines of the company over whose lines running powers are exercised, or at which such company shall have established stations; and provided further, that the company or companies exercising the running powers as herein provided shall have the right to interchange through traffic with any other railway company or companies whose line or lines of railway shall reach to and connect with the lines of the Company at Callander or Sault Ste. Marie: and provided further that the running powers hereby given over the lines of the Company hereby incorporated shall not be extended or continued to any company which shall construct and work a line of railway to Callander or Sault Ste. Marie from any point connecting with the railway system of Ontario.

Proviso: as to local traffic.

Proviso: as to interchange of traffic.

Proviso: as to competing lines.

Railway, &c., may be leased

Proviso: approval of shareholders.

33. It shall be lawful for the Company to enter into any agreement with any other railway company whose line is situate on the line hereby authorized or whose line can connect therewith, for leasing the railway hereby authorized, or any part thereof, or the use thereof at any time or times, or for leasing or hiring from any such other company any railway or part thereof, or the use thereof, or for leasing or hiring any locomotives, tenders, plant, or any stock or other property, or either or both or any part thereof, or touching any service to be rendered by the one company to the other, and the compensation therefor: Provided the arrangements or agreements therefor shall be approved of by two-thirds

of

of the shareholders voting in person or by proxy at a special general meeting to be called for that purpose; and any company who may become such lessee shall be and is authorized and empowered to exercise all the rights and privileges in this Act conferred: Provided also, that the leasing or letting of the railway hereby authorized or any part thereof shall not take effect unless and until approved of by the Governor General in Council: Provided further, that the company who may become lessees thereof, and the railway leased shall be subject to all the obligations hereby imposed on the Company hereby incorporated.

Proviso: approval of Governor in Council.

Proviso: lessees subject to all obligations.

31. In order to afford reasonable facilities to all companies whose lines of railway may, at any point or points, be connected, mediately or immediately with the railway of the Company hereby incorporated for the receiving, forwarding, delivering, interchange and working of traffic upon and by way of the several railways belonging to or worked by such companies respectively, the Company hereby incorporated shall, for the purposes of all traffic whatsoever, whether passengers and their baggage, including the usual accommodation for express matter, or freight of any description, including live stock and minerals, and whether such traffic shall originate or terminate upon the railway systems of such companies or either of them, or come from or be destined to some other railway or railways or other carriers connecting mediately or immediately with them, at all times receive, ticket, bill, invoice and forward the traffic upon and over its railway from such connecting point to or towards its destination, and deliver any and all such traffic as consigned, either in final delivery upon or from its own railway, or to some other carrier for further transmission to its destination according to the ticket, bill or invoice; and in like manner shall receive, ticket, bill, invoice and forward the traffic destined to or by way of such connecting railway and duly deliver the same at such connecting point to such connecting railway; and the Company hereby incorporated shall afford to all other companies having connecting railways as aforesaid, all needful accommodation, facility and convenience at their stations and by their trains and otherwise and by through rating, billing and ticketing for the promotion of their business and the interchange of such traffic;

Reasonable facilities to be afforded as to traffic.

2. And the Company hereby incorporated shall not give or allow directly or indirectly any preference or advantage to, or to the traffic by, any other railway or portion of a railway or other carriers' line forming part of a continuous route, whether owned or operated by or in interest directly or indirectly with the Company hereby incorporated or otherwise, over any such connecting railway or the traffic thereby; and it shall be unlawful for the Company hereby incorporated to make, and it shall not make any greater or higher charge

No undue preference to be given.

charge for the carriage of traffic or any service connected with the traffic passing to or from any such connecting railway than the lowest charge it shall make for a like or similar service over any part of its own railway, or which shall be made over any part of a railway worked by or in interest with it, nor make or allow any discrimination, preference or advantage as between any such connecting railways :

Rate for
interchanged
traffic.

3. And the Company hereby incorporated shall carry all such traffic interchanged with any such connecting railway at the lowest mileage rate for the time being charged or received by it for the carriage of like or similar classes of traffic over the same part of its railway, which lowest mileage rate shall, in no case, exceed the *pro rata* mileage rate charged or received for the haulage of the like or similar classes of traffic over any part of the whole line of railway worked by or in interest with the said Company hereby incorporated :

Proviso :
Company not
bound to ac-
cept less than
its *pro rata*
share.

4. Provided that nothing herein shall oblige the Company hereby incorporated to accept for the carriage of any such traffic less than its *pro rata* share, according to mileage, of the entire through charge, rate or fare at which the same shall be carried by railway :

Proviso :
facilities to be
mutual.

5. And provided further, that the Company hereby incorporated shall be obliged to furnish the facilities and to work through traffic with any other connecting company, only so long as the said other company shall afford to the Company hereby incorporated the like facilities in return

Appointment
of arbitrators
in case of dis-
agreement.

35. In case the said companies shall fail to agree upon the extent or manner of working or carrying into effect any of the provisions contained in sections thirty-two and thirty-four, such matters in difference shall be settled by three arbitrators, appointed from time to time,—one to be appointed by each of the said railway companies, parties to such difference, and the third by one of the judges of one of the superior courts of Ontario ; and in the event of either of the said companies refusing or neglecting to appoint such arbitrator for the space of ten days after being requested or notified so to do by the other company, then the said judge shall appoint such arbitrator for the company so neglecting or refusing ; and the decision and award of the said arbitrators, or a majority of them, shall be final and binding on the said companies, and may be enforced in any court of law or equity having jurisdiction in the premises.

Award to be
final.

Powers as to
telegraph
lines.

36. The Company shall have full power and authority to construct, work and operate such line or lines of telegraph in connection with and along the line of their railway and branches as may be necessary or useful for the purposes of their

their undertaking, and may also, pending the construction of the bridge over the River Ste. Marie by this Act authorized, lay, maintain, keep in repair and operate a sub-aqueous electric telegraph cable across the said river; and for the purpose of constructing, working or protecting the telegraph lines to be constructed by the Company on their line of railway, the powers conferred on telegraph companies by the Act chapter sixty-seven of the Consolidated Statutes of the late Province of Canada, intituled "*An Act respecting Electric Telegraph Companies*," are hereby conferred on the Company; and the other provisions of the said Act for the working and protection of telegraph lines shall apply to such telegraph lines constructed by the Company.

37. Conveyances of land to the Company for the purposes of and exercise of the powers given by this Act, made in the form set out in the schedule hereunder written marked A, or the like effect, shall be sufficient conveyance to the Company, their successors and assigns, of the estate and interest, and sufficient bar of dower respectively, of all persons executing the same; and such conveyances shall be registered in the same manner and upon such proof of execution as is required under the registry laws of Ontario.

Form of conveyance of land to the Company.

38. The Company shall have full power to purchase or lease land at any place or places on the shores of Lake Superior in connection with and for the purposes of any line or lines of steam vessels or other ships which the Company may own, charter or navigate on the said lake, or which may be run in connection with the said railway hereby authorized; and the Company may erect warehouses, elevators, docks, stations, workshops and offices thereon, and sell and convey such land as may be found superfluous for any such purpose.

Company may hold land for purposes of navigation.

39. Between Gravenhurst and Sault Ste. Marie, the railway shall be commenced within two years, and the extension from Callander station to the Long Sault, on the Upper Ottawa, shall be commenced within three years, and the whole line shall be completed within six years from the passage of this Act.

Limitation of time for commencement and completion of the works.

SCHEDULE A.

Know all men by these presents, that I (or we) (insert the names of the vendors) in consideration of _____ dollars paid to me (or us) by the Northern, North-Western and Sault Ste. Marie Railway Company, the receipt whereof is hereby acknowledged, do grant and convey, and I (or we) (insert the names of any other party or parties) in consideration of _____ dollars paid to me (or us) by the said Company, the receipt whereof is hereby acknowledged, do grant and release all that

that certain parcel (or those certain parcels, as the case may be) of land situated (describe the land), the same having been selected and laid out by the said Company for the purposes of their railway, to hold with the appurtenances unto the said Northern, North-Western and Sault Ste. Marie Railway Company, their successors and assigns (*here insert any other clauses, covenants or conditions required*) and I (or we) the wife (or wives) of the said do hereby bar my (or our) dower in the said lands ;

As witness my (or our) hand and seal (or hands and seals) this day of one thousand eight hundred and

Signed, sealed and delivered)
in the presence of)
C. D.

A. B. [L.S.]

SCHEDULE B.

And whereas in the course of the debate upon the Canadian Pacific Railway Act certain questions arose which the contractors present at Ottawa deemed it expedient to meet, by agreeing that this Company would enter into certain undertakings with the Government of Canada so soon as it should be organized, and it is expedient to provide for entering into such arrangements: Therefore, it is unanimously resolved that this Company is prepared to enter into an agreement with the Dominion Government to the effect following, that is to say: if any Company other than the Canada Central Railway Company builds a line from any point on the Canadian Pacific Railway at or about the Wharnapit river to any point on Lake Huron or Lake Superior, or on the river Ste. Marie, such Company shall have running powers over the Canadian Pacific Railway from the point of junction to Callander Station, on condition that such Company shall grant to the Canadian Pacific Railway Company similar and reciprocal running powers over its railway west of such point of junction. In the event of the Company purchasing, acquiring, amalgamating with, leasing or holding and operating the Canada Central Railway, the said Callander Station shall continue to be a neutral or receiving and distributing point common to the Canada Central Railway and any railway in the Province of Ontario, running southward from said Callander Station; and in that case all traffic to or from any point in the West or North-West coming from or destined for any such Ontario railway shall be carried to or from Callander Station at the same mileage rate as similar traffic to or from such point coming from or destined for the said Canada Central Railway; and such mileage rate shall not be greater than the average rate per mile charged for similar traffic from the point of shipment

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shipment on the Canadian Pacific Railway to the point of destination on the Canada Central Railway, or from the point of shipment on the said Canada Central Railway to the point of destination on the Canadian Pacific Railway, as the case may be. And for the purposes of this section the word "traffic" includes not only passengers and their baggage, goods, animals and things conveyed by railway, but also cars, trucks and vehicles of any description adapted for running over any railway if offered for carriage as freight. But this agreement shall not be construed as consenting to any running powers by any railway over the Canadian Pacific Railway. This agreement to be subject to the conditions as to special rates for the purchasers of land, or for emigrants, or intending emigrants, which are contained in the twenty-fourth section of the charter of this Company. If at any time the Canada Central Railway should be purchased, acquired, leased in perpetuity by, or amalgamated with this Company, such amalgamation, acquisition, purchase or lease shall be made subject to the existing legal obligations of that Company created by its charter, or any amendment thereof in respect of running powers or traffic arrangements, as well as in respect of the matters and things referred to in the letters patent incorporating this Company.

CHAP. 46.

An Act to incorporate The Bay of Quinté Railway and Navigation Company.

[Assented to 21st March, 1881.]

WHEREAS the persons hereinafter named have, by their Preamble.
petition, prayed to be incorporated as a Company, for the purpose of building, buying or leasing and working a line of railway, from some point in the Village of Mill Point, in the County of Hastings, on the waters of the Bay of Quinté, to a junction with the Grand Trunk Railway Company of Canada at some point on its line as may be deemed best, with power to arrange with the said last mentioned company for the working of the said line or to make traffic or other arrangements as may be found desirable; also, with power to extend the said railway to such points on the said Bay of Quinté as may be deemed best; also, with power to build and operate a telegraph line along the said railway; also, with power to amalgamate with any other railway company or to lease or sell the said railway to any other company; also with power to purchase, hire, acquire, own or charter sailing vessels, steamboats and all other

other kind of craft, including tugs and barges, and to carry on the business of common carriers, forwarders and traders between the several ports and places in Canada and ports and places outside of Canada, as they may think proper; also to carry on in Canada and elsewhere, as their interests may require, the business of warehousemen and wharfingers and to acquire, and hold, by purchase or by lease, all lands, wharves, docks, elevators, warehouses and other estate, real and personal, required for the proper and efficient working of the said business; and whereas 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:—

Declaratory. **1.** The Railway above described is hereby declared to be a work for the general advantage of Canada.

Certain persons incorporated.
Corporate name.
42 V., c. 9 to apply.

2. Hugo B. Rathbun, Edward W. Rathbun, Frederick S. Rathbun, William R. Aylesworth, Roderick C. Carter, John White, Richard Ryburn and Tobias Butler, Esquires, with all such other persons and corporations as shall become shareholders in the Company to be hereby incorporated, shall be and they are hereby constituted a body corporate and politic by the name of "The Bay of Quinté Railway and Navigation Company," (hereinafter called the Company,) and shall have all the powers appertaining to railway companies, and all the powers, rights and privileges conferred on such corporations by "The Consolidated Railway Act, 1879," and any amendments thereto, and be subject to all the provisions of the said "The Consolidated Railway Act, 1879," and any amendments thereto.

Powers of the company and line of their railway.
May own and work vessels, &c.

3. The Company shall have full power and authority to lay out, construct and complete a railway of four feet eight and one-half inches gauge, between a point on the waters of the Bay of Quinté, in the Village of Mill Point, in the County of Hastings, to a junction with the Grand Trunk Railway of Canada at such point as the Company may think best; to extend the said railway to such points on the said Bay of Quinté as the Company may think proper; to own, lease, or charter and sail steamboats and sailing or other vessels; to own, or lease elevators, docks, works, warehouses and all things else required in and about the business of common carriers by land and by water and of warehousemen and wharfingers in Canada or elsewhere out of Canada, as the business of the Company may require from time to time; and to construct, own and operate a telegraph line along the line of their railway.

Arrangements may be made with G.T.R.

4. The Company, with regard to their railway, may enter into any arrangements with the Grand Trunk Railway Company of Canada for working the same or for working traffic over the same.

5. The persons named in the first section of this Act shall be and are hereby constituted Provisional Directors of the Company, of whom five shall be a quorum for the transaction of business; and they shall hold office until the first election of Directors under this Act, and shall have power to open stock books and procure subscriptions of stock for the undertaking,—giving at least four weeks' notice, by advertisement in the *Canada Gazette*, of the time and place when and where such books will be opened.

Provisional directors and their powers.

6. The capital stock of the Company shall be five hundred thousand dollars, to be divided into five thousand shares of one hundred dollars each, which shall be applied first to the payment of all costs and expenses incurred in obtaining the passing of this Act, and the remainder for the purposes of the undertaking.

Capital stock and shares.

7. No subscription for stock shall be valid unless five per cent. shall be paid thereon, within thirty days after the subscription therefor on the books of the Company, and such five per cent. shall be paid to the credit of the Company into such one of the chartered banks in Canada as the Provisional Directors shall designate; and the sum so paid shall not be drawn out or applied except for the purposes above in this Act mentioned as those to which the same shall be applied.

Five per cent. payable on subscription.

8. When and so soon as one hundred thousand dollars of the capital stock shall have been subscribed and ten per cent. paid thereon, the Provisional Directors shall call a general meeting of the subscribers to the said capital stock at Mill Point or such other place as the said Directors shall name, for the election of Directors and other business relating to the Company, of which meeting at least two weeks' notice shall be given by circular, addressed by mail to each subscriber, (postage prepaid) of the time and place and purpose of the said meeting; notice of the said meeting shall also be given two weeks previous thereto in some one or more newspapers published in the County of Hastings.

First meeting of shareholders.

Notice.

9. The number of Directors of the Company shall be seven, of whom four shall be a quorum; and no person shall be elected a Director of the Company unless he shall be the holder of at least ten shares in the stock of the Company and shall have paid all calls thereon.

Qualification of directors. Number and Quorum.

10. Thereafter the annual general meeting of the shareholders of the Company, for the election of Directors and other general purposes, shall be held at such place as may, from time to time, be appointed by by-law of the Company, on the first Monday in the month of February in each year; and three weeks' previous notice thereof shall be given by publication in the *Canada Gazette*.

Annual general meeting.

Notice.

11.

Calls on stock.

11. No call to be made payable at any time upon the capital stock shall exceed ten per centum on the subscribed capital; and at least thirty days' notice shall be given thereof; and not less than twenty days shall intervene between any one call and a succeeding call.

Company may become parties to contracts, &c. and in what manner.

12. Every contract, agreement, engagement or bargain made, and every bill of exchange drawn, accepted or endorsed, and every promissory note and cheque made, drawn or endorsed on behalf of the Company, by any agent, officer or servant of the Company, in general accordance with his powers as such under the by-laws of the Company, shall be binding upon the Company, and in no case shall it be necessary to have the seal of the Company affixed to any such contract, agreement, engagement, bargain, bill of exchange, promissory note or cheque, or to prove that the same was made, drawn, accepted or endorsed, as the case may be, in pursuance of any by-law or special vote or order; nor shall the party so acting as agent, officer or servant of the Company be thereby subjected individually to any liability whatsoever to any third party therefor: Provided always, that nothing in this Act shall be construed to authorize the Company to issue any promissory note for a sum of less than one hundred dollars or any promissory note payable to the bearer thereof, or any promissory note intended to be circulated as money, or as the note of a bank, or to engage in the business of banking.

Seal not requisite.

Proviso, as to notes to bearer, &c.

Arrangements with other companies.

13. It shall be lawful for the Company to enter into any agreement with any other Company for amalgamation or for the use or partial use of the railway of the Company, or for leasing or for hiring from such other company any other railway or part thereof or the use thereof, and for any period or term, or for the leasing or hiring any locomotives, cars or movable property, and generally to make any agreement with any other company touching the use of the railway or of the railway of the other company, or of the movable property of the other company, or touching any service to be rendered by the one company to the other and the compensation therefor: Provided, that any such agreement, lease, or contract in this section mentioned or referred to shall be first approved of by the shareholders of the Company at an annual or any special or general meeting of the same.

Proviso, for approval by shareholders.

Time for commencement and completion of railway.

14. The railway shall be commenced within one year and completed within three years from the passing of this Act, and in default thereof the powers hereby conferred shall absolutely cease with respect to so much of the railway as then remains incomplete.

CHAP. 47.

An Act to amend the Act incorporating The Souris and Rocky Mountain Railway Company.

[Assented to 21st March, 1881.]

WHEREAS the Souris and Rocky Mountain Railway Preamble.
Company have by their petition represented that it is desirable that they should have increased powers with respect to the raising of money and issuing of bonds for the prosecution of the said undertaking, and with respect to the purchasing of lands from the Government, and the selling and mortgaging the same, and have prayed for the passing of an Act granting them such increased powers; 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:—

1. The sixth section of the Act incorporating the said Company is hereby amended by adding thereto the following Section 6 of 43 V., c. 58 amended. words—"and the said Company may from time to time purchase from the Government of Canada, lands in the North-West Territories, and may sell, convey and mortgage the same for the purpose of raising money for the prosecution of the said undertaking."

2. The twelfth section of the said Act is hereby amended Section 12 amended. by striking out the word "ten" in the sixteenth line thereof, and substituting therefor the word "twenty."

3. It shall be lawful for the Provisional or elected Directors, when authorized by the shareholders at any general meeting or special meeting called for that purpose, to accept payment in full for stock from any subscriber therefor at the time of subscription thereof, or at any time before the making of a final call thereon, and to allow such percentage or discount as they deem expedient and reasonable; and thereupon to issue to such subscriber scrip to the full amount of such stock subscribed. Payment in full of stock authorized, with allowance for discount.

4. The Directors elected by the shareholders may make or issue stock as paid up stock, and may pay or agree to pay in such paid up stock, or in the bonds of the Company, such sums as they deem expedient to engineers or contractors, or for right of way or material, plant or rolling stock, and for the services of such persons as may be employed by the Directors in the furtherance of the undertaking or purchase of right of way, material, plant or rolling stock. Paid-up stock may be issued in payment for certain services.

5.

Additional land for snow fences may be taken under 42 V, c. 9.

5. The Company shall have the right to acquire and take in the manner provided by "*The Consolidated Railway Act, 1879*" such additional width of land along the line of the railway and its branches as may be needed for snow fences and barriers; and the Company may erect such fences and barriers wherever the same may be requisite in the opinion of the Company on any lands near to the line of the said railway, on such terms and subject to the payment of such compensation to the owners of the said lands, as may be agreed on or as may be determined by arbitration in the manner provided by the sections of the said "*The Consolidated Railway Act, 1879*," relating to lands and their valuation.

Section 7 of 43 V, c. 58 amended. Provision as to stock book.

6. Section seven of the said Act incorporating the said Company is hereby amended by adding thereto the words following: "Provided always, that the Directors so elected may by by-law or resolution passed by them, close the stock book after shares to the said amount of five hundred thousand dollars shall have been subscribed, and may, from time to time, re-open the said stock books and receive subscriptions for additional shares of stock up to the limit authorized by this Act, when and as the same shall be required for the purposes of the Company."

Section 12 of the said Act amended. Provision for the issue of preference stock.

7. Section twelve of the said Act incorporating the said Company is further hereby amended by adding thereto the words following: "And the Directors of the said Company, under the authority and with the powers and on the terms hereinbefore set forth, may issue preference stock or shares of the Company, to be redeemed or made liable to be called in at such time and in such manner as the Directors may by the by-law for issuing the same fix and determine, upon which preference stock a dividend may be made payable at such rate not exceeding eight per centum per annum as to the Directors may seem fit; and such dividend may be made payable in scrip, which shall have the same security and shall be redeemable in like manner as the said preference stock; and such preference stock and scrip for dividend thereon shall be taken and accepted by the Company and may be exchanged at its par value for any unsold lands belonging to the Company not required for the purposes of its undertaking or station accommodation, at the price at which such lands are offered for sale by the Company for cash,—which price shall be fixed by the Directors once in every year; and such preference stock may be exchanged by the holder thereof for ordinary stock on such terms and conditions as the Directors may, from time to time, by by-law, fix and appoint: Provided always, that the total amount of bonds and of preference stock to be issued by the Company shall not exceed twenty-five thousand dollars per mile for every mile of the said railway constructed or under construction or under contract for its construction."

May be taken at par in exchange for unsold lands.

Proviso, amount limited.

8.

8. Sections thirteen, fourteen and fifteen of the said Act, incorporating the said Company, are hereby repealed and the following substituted therefor:—

Sections 13, 14 and 15 of said Act repealed and new substituted.

“**13.** The bonds, preference stock and scrip for dividends, hereby authorized to be issued shall, without registration or formal conveyance, be the first preferential claims and charges upon the said Company and the undertaking, tolls and income and real and personal property thereof, now or at any time hereafter acquired, save and except as is provided for in the last preceding section; and each holder of the said bonds, preference stockholder and holder of scrip for dividends, shall be deemed to be a mortgagee or incumbrancer upon the said securities *pro rata* with the other bondholders, or holders of preference stock or scrip for dividends, and shall have priority as such.

Bonds, preference stock, &c., to be preferential charges without registration.

“**14.** If the said Company shall make default in paying the principal of, or interest on any of the bonds, preference stock or scrip for dividends, hereby authorized, at the time when the same shall, by the terms of the bonds, or by the conditions upon which the preference stock or scrip for dividends was issued, become due and payable, then at the next ensuing annual general meeting of the said Company, and all subsequent meetings, all holders of bonds, preference stock or scrip for dividends, so being and remaining in default shall, in respect thereof, have and possess the same rights, privileges and qualifications for Directors, and for voting at general meetings as would be attached to them as shareholders if they had held fully paid up shares of the Company to a corresponding amount: provided nevertheless, that the right given by this section shall not be exercised by any bondholder, preference stockholder or holder of scrip for dividends, unless the bonds, preference stock or scrip for dividends, in respect of which he shall claim to exercise such rights shall have been first registered in his name, in the same manner as is provided by law for the registration of the shares of the said Company; and for that purpose the said Company shall be bound on demand to register any of the said bonds, preference stock or scrip for dividends, in the name of the holder thereof, and to register any transfers thereof in the same manner as a transfer of shares: Provided also, that the exercise of the rights given by this section shall not take away, limit or restrain any other of the rights or remedies to which the holders of the said bonds, preference stock or scrip for dividends, shall be entitled.

Provision if the company makes default in payment thereof.

Proviso, as to voting power of bondholders, &c.

Proviso, other remedies not affected.

“**15.** All bonds, preference stock, debentures and other securities hereby authorized, and the coupons and interest warrants thereon respectively, may be made payable to bearer, and shall in that case be transferable by delivery, unless and until registry thereof in manner provided in the

Bonds, &c., may be payable to bearer and how transferable.

next

next preceding section, and while so registered they shall be transferable by written transfer registered in the same manner as in the case of shares, but they shall again become transferable by the delivery upon the registration of a transfer to bearer, which the Company shall be bound to register on the demand of the register holder for the time being."

Lands may
be conveyed
to trustees.

Application
of proceeds.

9. The lands so to be acquired by the Company and held for sale for the purposes thereof, may be conveyed to trustees to be held and conveyed by them upon the trusts and for the purposes herein declared in reference to such lands; and all moneys arising from the sale of such lands shall be held and applied in trust for the purposes following, that is to say: first, in payment of the expenses connected with the acquisition, survey, management and sale of the said lands; secondly, in payment of the dividends and interest on the bonds and preference stock, from time to time payable in cash by the Company; thirdly, in payment and redemption of the said bonds and preference stock when and as they become due, respectively, or in such order and priority as may be determined by ballot in the manner to be fixed by the Directors by by-law from time to time; and fourthly, for the general purposes of the Company.

Lands sold to
be free of lien.

Application
of purchase
money.

10. All lands sold and conveyed by the said Company or by the said trustees after a conveyance thereof to them upon the trusts aforesaid, and which have been paid for in cash or by preference stock or scrip for dividends, shall be forever released and discharged from all mortgages, liens and charges of any kind or nature by this Act or the Act incorporating the said Company, or by the said Company created: and the purchase money arising from the sale of such lands by the Company shall be applied in the first place in the satisfaction of any mortgage thereon created by the Company; and after payment of any such mortgage or lien created by the Company thereon, shall be applied in accordance with the trusts in the next preceding section declared.

Section 19 of
the said Act
amended.

11. Section nineteen of the said Act incorporating the said Company is hereby amended by adding after the word "Company" in the seventh line of the said section the following words: "or with the South Saskatchewan Valley Railway Company;" and further by striking out the words "the said last mentioned" where they occur in the seventh and eighth lines, and in the tenth line respectively, and inserting the word "such" in lieu thereof.

Section 20 of
the said Act
amended.

12. Section twenty of the said Act incorporating the said Company is hereby amended by adding after the word "telegraph" the words "or telephone."

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13. Deeds and conveyances of lands to the Company (not being letters patent from the Crown) may, in so far as circumstances will admit, be in the form following, that is to say:—

Form of conveyance of land to the company.

"Know all men by these presents, that I, A. B., in consideration of _____ paid to me by the Souris and Rocky Mountain Railway Company, the receipt whereof is hereby acknowledged, grant, bargain, sell and convey unto the said The Souris and Rocky Mountain Railway Company, their successors and assigns, all that tract or parcel of land (*describe the land*) to have and to hold the said land and premises unto the said Company, their successors and assigns for ever.

"Witness my hand and seal, this _____ day of _____ one thousand eight hundred and _____

"Signed, sealed and delivered }
in presence of } A. B. [L.S.]

"C. D.
"E. F."

or in any other form to the like effect. And every deed made in accordance herewith shall be held and construed to impose upon the vendor executing the same the obligation of guaranteeing the Company and its assigns against all dower and claim for dower and against all hypothecs and mortgages and against all liens and charges whatsoever, not excepted in the grant, and also that he has a good, valid and transferable title thereto.

CHAP. 48.

An Act to incorporate The Napierville Junction Railway and Quarry Company.

[Assented to 21st March, 1881.]

WHEREAS the persons hereinafter named have petitioned for incorporation as a Company to construct a railway hereinafter described, and the construction of such railway would be of great benefit to the commerce and for the general advantage of Canada; and it is expedient to grant their prayer: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Preamble.

1.

Work declared of general advantage.

1. The Napierville Junction Railway is hereby declared to be a work for the general advantage of Canada.

Incorporation and corporate name.

2. Henry Benjamin and Robert Cassels, both of the City of Montreal, Médéric Catudal, of the Village of Napierville, William L. Hibbard, of the Village of West Farnham, and Louis A. Hart, of the said City of Montreal, in the Province of Quebec, with all such other persons and such corporations as shall become shareholders in the Company hereby incorporated, shall be and are hereby constituted a body corporate and politic by the name of "The Napierville Junction Railway and Quarry Company."

Power to lay out and construct a certain line of railway.

3. The said Company and their agents and servants may lay out and construct and finish a double or single track, iron or steel, railway of the same width or gauge as the Grand Trunk Railway, from a point near the *Grande Ligne* station of the Montreal and Champlain Railroad to a point in the Village of Napierville, in the County of Napierville.

Capital and shares, and how to be applied.

4. The capital stock of the said Company shall consist of two hundred and fifty thousand dollars, to be divided into two thousand five hundred shares of one hundred dollars each, which amount shall be raised by the persons hereinbefore named and such other persons and such corporations as may become shareholders in the said stock; and the moneys so raised shall be applied in the first place to the payment of all fees and expenses and disbursements for procuring the passing of this Act, and for making the surveys, plans and estimates connected with the railway hereby authorized to be built; and all the rest and remainder of such money shall be applied towards making, completing and maintaining the said railway, and developing the stone quarries which may be owned at the time of the passing of this Act in the Counties of Napierville and St. John's by the said Henry Benjamin and his associates, and which may hereafter be acquired by the said Henry Benjamin and his associates.

First board of directors constituted, their powers.

5. Henry Benjamin, Robert Cassels, Médéric Catudal, William H. Hibbard, and Louis A. Hart, shall be and are hereby constituted a Board of Directors of the said Company, and shall hold office as such until other Directors be appointed under the provisions of this Act by the shareholders; with power to open stock-books and procure subscriptions for the undertaking, to make calls upon the subscribers, to cause surveys and plans to be made and executed, to call a general meeting of shareholders for the election of other Directors as hereinafter provided, and generally to do all such other acts as such Board, under "The Consolidated Railway Act, 1879," may lawfully do.

6. The said Directors are hereby empowered to take all necessary steps for opening stock-books for the subscription of parties desirous of becoming shareholders in the said Company; and all parties subscribing capital stock of the said Company shall be considered proprietors and partners in the same

Subscriptions for stock.

7. When and so soon as one-tenth part of the capital stock shall have been subscribed as aforesaid and five per cent. paid up, the said Directors or a majority of them may call a meeting of shareholders at such time and place as they shall think proper, giving at least two weeks' notice in French and in English in one or more newspapers published in the City of Montreal, and in the County of Napierville, at which general meeting, and at the annual general meetings in the following sections mentioned, the shareholders present either in person or by proxy shall elect seven Directors, in the manner and qualified as hereinafter provided,—which said Directors shall constitute a Board of Directors, and shall hold office until the first Monday in September in the year following their election.

When and where the first general meeting may be held.

Notice to be given.

Election of directors.

8. On the said first Monday in September, and on the first Monday in September in each year thereafter, at the principal office of the said Company, there shall be holden a general annual meeting of the shareholders of the said Company,—at which meeting the said shareholders shall elect a like number of Directors for the then ensuing year in manner and qualified as hereinafter provided; and public notice of such annual general meetings and elections shall be published in the French and English languages one month before the day of election, in one or more newspapers published in the City of Montreal; and the election of Directors shall be by ballot.

Annual election of directors by ballot.

Notice.

9. Three Directors shall form a quorum for the transaction of business; provided, however, that no person shall be elected a Director unless he shall be the holder and owner of at least ten shares of the stock of the said Company, and shall have paid up all calls of the said stock.

Quorum of directors, &c. Qualification.

10. In the election of Directors under this Act, and in the transaction of business at general shareholders' meetings, each shareholder shall be entitled to as many votes as he holds shares upon which all calls made have been paid up.

One vote for each share.

11. The Directors may, at any time, call upon the shareholders for instalments on each share which they or any of them may hold in the capital stock of the said Company, in such proportions as they may deem fit; no such instalment exceeding ten per cent., and giving one month's notice thereof in such manner as the Directors may appoint.

Calls on shares.

Limitation.

12.

6.

Forms of deeds of land to the company.

12. All deeds and conveyances of land to the said Company for the purposes of this Act, in so far as circumstances will admit, may be in the form given in the schedule to this Act subjoined, or in any other form to the like effect.

Company may become parties to notes, &c.

13. The said Company shall have power to become parties to promissory notes and bills of exchange for sums not less than one hundred dollars and not to exceed in the whole the sum of twenty-five thousand dollars; and any such promissory notes made or endorsed by the President or Vice-President of the Company and countersigned by the Secretary and Treasurer of the said Company and under the authority of a majority of the Directors shall be binding on the said Company; and every such promissory note or bill of exchange so made shall be presumed to have been made with proper authority until the contrary be shown; and in no case shall it be necessary to have the seal of the said Company affixed to such promissory note or bill of exchange; nor shall the said President or Vice-President, or Secretary or Treasurer, be individually responsible for the same unless such promissory note or bill of exchange have been issued without the sanction and authority of the Board of Directors as herein provided and enacted: Provided, however, that nothing in this section shall be construed to authorize the said Company to issue notes or bills of exchange payable to bearer or intended to be circulated as money or as the notes or bills of a bank.

Seal not required.

Proviso, no power to issue bank notes.

Issue of bonds for raising money by loan bearing hypothec.

14. The Directors of the said Company shall have the power, upon being duly authorized thereto by a vote of a majority of the stockholders in the Company present at any annual meeting in the month of September, or at a special meeting to be called for the purpose, to issue bonds made and signed by the President and Vice-President of the said Company, and countersigned by the said Secretary and Treasurer, and under the seal of the said Company, for the purpose of raising money for prosecuting the undertaking; and such bonds shall be and are considered to be privileged claims upon the property of the said Company: Provided, however, that no such bonds shall be issued until after ten per cent. of the whole capital stock of the said Company, as provided by this Act, shall have been expended in and upon the said railway and quarries; and provided also, that the whole amount raised upon such bonds shall not exceed one hundred and twenty-five thousand dollars.

Proviso.

Proviso.

Agreements may be made with other companies for certain purposes.

15. It shall be lawful for the said Company to enter into any agreement with the Montreal and Champlain Railway Company or the Grand Trunk Railway Company of Canada or any other railway company for leasing the said railway or any part thereof or the use thereof, at any time or times to such other company, or for leasing or hiring from such other company any railway or part thereof, or the use thereof,

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16. Any shareholder in the said Company, whether a British subject or an alien, or a resident in Canada or elsewhere, has and shall have equal rights to hold stock in the said Company and to vote on the same and to be eligible to office in the said Company. Alien shareholders may vote.

17. All the provisions of "*The Consolidated Railway Act, 42 V., c. 9 1879,*" except as varied by this Act, shall also apply to this Company. to apply.

SCHEDULE.

FORM OF DEED OF SALE.

Know all men by these presents that I, A.B., of do hereby, in consideration of paid to me by the Napierville Junction Railway and Quarry Company, the receipt whereof is hereby acknowledged, grant, bargain and convey unto the said Napierville Junction Railway and Quarry Company, their successors and assigns, all that tract or parcel of land (*describe the lands*), the same having been selected and laid out by the said Company for the purpose of their railway and quarry works; to have and to hold the said lands and premises unto the said Company, their successors and assigns, forever.

Witness my hand and seal, this of one thousand eight hundred and

Signed, sealed and delivered }
in presence of }

CHAP. 49.

An Act to incorporate the Hull Mines Railway Company.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS it is expedient, in order to promote the development of the iron mines situate on lots twelve and thirteen, in the sixth range, and lot eleven, in the seventh range, of the Township of Hull, to authorize the construction of a railway from a point or points at or near the said mines to the City of Ottawa, and also to the Gatineau River at or near Ironsides, and whereas the said railway is for the advantage of the Provinces of Ontario and Quebec; and whereas a petition has been presented, praying for the incorporation of a Company to construct the same, 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:—

Certain persons incorporated.

1. James MacLaren, of Buckingham, Esquire; Edward Anderson Craig Pew, of Ottawa, Esquire; James Macleiman and John Boulton, both of Toronto, Esquires, and such other persons and corporations as shall in pursuance of this Act become shareholders, are hereby constituted a body corporate and politic, by the name of "The Hull Mines Railway Company" (hereinafter called the Company), and shall have all the usual powers of railway corporations, and shall be subject to the provisions of "*The Consolidated Railway Act, 1879*," and of any other Act relating to railways generally which may be passed during the present session of Parliament, and shall have all the powers and privileges conferred on such corporations thereby, but subject to the provisions hereinafter contained.

Corporate name and powers.

Subject to provisions of 42 V., c. 9, and other Acts relative to Railways.

Line of railway may be built and worked.

2. The Company is authorized to construct, equip, maintain, operate, and use a railway with one or more tracks of iron or steel, from any point or points at or near the iron mines now situate, or which may hereafter be opened, on lots twelve and thirteen, in the sixth range, and lot eleven, in the seventh range, of the Township of Hull, to the City of Hull, and thence across the River Ottawa to the City of Ottawa, and also from a point or points at or near the said mines to the River Gatineau, at or near the village called Ironsides.

Head office of the company; Depôts, &c.

3. The head office of the Company shall be in the City of Ottawa, and the Company may acquire and have a depôt and such sheds, stores and such facilities for their business and

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4. The number of the Directors of the Company shall not be less than three nor more than seven, and the number shall be fixed and may be varied from time to time by by-law; and the said James MacLaren, E. A. C. Pew and James MacLennan shall be the first Directors of the Company.

Number of directors.
First board.

5. The capital stock of the Company shall be fifty thousand dollars, to be composed of five hundred shares of one hundred dollars each; and so soon as the capital stock is all subscribed and ten per centum paid up thereon, the Company may commence and proceed with the construction of the railway.

Capital stock and shares.
When work may commence.

6. The Company may become parties to promissory notes and bills of exchange for sums not less than one hundred dollars each; and every such promissory note and bill of exchange drawn, accepted or endorsed in the name of the Company by the President or Vice-President, and Secretary and Treasurer of the Company, in pursuance of a resolution of the Board of Directors, shall be binding on the Company; but the said officers, or either of them, shall not be personally liable for the same unless done without the authority of the Board of Directors,—in which case the said officers alone, and not the Company, shall be liable: Provided however, that nothing in this section shall be construed to authorize the Company to issue any note or bill payable to bearer or intended to be circulated as money or as the note or bill of a bank.

Company may become parties to promissory notes.

Proviso, as to bank notes.

7. No person shall be qualified to be elected or to act as a Director of the Company unless he is the *bona fide* holder of twenty shares of the capital stock on which all calls have been paid.

Qualification of directors.

8. The Company shall have power to make arrangements with the Quebec, Montreal, Ottawa and Occidental Railway for the use of the railway bridge across the Ottawa River.

Arrangements for use of bridge over River Ottawa.

9. The Company and the Hull Iron Company (Limited) may at any time buy each other's properties on any terms that may be agreed upon by their respective Boards, approved of by two thirds of the shareholders present in person or represented by proxy at special general meetings of the shareholders of the respective Companies called for that purpose; and thereafter the purchasing Company shall possess and be entitled to exercise all the corporate powers, rights and privileges previously possessed by the selling Company.

Agreement for sale or purchase of property may be made with Hull Iron Company.

Effect of agreement.

Company, as well as its own proper powers, rights and privileges; and the purchasing Company shall thereupon become and be subject to all the then debts, liabilities and obligations of the selling Company.

Change of name in such case.

10. In the event of any such sale and purchase, the purchasing Company may make any change in its corporate name which the Board of Directors may adopt, subject to the approval of the Governor General in Council; and such change shall be advertised in the *Canada Gazette* and in some newspaper published in the City of Ottawa once a week for four weeks after such approval.

Running powers of the O. and G. Railway Co. over the railway, &c. after completion.

11. When and so soon as the Company shall have constructed their said railway, and from time to time after the completion of any part thereof, the Ottawa and Gatineau Valley Railway Company, or any other railway company, may acquire and shall have the right, but not an exclusive right, to exercise, for the purpose of their traffic, through running powers over and along the railway of the Company at or from the junction of the Company's railway with the line of the Quebec, Montreal, Ottawa and Occidental Railway in the City of Hull aforesaid, and over any and all branch line or lines and sidings of the Company,—such running powers to include the right, privilege and power of running the trains, locomotives and cars of all and every description engaged in the traffic of the said railway company or companies: Provided always, that the exercise of all such running powers shall be subject, both as to time and manner of usage, to agreement from time to time made and entered into between the Company, and the said company or companies; which said agreement shall also settle and determine the amount of tolls, rent or compensation to be paid by the said company or companies.

Proviso, as to exercise of such powers.

12. The Company shall have power to amalgamate with the Ottawa and Gatineau Valley Railway Company, or the St. Lawrence and Ottawa Railway Company, or to sell, lease or convey to either of the said companies, their line of railway, franchises, stock and property of every kind; and from and after such amalgamation or sale, the line of the Company shall be deemed to be and become a portion of the line of the Ottawa and Gatineau Valley Railway Company or the St. Lawrence and Ottawa Railway Company, as the case may be.

Power to amalgamate with the said railway company.

Arbitration in case the companies do not agree.

13. If any dispute or difference arises as to the mode or manner of exercising the running powers, the terms thereof shall be determined by three arbitrators, one to be chosen by each of said railway companies between whom the dispute or difference has arisen, and the third by the two so chosen, or in case they cannot agree, then by a Judge of the Exchequer Court of Canada.

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Hull Mines Railway Co., &c. Chaps. 49, 50.

14. The Company may build, acquire and own barges, tugs, schooners and other vessels and boats to carry the products of the said mines through the Province of Ontario or to any port or place in Canada or the United States of America, and to bring back return cargoes of coal or other merchandise. Company may own and work vessels and boats.

CHAP. 50.

An Act to incorporate the European, American, Canadian and Asiatic Cable Company (Limited).

[Assented to 21st March, 1881.]

WHEREAS the persons hereinafter mentioned have, by their petition, prayed that an Act of incorporation may be granted to them for the purpose of establishing telegraphic communication between the Dominion of Canada, the United Kingdom and other countries; and whereas it is expedient to grant the prayer of their petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Sir E. J. Reed, H. Van Laun, W. H. Chase, Nathaniel Greene, William Coppin, and Thomas Brown, all of London, England, Henry N. Bate, Charles T. Bate, John Gilmour, Allan Gilmour, the younger, Benjamin Batson, John R. Booth, John Sweetland and John Mather, all of the City of Ottawa, in the Province of Ontario, and James MacLaren, of Buckingham, in the Province of Quebec, and their associates, and all other persons who may hereafter become holders of the stock hereinafter mentioned, are hereby constituted a body politic and corporate by the name of "The European, American, Canadian and Asiatic Cable Company (Limited)," hereinafter called "the Company," for the purpose of establishing telegraphic communication between Sable Island and any other point or points on the shores of the Dominion of Canada that the Company may select and such point or points on the coasts of Great Britain, Ireland, and the Continent of Europe or elsewhere, as the Company may determine, and from any point or points on the Pacific Coast of the Dominion of Canada to Japan and the continent of Asia; and the said Company may do every act and thing whatsoever which may reasonably come within the scope, purposes and objects contemplated by this Act, and may acquire and hold such land and beach as may be requisite for their actual use and occupation for stations, offices, and construction purposes, Company incorporated.

Name and general purposes and powers.

Lines of telegraph.

purposes, with full power to construct, purchase, lease and work any line or lines of telegraph from and to any place or places in Canada, either by land or water.

Special
power to
connect with
internal lines.

2. The Company shall have power, with the consent of the Governor in Council, to connect the cable and cables which are contemplated by this Act with the Government internal telegraphic system of the Dominion or with the line or lines of any telegraph Company in Canada.

Capital
stock and
shares.

3. The capital stock of the Company shall be one million five hundred thousand pounds sterling, divided into shares of twenty pounds sterling each: and the said capital may be increased from time to time, by resolutions of the Board of Directors, by and with the consent of the majority in value of the shareholders having a right to vote as hereinafter enacted: Provided always that it shall be lawful for the Board of Directors, prior to the taking and receiving of subscriptions to the capital stock, to convert the said shares into shares of any other amount in sterling, or currency of Canada, or of the United States: And provided also that it shall be lawful for the Company to issue certificates of stock in sterling, or currency of Canada or of the United States.

Proviso.

Proviso.

Power to
borrow
money and
issue bonds.

4. The said Company may borrow such sums of money not exceeding in all the amount of the paid-up capital stock of the Company, and may issue such bonds therefor, not being for less than one hundred pounds sterling each, or its equivalent in either of the currencies aforesaid, and made payable at such times and places and bearing such interest and secured in such manner (by mortgage or otherwise), as the Company may deem expedient and proper for the carrying out of the purposes of this Act.

Provisional
Board of
Directors
constituted.

5. Sir E. J. Reed, H. Van Laun, W. H. Chase, Nathaniel Greene, Henry N. Bate, Charles T. Bate, John Gilmour Allan Gilmour, the younger, Benjamin Batson, John R. Booth, John Sweetland, John Mather and James MacLaren above named, are hereby constituted a Provisional Board of Directors of the said Company, and shall hold office as such until other Directors shall be elected as hereinafter provided; and in the event of any one or more of the said Provisional Directors dying before the election of other Directors, the survivors shall constitute the said Provisional Board. Provisional Directors may hold proxies from absent Provisional Directors and may vote thereon.

Rights of
aliens, and
limit of
liability of
shareholders.

6. Aliens shall have equal rights with British subjects to take stock, to vote and to be eligible to office in the said Company; and no shareholder shall be liable, beyond the extent of the stock subscribed by him and remaining unpaid, for any debt contracted by the Company.

7. So soon as twenty-five per centum of the said capital stock shall have been subscribed, and twenty per centum thereon paid up, the said Provisional Directors, or a majority of them, may call a general meeting of the shareholders at London, England, or at some place in Canada, as the said Provisional Directors may think proper, giving at least three months' notice in the *Canada Gazette* and in one newspaper or more published in Ottawa, and London (England), as well as in the place where the meeting is to be held, if not one of those two cities; and at such general meeting the shareholders present in person or represented by proxy shall elect not less than nine persons, of whom a majority shall be British subjects, to form and constitute a Board of Directors of the said Company.

First general meeting of shareholders.

Election of directors.

8. The chief place of business of the Company shall be at such place in England or Canada as may be determined by the Directors of the Company by by-law.

Chief place of business.

9. The Directors shall appoint one of their number to act as President or Chairman, and another to act as Vice-President or Deputy Chairman, and may appoint such other officers and agents as they shall deem necessary; and the Directors may remove all officers appointed by them and appoint others in their places, and may fill all vacancies in the offices. Five of the Directors shall form a quorum; and all questions shall be decided by a majority of votes of the Directors then present or represented by proxies, each of which proxies shall be good only until the annual general meeting next after it is given; and upon every equal division the President or the Chairman for the time being shall give his casting vote in addition to the vote previously given by him as one of the Directors.

Appointment of President, Vice President and other officers.

Quorum of Board of directors.

Proviso: limitation as to casting vote.

10. The Directors of the Company for the time being may open or cause to be opened stock books for the subscription of parties desiring to become shareholders in the capital stock of the Company, in as many and such places in the United Kingdom, Canada and elsewhere, as they shall think fit, and may make such shares payable in such manner as they shall see fit; and, further, may issue shares for stock subscribed in England, Canada or elsewhere, in such amounts respectively of sterling money of the United Kingdom, or of currency of Canada or of the United States, as to the Directors shall, from time to time, seem fit, and may make the dividends payable thereon in like sterling money, or currency of Canada or of the United States, in England, Canada and elsewhere, at such place or places as to the Directors shall, from time to time, seem fit.

Opening of stock books.

Shares and dividends may be in sterling or currency.

11. The said Directors shall hold office until replaced at general meetings of the shareholders of the Company, called for

Term of office of Directors.

for that purpose in manner following, that is to say,—three Directors shall retire in each year, by rotation, but every retiring Director shall be eligible for re-election; and at all the meetings of the Company each share shall entitle the holder to one vote which may be given either in person or by proxy: Provided always that no shareholder shall be entitled to vote thereat who does not hold stock to an amount equal to one hundred pounds sterling or its equivalent in either of the currencies aforesaid, and whose name shall not have been duly registered in the stock books of the Company at least three calendar months before such general meeting is held.

Proviso:
who may
vote at
meetings.

Appointment
of local
honorary
Directors.
Proviso.

12. The Board of Directors may, from time to time, appoint local honorary Directors in any city or place, either in British territory or in the territory of any foreign power or State: Provided always that such honorary local Directors shall be duly registered shareholders of the Company.

Vacancies in
Board how
filled.

13. Whenever one member or more of the Board of Directors shall die or resign, the remaining Directors shall appoint a Director or Directors in lieu of the person or persons so dying or resigning.

Board may
make by-
laws.

14. The said Board of Directors may, from time to time, make, and having made, alter, amend, or repeal regulations and by-laws for the management of the affairs of the Company generally; and every regulation and by-law made by the Directors shall remain in force until the same is submitted to the next general meeting of the shareholders, and shall, thereafter, have force only as approved or amended by them.

Subject to
approval.

Calls on
shares, notice
thereof, and
consequences
of failure to
meet them.

15. The Directors may require payment of subscriptions to the capital stock, at such times and in such proportions as they may deem proper, under the penalty of forfeiture of all such stock and previous payments thereon after thirty days notice given to each shareholder, by notice addressed to him in a registered letter: and the Company may sue for and recover all such subscriptions: notice of the times and places of such payments shall be published for four weeks previous to such times, at least once in each week, in the *Canada Gazette*, and in such other newspapers published in England or elsewhere, as the Directors may think proper.

Transfer of
shares to be
registered.

16. No assignment or transfer of any share shall be valid or effectual until such transfer be entered and registered in a book to be kept for that purpose.

Ten per cent.
to be paid
upon sub-

17. No subscription of stock in the said capital of the Company shall be legal or valid, unless ten per centum shall have been actually and *bond fide* paid thereon within thirty

thirty days after subscription into one or more of the chartered banks of Canada, or of the United Kingdom, or of the United States, to be designated by the said Directors; and such ten per centum shall not be withdrawn from such bank, or otherwise applied, except for the purposes of such undertaking, or for the return of deposits on rejected subscriptions, or upon the dissolution of the Company from any cause whatever. And the said Board of Directors, or a majority thereof, may, in their discretion, within thirty days after any such subscriptions have been recorded, refuse to accept the subscriptions of any persons who, in their judgment, would hinder, delay or prevent the Company from proceeding with and completing their undertaking under the provisions of this Act.

scription of stock and how to be dealt with.

Board of Directors may refuse any subscription.

18. It shall be the duty of the Directors to make semi-annually or quarterly dividends of so much of the profits as to them or a majority of them shall seem advisable; and once in each year an exact and particular statement shall be rendered by them of the state of the affairs, debts, credits, profits and losses of the Company; and such statements shall appear on the books, and be open for the perusal of any stockholder upon request at least one month before the general meetings of the Company.

Annual statement of affairs, and semi-annual or quarterly dividends to be made.

19. The Company is hereby invested with all the powers and privileges conferred, and made subject to all the conditions imposed upon telegraph companies, which are not inconsistent with this Act, by the Act of the late Province of Canada, being Chapter sixty-seven of the Consolidated Statutes thereof, intituled "An Act respecting Telegraph Companies;" and the Act passed in the thirty-eighth year of Her Majesty's reign, intituled "An Act to regulate the Construction and Maintenance of Marine Electric Telegraphs."

Reference to Acts Con. Stat. Can., c. 67, and Canada 33 Vict., c. 26 as to powers, &c.

20. The works of the Company shall be commenced within two years and one or more cables laid, and completed within four years, from the passing of this Act, otherwise this Act shall be null and void; and the said Company shall be subject to such rates as may, from time to time, be approved, and may be altered from time to time by the Governor in Council.

Commencement and completion of works.

Rates.

21. The Government of the United Kingdom or of any foreign country which shall have granted permission to the Company to land their telegraphic cable or cables on its territory shall, as regards the preferential transmission of messages or despatches under the thirteenth section of the Act thirty-eighth Victoria, chapter twenty-six, have equal rights with the Government of Canada; provided such transmission be required by some person officially charged with the administration

Preferential transmission of Government messages.

90 Chaps. 50, 51. *European, American, &c., Cable Co., &c.* 41 VICT.

istration of justice, or authorized to require such transmission by a Secretary of State or by some officer holding a corresponding position in such foreign country.

Charges **22.** The charges for the transmission of Government messages shall be reasonable and uniform.

Order of precedence of messages. **23.** The order of precedence as respects the despatch of telegraphic business shall be as follows:—

1. Government Messages ;
2. Telegraphic business of the Company ;
3. General business.

The line shall be kept open for daily business, and all messages shall, in the above order, be transmitted according to the time of receipt.

Extent of certain sections of Act, and 38 V.c. 26. **24.** The last two preceding sections and the twelfth section of the Act thirty eighth Victoria, chapter twenty-six, shall extend and apply to messages to and from the Governments of the foreign countries referred to in section twenty-one and the subjects or citizens thereof.

CHAP. 51.

An Act to amend the Act forty-third Victoria, chapter sixty-one, intituled "An Act to incorporate the Assiniboine Bridge Company," and to change the name of the said Company.

[Assented to 21st March, 1881.]

Preamble.
43 V., c. 61.

WHEREAS the Assiniboine Bridge Company, incorporated by the Act forty-third Victoria, chapter sixty-one, and others have petitioned for an Act extending the powers of the said Company, and authorizing them to build, construct and maintain a toll bridge across the Red River from some point within the City of Winnipeg, in the Province of Manitoba, to some point on the opposite side of the river, 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 :—

Name changed.

1. The name of the said Company shall be changed to, and the Company shall hereafter be known as "The Red River and Assiniboine Bridge Company."

2.

2. The said Company are hereby authorized to build, erect, construct, work, maintain and manage a solid and sufficient toll-bridge for ordinary traffic purposes over the Red River, from some point within the limits of the said City of Winnipeg to a point on the opposite bank of the river, and to erect and construct toll-houses and toll-gates, with other dependencies and approaches to or upon the said bridge, and also to do and execute all such other matters and things as shall be necessary, useful or advantageous for erecting and constructing, keeping up and maintaining the said bridge and toll-houses, and gates and other dependencies, subject to the provisions contained in the twentieth section of the above cited Act.

Toll bridge over Red River may be built by the company.

3. The said The Red River and Assiniboine Bridge Company shall, in the construction, work, maintenance and management of the said bridge across the Red River, and in its toll-houses, gates and other dependencies, and the imposition and collection of tolls, and in all other respects have the same rights, powers and privileges as are conferred upon and enjoyed by "The Assiniboine Bridge Company" in respect of the Assiniboine Bridge by the Act hereby amended; and the said Act shall in all respects be taken to apply to the said Red River Bridge, as if the same had been originally included in the said Act of incorporation, except as is hereinafter mentioned.

Powers of the company as to such bridge.

43 V., c. 61 to apply.

4. The said Red River Bridge shall be provided with a draw or swing, or some such practicable arrangement so constructed as to allow sufficient space, not less than eighty feet, for the passage of steamboats, vessels, boats and rafts,—which draw or swing or other arrangement shall at all times be worked and moved at the expense of the said Company, their successors or assigns, so as not to hinder or delay unnecessarily the passage of any steamboats, vessels, boats or rafts.

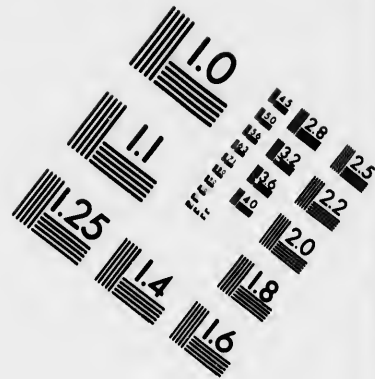
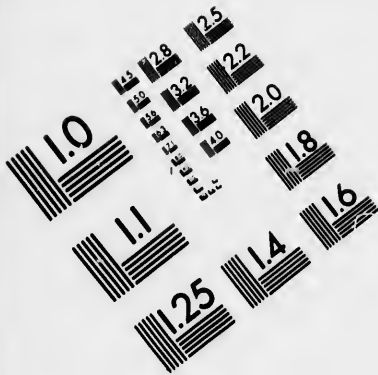
Draw or swing bridge to be constructed and worked by company.

5. The Directors of the said Company are hereby authorized, after the sanction of a majority of the shareholders present or represented by proxy at a special general meeting to be called from time to time for that purpose, to issue bonds under the seal of the said Company, signed by its President or other presiding officer and countersigned by its Secretary; and such bonds shall be made payable at such times and in such manner, and at such place or places in Canada or elsewhere, of such amounts and bearing such rate of interest, as the Directors shall think proper; and such bonds shall, without registration or formal conveyance, be taken and be considered to be the first and preferential claims and charges upon the undertaking and the property of the Company, real and personal, then existing and at any time after acquired; and each holder of the said bonds shall

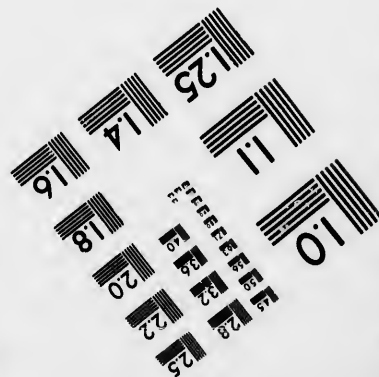
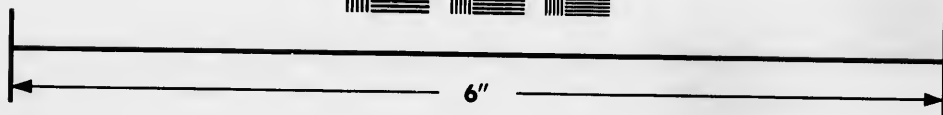
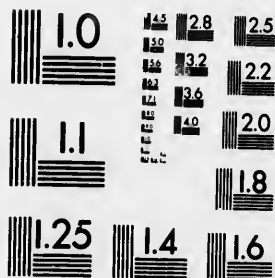
Bonds may be issued by the company for raising money and secured by mortgage.

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**IMAGE EVALUATION
TEST TARGET (MT-3)**



**Photographic
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Corporation**

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be deemed to be a mortgagee and incumbrancer *pro ratâ* with all the other holders thereof upon the undertaking, and upon the property of the Company as aforesaid; and the Directors shall have power to issue and sell or pledge all or any of the said bonds at the best price and upon the best terms and conditions which, at the time, they may be able to obtain, for the purpose of raising money for prosecuting the said undertaking: Provided, that the amount of such bonds so issued, sold or pledged, shall not, in the aggregate, exceed the sum of seventy-five thousand dollars.

Proviso:
Amount
limited.

What tolls
may be
charged.

6. The tolls authorized to be charged under the nineteenth section of the Act forty-third Victoria, chapter sixty-one, hereinbefore cited, shall apply to the bridge across the Red River, hereby authorized, as well as to the bridge across the Assiniboine River, subject to the proviso in the said section contained.

Time for
work limited.

7. The said Red River Bridge shall be commenced within one year and completed within three years from the passing of this Act.

CHAP. 52.

An Act to incorporate The Moncton Harbour Improvement Company.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS the enlargement and improvement of the Harbour on the Petitcodiac River, at or near Hall's Creek, in the Town and Parish of Moncton, in the County of Westmoreland and Province of New Brunswick, would advance the general interests of Canada, by affording greater facilities for the loading and unloading of vessels at the Port of Moncton, thereby securing the necessary harbour accommodation for the greatly increasing trade of Moncton and the surrounding country, and a better means of shipment for large quantities of freight carried by the Intercolonial Railway to that port, thereby greatly increasing the same; and whereas certain persons hereinafter named are desirous to undertake and carry on the said work, and have, by petition, prayed that they may be incorporated for the purpose, and it is expedient to grant them the prayer of their petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. John L. Harris, Bliss Botsford, Edward B. Chandler, Christopher P. Harris, John McKenzie, Denis A. Duffy, Robert A. Borden, Charles F. Record, P. Smith Enman, John B. Elliott, John A. Humphrey, Abner Jones, Moses Jones, Martin Dowling, James McAllister, R. Thompson Taylor, Ereno V. Forbes, William F. Ferguson, Joseph Crandall, Edward McSweeney, Henry V. Crandall, Norman Beaton, Edward C. Cole, James Hamilton, Amos H. Chandler, George W. Chandler, Hiram W. Palmer, Henry T. Stevens, Frederick W. Sumner, Robert Cochran, William H. T. Sumner, George W. Cochrane, Edward McCarthy, William Quain, Edwin A. Record, Robert F. Boyer, Harvey Atkinson and Peter McSweeney, and such other persons as may become shareholders in the corporation to be by this Act created, shall be and they are hereby created, constituted and declared to be a corporation, body politic and corporate, by the name of "The Moncton Harbour Improvement Company" (hereinafter called the Company), and by that name shall have perpetual succession, and shall have a common seal and other the usual powers and rights of bodies corporate, not inconsistent with the provisions of this Act; and by that name shall and may sue and be sued, and may purchase, acquire and hold lands, necessary for the purposes of the Company, and all and any rights, privileges, easements and appurtenances in connection with lands for them, their successors or assigns, and also may alienate and convey any of the said lands or privileges and appurtenances so purchased or acquired as aforesaid; and the Company shall be, and are hereby authorized and empowered, from and after the passing of this Act, by themselves, their deputies, agents, officers, workmen and servants, to construct, make and complete and maintain canals, cuttings, sluices, water-courses, locks, dams and such other works as shall be requisite, and to deepen and enlarge the said Hall's Creek, or such other points or places along the said Petitcodiac River and its tributaries, as may be necessary and practicable, and thereby to retain and keep the waters of the said creek and river, or its tributaries, and flow the basin and the banks thereof to such depth and over such extent as may be necessary to enable ships, steamers, vessels and boats to lie afloat for the more convenient and safe mooring, loading and unloading thereof, provided such flowage shall not be extended above the bottom of the sluice in the aboideau in Mill creek, near Humphrey's mill, or the lower or easterly side of the gravel bed, first above the railway bridge, on Hall's Creek, and to construct and maintain wharves, buildings, engines, machines and appliances, and such other works and things thereon as are necessary for the more convenient fitting, repairing, graving and rebuilding of vessels, and to form and maintain a good and sufficient harbour at the town of Moncton.

Certain persons incorporated.

Corporate name and powers.

Special powers of the company for the improvement of the Harbour, &c.

Approval of
Governor in
Council
required.

2. Provided always, that before the Company shall break ground or commence the construction of the said works, the plan, location and dimensions, and all necessary particulars of the canals, cuttings, sluices, locks, dams and other works therewith connected, shall have been submitted to, and shall have received the sanction of the Governor in Council.

Lands may
be entered
upon for
survey, &c.

3. For the purposes of this Act, and subject to the provisions of the next preceding section, the Company, their deputies, servants, agents and workmen, are hereby authorized and empowered to enter into and upon any lands and grounds of the Queen's Most Excellent Majesty, not hereinafter excepted, or of any person or persons, bodies politic or corporate whatsoever, and to survey and take levels of the same, or any part thereof, and to set out and ascertain such parts thereof as they shall think necessary and proper for making such intended canals or cuttings, sluices and water-courses, locks, dams and other works hereby authorized, and such lands as the said intended flowage is proposed to cover, and all such works, matters and conveniences as they shall think proper and necessary for making, preserving, improving, completing, maintaining and using the said harbour, so enlarged and improved as is proposed, and other works connected therewith; and to dig, cut, trench, get, remove, take, carry away and lay, place and deposit earth, clay, stone, soil, rubbish, trees, beds of gravel or sand, or any other matter or things which may be dug or got in making the said intended canals, cuttings, sluices, water-courses, locks, dams, embankments and other works on, through or out of the lands or grounds of any person or persons, body politic or corporate, through, on or over which it may be necessary to carry the same, or adjoining or lying convenient thereto, and which may be proper, requisite or necessary for making or repairing the said canals, cuttings, sluices and water-courses, locks, dams and embankments, and the works incidental or relative thereto, or which may hinder, prevent or obstruct the making, using, completing, extending and maintaining the same, respectively, according to the intent and purpose of this Act; and to make, build, erect and set up in or upon their lands, such wharves, buildings, houses, engines, machines and appliances as may be requisite and necessary for the more convenient fitting, repairing, graving and rebuilding of ships, steamers, vessels and boats, at or near the said Town of Moncton, as well as such paths, roads and other works as the Company shall think requisite and convenient for the purposes of the said works, and by means of the said locks, dams, embankments and works, to retain and keep the tidal waters flowing into and along and through the said Petitcodiac River, Hall's Creek and its tributaries, as well as the waters flowing and running out of the same, and thereby cause the flowage of the said Hall's Creek and its tributaries and the banks thereof, and the lands

Necessary
materials
may be ac-
quired and
placed or
removed.

Wharves,
buildings, &c.
may be con-
structed.

Also dams
and embank-
ments.

lands bordering on the same, or adjacent thereto, or the banks of the Petitcodiac River, and land adjacent thereto, to such depth and over such extent and length, and for such time or times, permanently or periodically, and to divert any brook or watercourse, or change its direction, and to use, keep and retain the waters thereof, and enlarge, deepen or widen the said river or creek and its tributaries or any part thereof, or to exclude and keep out such waters therefrom, or from any part thereof, as may be requisite and necessary to make a good and sufficient harbour where ships, steamers, vessels or boats can lie afloat at all times, and conveniently load and unload, or be repaired, refitted, graved or rebuilt, as aforesaid, as the Company shall think requisite and necessary; and also from time to time to alter, repair, divert, widen, enlarge and extend the same; and to construct, erect, make and do all other matters and things which they shall think convenient and necessary for the constructing and maintaining the said works, in pursuance of and according to the true intent and meaning of this Act,—they, the Company, doing as little damage as may be in the execution of the several powers to them hereby granted, and making satisfaction in manner hereinafter mentioned to the owners and proprietors of, or the persons interested in the lands, tenements, hereditaments, water, water-courses, brooks or creeks respectively, which shall be taken, used, removed, prejudiced or injured, or for all damages to be by them sustained, in or by the execution of all or any of the powers given by this Act. And this Act shall be sufficient to indemnify the Company and their servants, agents or workmen, and all other persons whatsoever, for what they or any of them shall do by virtue of the powers hereby granted, subject nevertheless to such provisions and restrictions as are hereinafter mentioned.

Repairs may be made.

And to do all other things necessary.

Making compensation for damages, &c.

Company indemnified for things done under this Act.

4. The Company shall at each and every place where the said canal or cuttings shall cross any highway existing at the time of starting the said work, erect and keep good and sufficient drawbridges to the satisfaction of the Governor in Council, which shall be kept shut except when vessels are passing, so that the public thoroughfare may be as little impeded as possible; and shall not, in making the said canal or cutting, cut through or interrupt the passage on such public road until they shall have made a convenient road past their works for the use of the public; and for every day on which they shall neglect to comply with the requirements of this section, the Company shall incur a penalty of five dollars.

Draw-bridges to be built where necessary and roads not to be impeded.

Penalty for neglect.

5. The Company may take, use, occupy and hold, but not alienate, so much of the public beach or bank of the Petitcodiac River as may be required for the wharves and other works of the Company for the purposes of the said harbour improvements

Public beach may be used but not alienated.

improvements and for making easy entrances to their said canal and harbour, and the construction and building of dams, embankments, sluices and water-courses and other works as they may deem requisite and necessary, paying therefor as provided in this Act, but subject to the provisions of the second section of this Act.

Compensation.

Sale and use of water supply.

6. The Company shall have the sole power to use, sell, lease, rent or otherwise dispose of, for their sole use and benefit, any water which they may receive, keep or detain by the said dam, embankments or works, on such terms as they may deem expedient and advisable.

Conveyances to the company by corporations or persons who could not ordinarily convey.

Parties conveying indemnified.

7. All corporations and persons whatever, tenants in tail or for life, guardians, curators, executors, administrators and all other trustees whatsoever, not only for and on behalf of themselves, their heirs and successors, but also for and on behalf of those whom they represent, whether infants, issue unborn, lunatics, idiots, *femes covert*, or other persons seized, possessed of or interested in any lands, may contract, sell and convey unto the Company all or any part thereof. Provided always, that in all cases in which the parties hereinbefore enumerated have no right in law to sell or convey the rights of property of the said lands, it will be necessary for the said parties to obtain from a competent judge, after due notice to parties interested, the right to sell the said land; and the judge shall give such orders as may be necessary to secure the investment of the purchase money in such a manner as he may deem necessary, according to the law of the Province, to secure the interests of the owner of the said land.

Arbitration in case of disagreement as to compensation.

8. In case of disagreement between the Company and the owners and proprietors of, or the persons interested in the lands, hereditaments, water, water-courses, brooks or creeks, respectively, which shall be taken, used, removed, prejudiced or injured by the Company under the provisions of this Act, as to the price or value thereof, or as to the compensation for the injury or damage by them respectively sustained, then such price or value or compensation shall be determined by three arbitrators, one to be chosen by the Company and one by the owner or owners or persons interested as aforesaid, which two arbitrators so chosen shall choose a third arbitrator; and in case of their not agreeing in such choice within ten days after their appointment, then and in such case it shall and may be lawful for the Chief Justice or any one of the Justices of the Supreme Court of the Province of New Brunswick, upon application of the Company or owners or persons interested, to appoint a third arbitrator, and the award of the said arbitrators or any two of them shall be final and conclusive in the matter referred to them, and the costs of such arbitration shall be paid by the

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the Company ; and in case the Company or any of the said owners or persons interested shall decline making any such agreement or appointing such arbitrators, then and in every such case, the other party may make application to one of the said Judges of the Supreme Court of the said Province of New Brunswick, stating the grounds of such application, and such judge is hereby empowered and required, from time to time, upon such application, to issue a writ or warrant to the Sheriff of the County of Westmoreland, in the said Province, or in case of his being a party interested, then to a Coroner of the said County of Westmoreland, or to some other person who may be disinterested, commanding such sheriff, coroner or person forthwith to summon a jury of five freeholders within the said county who may be disinterested, which jury upon their oaths (all which oaths, as well as the oath to be taken by any person or persons who shall be called upon to give evidence, the officer or person summoning such jury is hereby empowered to administer), shall enquire of, assess and determine the distinct sum or sums of money, or annual rent to be paid for the price and value of, or compensation for the use, or damages and injury sustained by such property as aforesaid ; and the inquisition, award or verdict of such jury shall be returned and filed in the office of the Clerk of the Pleas of the said Supreme Court of New Brunswick, and shall be final and conclusive between the parties ; and the costs and expenses of such proceedings to be taxed and allowed by a judge of the said court shall be paid by the Company ; and when the lands of an infant, *feme covert*, idiot or lunatic, or land under mortgage is required for the purposes of this Act, or may sustain any damage or injury by reason of anything done by the Company under the provisions of this Act, if the Company cannot agree as to the price or value or compensation to be paid in respect thereof, with the guardian of such infant, or with such *feme covert* and her band, or with the committee of such idiot or lunatic, or with the mortgagor with the consent of the mortgagee or mortgagees, the Company or party interested may apply to one of the said Justices of the Supreme Court for a jury as hereinbefore provided, which jury and the officer or person appointed to summon it, shall have and exercise the powers hereinbefore mentioned, to assess and determine the price or value or compensation aforesaid ; and in the case of mortgaged premises, the price or value or compensation found by such jury shall be paid to the mortgagee or mortgagees according to their priority, and shall be by him or them credited on such mortgage, and the lands so taken shall be held to be thereupon released from any such mortgage or mortgages ; and in case any such infant has no guardian, or any such idiot or lunatic has no committee, then the Judge of the Supreme Court in Equity shall, on application setting forth the facts, appoint a guardian for such infant, or a committee

Proceedings
in case of
non-appoint-
ment of
arbitrators
by any party.

Jury to be
summoned
and decide.

Or if land is
the property
of infants,
&c., or mort-
gaged.

And in case
of mortgaged
premises, and
infant with-
out guardian,
&c.

for such idiot or lunatic for the purposes of this Act. And in either of these events, it shall be imperative to value such land, or assess and determine the compensation due, by a jury, as hereinbefore provided; and the damages found by the jury shall be paid into the said Supreme Court in Equity, and shall be and remain at the order and disposal of the said court for the benefit of such infant or lunatic. And the Company shall pay all the costs, charges and expenses of the said proceedings until the said money is so deposited as aforesaid.

Costs. **Capital stock and shares.** **Provision for increase.** **9.** The capital stock of the Company shall consist of one hundred and fifty thousand dollars, current money of Canada, to be divided into fifteen hundred shares of one hundred dollars each: Provided nevertheless, that the Company shall have power to increase the said capital stock to five hundred thousand dollars, of like current money, and to increase the number of shares accordingly, by a vote of the majority of the shareholders at a meeting called for that purpose.

First meeting of shareholders, when and how to be called and held. **Proceedings thereat.** **Election of directors.** **Term of office, &c.** **10.** Whenever five hundred shares of the said capital stock have been subscribed, and ten per cent. thereon paid into some chartered bank to the credit of the Company, a general meeting of the subscribers thereto, or the major part of them, representing a major part of the subscribed stock, shall be held at the said Town of Moncton, and shall be called by John L. Harris, or in the case of his death, neglect or refusal, then by any two of the said incorporators, by notice in one or more of the public newspapers published in the said Town of Moncton, or in the City of St. John, for ten days previous to such meeting, for the purpose of making, ordaining and establishing such by-laws, rules and regulations for the good management of the affairs of the Company as they shall deem necessary, and for the purpose of choosing seven Directors, being subscribers for the said stock and members of the Company, under and in pursuance of the provisions hereinafter made; which Directors so chosen, shall serve until the first annual meeting, or until their successors are appointed, and shall have full power and authority to manage the affairs and concerns of the Company and to commence the operations of the Company.

Annual general meeting. **Election of directors, &c.** **11.** A general meeting of the shareholders of the Company shall be held annually at the Town of Moncton, at such time as the Company by their by-laws, rules and regulations may, from time to time, appoint; at which annual meeting seven Directors shall be chosen who shall continue in office for one year, or until others are chosen in their room, in the choice of which the stockholders of the Company shall vote according to the rules hereinafter mentioned.

12. The Directors shall, at their first or at some other meeting after the day appointed for the annual general meeting in each year, elect one of their members to be President of the Company. Election of President.

13. The Directors for the time being shall have power to appoint such officers, clerks and servants as they shall think necessary for the executing of the business of the Company, and shall allow them such compensation for their respective services as to them shall appear reasonable and proper; and shall have full power and authority to direct and manage all and every the affairs of the Company as well in contracting for the purchasing of lands, rights and materials for the use of the Company, as in employing, ordering and directing the work and workmen, and in placing and removing managers, officers, clerks, servants and agents, and in making all contracts and bargains touching the said undertaking, and generally to do and transact all the business and affairs of the Company, except as by this Act otherwise provided, and subject to the control and instruction of the shareholders as expressed by any by-law, rule, regulation or resolution made by them at any annual general meeting or special general meeting of the shareholders touching such matter. Powers of directors. Subject to control of general meetings.

14. Not less than four Directors shall constitute a quorum for the transaction of business, of which the President shall always be one, except in case of absence, in which case the Directors present may choose one of their number as chairman in his stead for the occasion; and the President or chairman for the time being shall vote at the Board as a Director, and in case of there being an equal number of votes for and against any question before them the question shall be considered as not carried. Quorum at meetings. Votes.

15. No person shall be eligible as a Director unless such person is a stockholder holding at least ten shares of the capital stock of the Company, and is of the full age of twenty-one years, and shall have paid all calls, debts and assessments made and due on the shares held by him; and he shall cease to hold the said office of Director whenever he shall cease to hold the requisite number of shares as aforesaid; and another shareholder shall be chosen Director in his stead as hereinafter provided. Qualification of directors.

16. The number of votes to which each shareholder in the Company holding one or more shares in the Company shall be entitled on every occasion when, in conformity with the provisions of this Act, the votes of the said shareholders shall be given shall be in the proportion following, that is to say: for one share and not more than two, one vote; for every two shares above two and not exceeding ten, one vote, making five Proportion of votes to shares.

five votes for ten shares ; for every four shares above ten and not exceeding thirty, one vote, making ten votes for thirty shares ; and for every six shares above thirty, and not exceeding sixty, one vote, making fifteen votes for sixty shares ; and for every eight shares above sixty, and not exceeding one hundred, one vote, making twenty votes for one hundred shares ; for every ten shares above one hundred shares, and not exceeding one hundred and fifty, one vote, making twenty-five votes for one hundred and fifty shares ; and for every twenty shares above one hundred and fifty, twenty shares shall constitute a vote ; but no person or persons, co-partnership, or body politic or corporate, being a member or members of the Company, shall be entitled to a greater number than fifty votes.

Limitation.

Proxies.

17. All stockholders may vote by proxy, provided the holder of such proxy be a stockholder, and do produce a written authority from his constituent or constituents so to act, and file the same with the Secretary before acting.

Vacancies in the board of directors how filled.

18. The Directors shall be and they are hereby authorized to fill up any vacancy that shall be occasioned in the board by the death, resignation, disqualification or absence from the Province of New Brunswick or the meetings of the Directors continuously for three months of any of its members,—which absence shall be deemed to be a resignation, and entitle the board to declare the seat of such Director vacant ; but in case of the removal of a Director by the stockholders for misconduct or maladministration, which the stockholders are hereby entitled by resolution to do, his place shall be filled up by the said stockholders ; and the persons so chosen by the Directors or stockholders shall serve until the next succeeding annual meeting of the stockholders, or until others are chosen in their stead.

Transfer of shares.

Conditions.

Effect of transfer.

19. The shares of the capital stock of the Company shall be assignable and transferable according to the by-laws, rules and regulations that may be established by the Company in that behalf from time to time ; but no assignment or transfer shall be valid or effectual unless such assignment or transfer shall be entered and registered in a book to be kept by the Directors for that purpose, nor until the person or persons so making the same shall previously discharge all debts actually due and payable by him or them to the Company ; and in no case shall any fractional part of a share or other than a complete share or shares be assignable or transferable. Whenever any stockholder shall transfer in manner aforesaid all his stock or shares in the Company to any other person or persons, such stockholder shall cease to be a member of the Company.

20. The Directors shall make half-yearly or yearly dividends, as may to them appear most proper, of all the profits, rents, premiums and interest of the Company, payable at such time and place as the Directors shall appoint; of which dividends they shall give thirty days' previous notice in one or more of the newspapers published in the said Town of Moncton or in the City of St. John.

21. The Directors of the Company shall have power to levy and collect assessments or calls upon the shares from time to time of such sums of money as may be deemed necessary for carrying on the business of the Company; and whenever any assessment shall be made by the Company it shall be the duty of the Treasurer to give notice thereof in one or more public newspapers published in the said Town of Moncton or in the City of St. John, requiring payment of the same within thirty days; and if any shareholder shall neglect or refuse to pay to the Treasurer the amount of such assessment or call upon his shares at the time prescribed, the Treasurer, by order of the Directors, shall advertise all such delinquent's shares for sale at public auction, giving at least thirty days' notice of the time and place of such sale; and all shares upon which the assessment is not then paid with interest from the time such assessment became due, and the cost of advertising, shall be sold to the highest bidder, and after retaining the amount of assessment and interest due on each share, and the expense of advertising and selling, the residue, if any, shall be paid over to the former owner, and a new certificate or certificates of the shares so sold shall be made out and delivered to the purchaser or purchasers; or an action may be brought in any court of competent jurisdiction for the recovery of the amount so due; or if such subscriber shall not have paid anything on account of the stock so subscribed for and taken by him, the Directors of the Company may, if they see fit, cancel such subscription and such subscriber shall thereupon cease to be a member of the Company, and shall not be entitled to the stock so subscribed as aforesaid.

22. All meetings of the Company shall be held at the Town of Moncton, and notice of the time and place of such meetings shall be given by the Secretary in one or more public newspapers published in the said Town of Moncton or in the City of Saint John seven days at least before the time of such meeting. Special meetings of the shareholders may be called by the Secretary, by order of the Directors, or of shareholders representing not less than five hundred shares of stock, upon giving the like notice.

23. Each and every stockholder in the Company shall be held liable to the Company for the payment of each and every call or assessment made (not, however, to exceed in amount

Dividends.

Notice.

Calls on stock.

Notice.

Enforcement of calls by forfeiture and sale.

By cancelling subscriptions.

General meetings of the company.

Special meetings.

Liability to company for calls.

And to creditors of the company.

amount the stock so subscribed for) for the purpose of enabling the Company to pay their debts and engagements or to carry on their operations; and each shareholder shall be individually liable to the creditors of the Company to an amount equal to the amount unpaid on the stock held by him, for the debts and liabilities thereof, and until the whole amount of his stock has been paid up, but shall not be liable to an action therefor before an execution against the Company has been returned unsatisfied in whole or in part.

Borrowing powers of the company.

Total amount limited.

Security by mortgage of property of company.

Form of bonds.

Proviso.

Rights of bondholders.

Proviso.

24. It shall and may be lawful for the Company to borrow either in the Dominion of Canada or out of it, and either in sterling money or currency, and at such legal rate of interest as the Directors may, from time to time, agree upon, on mortgage, bonds, debentures or other instruments, such sums of money, from time to time, as shall not exceed in all the sum of fifty thousand dollars; and if, after having borrowed the whole or any part of such money, the Company pay off the same or a part thereof, it shall be lawful for them again to borrow such sum as may be necessary, and so, from time to time, to re-borrow, provided that the whole amount borrowed do not at any time exceed the sum of fifty thousand dollars; and for securing the repayment of the money so borrowed, with interest, it shall be lawful for the Company to mortgage, encumber and assign the real estate, works, rates, revenues and rents and the future calls on the shareholders of the Company, and all other sums of money or assets due, payable or coming due and belonging to the Company, or to give bonds or debentures in such manner as shall appear most expedient, payable either in currency or sterling money, and either within or without the Dominion; and such bonds, debentures or other security to be granted may be made payable to bearer or made transferable by simple endorsement or otherwise, as the Directors see fit: Provided always, that no such bond, debenture or other security shall be made or granted for a less sum than one hundred dollars.

25. The respective obligees in such bonds or debentures, secured by the rents, revenues or future calls or payments due the Company shall proportionally, according to the amount of money secured thereby, be entitled to be paid out of the rents, revenues or future calls of the Company the respective sums in such bonds or debentures mentioned and thereby intended to be secured, without any preference one above another by reason of priority of date of any such bond or debenture or of the meeting at which the same was authorized, or otherwise howsoever; and no such bonds or debentures, although they should comprise future calls on the shareholders, shall preclude the Company from receiving and applying such future calls to the purposes of the Company so long as the money due on all such bonds or debentures

debentures does not exceed the amount of the calls still remaining unpaid.

26. Notwithstanding anything in this Act contained it shall and may be lawful for the Directors of the Company, from time to time, and as often and when they shall see fit, without the formality of passing a by-law to that effect, specially by resolution to that effect to be entered upon the books of the Company, to authorize the President of the Company to sign such particular bonds, mortgages, contracts or instruments, as it may, in the opinion of the Directors, be necessary or expedient so to sign, and to affix the common seal of the Company thereto; and it shall also be lawful, in like manner, for the President, authorized as aforesaid from time to time, to draw, sign or accept such promissory notes or bills of exchange, for the purposes of the Company, without seal, as it may be necessary or expedient so to draw, sign or accept; and all such bonds, contracts, mortgages and instruments so signed and sealed by the President, and all such notes and bills of exchange drawn, signed or accepted by the President, authorized as aforesaid, shall be binding on the Company, and be held to be the act and deed of the Company: Provided always, that in any action, suit or proceeding on any such bond, bill, note, contract or other instrument so signed or signed and sealed as aforesaid, or in which the Company may be engaged, copies of the minutes of proceedings and resolutions of the proprietors of shares of the capital stock of the Company, at any general or special meeting, or of the Directors at their meetings, extracted from their minutes, or the book or books kept by the Secretary of the Company, and by him duly certified on oath, before a judge of one of Her Majesty's courts of law in New Brunswick, or before a commissioner duly authorized to take affidavits to be used in the court in which such action, suit or proceeding is brought, to be a true copy extracted from such minutes, book or books, and bearing the seal of the Company, shall be held as evidence of the action of the Company or Directors in the matter therein referred to, as well as of the election of any President therein named: Provided, that all bonds, bills, notes, contracts or other instruments so signed or signed and sealed as aforesaid, shall be countersigned by the Secretary of the Company; and provided further that no such promissory note or bill of exchange shall be for any sum less than one hundred dollars, or be payable to bearer, or intended to be circulated as money, or as the note or bill of a bank.

Bonds may be signed by the President on authority of Directors.

Promissory notes.

What shall be evidence in actions on such bonds, &c.

Bonds, &c., to be countersigned.

Provido, as to notes payable to bearer.

Restrictions as to votes and transfers.

27. It shall not be lawful for any stockholder at any meeting to vote on any stock which shall not have been held in his own name, or the name of a firm in which he may be a partner, or by the party for whom any person shall vote by proxy, for at least one month previous to the time at which

which such vote may be sought to be given ; nor shall it be lawful for any stockholder who is or shall become indebted to the Company for any call or calls, or otherwise, to transfer any shares of stock held by him until payment be made to the Company of all sums of money due by such shareholder.

Dividend not to impair capital.

Unpaid calls may be deducted from dividend.

28. The Company shall not make any dividend whereby their capital stock will be, in any degree, reduced, nor shall any dividend be paid in respect of any share or shares until all calls then due in respect of such share or shares held by the person to whom such dividend may be payable shall have been paid ; and it shall be lawful for the Company to deduct from the amount of dividend payable to any person who may not have paid the instalments on the day the same were respectively called for on any shares at any time owned by him, such sum as would be equal to interest on the unpaid call or calls from the time at which the same ought to have been paid until the time the same was actually paid, or to the period of payment of the first dividend, from which such interest may be deducted and reserved by the Company.

Rates and dues may be charged for use of works.

Rates, &c., may be sued for.

Vessels or goods may be detained.

29. The Company may, from time to time and at all times hereafter, ask, demand, take and receive to and for their own proper use and behoof, for all ships, steamers, vessels or boats of whatever kind or description that may enter the said harbour so made, constructed, enlarged and improved, and for all goods, wares and merchandise, and all freight and produce of every kind and description whatever, and for all timber, logs, deals, boards, staves, lathwood, shingles or other products of the woods and forests, landed or discharged, loaded or unloaded in the said harbour, and for all ships, steamers, vessels and boats repaired, graved or rebuilt therein, such rates, fees, dues or charges as they may deem expedient,—which said tolls shall be, from time to time, fixed and regulated by by-laws of the Company, subject to the approval of the Governor General in Council, and shall be paid to such person or persons and in such manner and under such regulations as the Company or the Directors shall direct and appoint ; and in case of denial or neglect of payment of any such rates, fees, dues or charges, or any part thereof, on demand, to the person or persons appointed to receive the same as aforesaid, the Company may sue for and recover the same of or from the owner or owners, or the captain or person in charge of any such vessel, goods, merchandise or other commodities, in any court having competent jurisdiction ; or the person or persons to whom such rates, fees, dues or charges ought to be paid, may and he is and they are hereby authorized and empowered to seize and detain such vessel, goods, merchandise or other commodities for or in respect whereof such rates, fees, dues or charges ought to be

be paid, and to detain the same until payment thereof, and in the meantime the said vessels, goods, merchandise or other commodities, shall be at the risk of the owner or owners thereof. And the Company or the Directors shall have full power from time to time to lower or reduce all or any of the said rates, fees, dues or charges and again to raise the same, as often as it shall be deemed necessary for the interests of the Company.

Rates may be varied.

CHAP. 53.

An Act to incorporate The Acadia Steamship Company, (Limited.)

Assented to 21st March, 1881.]

WHEREAS Lawrence Delap, shipowner, Thomas S. Whitman, banker, John B. Mills, M.A., barrister-at-law, Harris VanBlarcom, Esquire, Albert D. Mills, merchant, all of Annapolis Royal; Captain Jacob Hall, of Middleton, master mariner, Thomas Jones, of Nictaux, farmer, Captain Joseph Hall, of Granville Ferry, shipowner; James P. Roop, of Clementsport, merchant, Joseph A. Bancroft, of Round Hill, farmer; Gilbert Shafner, of Lower Granville, farmer, all in the County of Annapolis; Thomas R. Harris, of Aylesford, merchant, and John W. Margeson, of Cornwallis, farmer, both in the County of King's, and all in the Province of Nova Scotia, have petitioned the Parliament of Canada praying that they may be incorporated, with such other persons as shall become associated with them, as a Company under the name and style of "The Acadia Steamship Company," with power to own real estate on which to erect piers, warehouses and sheds, and steamships and vessels for general transportation purposes, and particularly to run to and fro between Annapolis Royal aforesaid and a port or ports in the United Kingdom; and whereas it is expedient to grant the prayer of their 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 said Lawrence Delap, Thomas S. Whitman, John B. Mills, M.A., Harris VanBlarcom, Albert D. Mills, Captain Jacob Hall, Thomas Jones, Captain Joseph Hall, James P. Roop, Joseph A. Bancroft, Gilbert Shafner, Thomas R. Harris and John W. Margeson, together with such other person or persons as shall be and become stockholders in the Company to be hereby incorporated, and their respective heirs, executors, administrators, curators and assigns shall be and

Certain persons incorporated.

Corporate
name, and
general
powers.

and are hereby created a body politic and corporate by the name of "The Acadia Steamship Company, (Limited,)" hereinafter called the Company, with a common seal; and by that name may sue and be sued, plead and be impleaded in all courts of law or equity.

Capital stock
and shares.

2. The capital stock of the Company shall be one hundred thousand dollars, divided into one thousand shares of one hundred dollars each, with power at any general meeting of the Company to increase the same from time to time to any amount in one hundred dollar shares up to five hundred thousand dollars

Business of
the Company.

3. The Company shall have power to own, build, buy, sell and charter steamships, ships and vessels of all kinds, and to employ them in any lawful business whatsoever and where-soever.

What real
estate
the company
may hold.

4. It shall be lawful for the Company to purchase, rent, take, hold and enjoy for them and their successors, as well in Canada as elsewhere, when it shall be deemed expedient for the purposes of the Company to do so, either in the name of the Company or in the name of trustees for the Company, such lands or real estate, wharves, docks, warehouses, cattle-sheds and grazing lands, offices and other buildings as they may find necessary and convenient for the purposes of the Company, and to sell, lease, mortgage or dispose of the same, and others to purchase or acquire in lieu thereof, not to exceed the sum of fifty thousand dollars in value at any one point.

Value limited.

Certain
charges for
services au-
thorized.

5. The Company may charge on all property placed with them or in their custody a fair remuneration as may be fixed upon by the Directors for storage, warehousing, wharfage, dockage, cooperage, grazing or any other care and labour in and about such property on the part of the Company over and above the regular freight and primage of the said property which may have been carried or may be carried by them.

Recovery of
charges and
how secured.

6. The Company shall have power to recover all charges, subject to which goods or commodities may come into their possession, and on payment of such back charges and without any formal transfer shall have the same lien for the amount thereof upon such goods or commodities as the persons to whom such charges were originally due had upon such goods or commodities while in their possession; and the Company shall be subrogated by such payment in the rights and remedies of such persons for such charges.

Lien for
charges and

7. The Company, in the event of non-payment of freight, advances and other charges when due, upon goods or effects

in

in their possession or under their control, may sell at public auction or private sale the goods whereon such advances and other charges have been made, and retain the proceeds, or so much thereof as shall be equal to the amount due to the Company, with charges and costs, returning the surplus, if any, to the owner thereof; but no sale of any goods or effects shall take place under this Act until or unless, prior to the sale thereof, thirty days' notice of the time and place of such sale has been given by registered letter transmitted through the post office to the owner of such goods or effects, unless otherwise provided in the contract between the parties.

power to sell goods in default of payment.

Proviso.

8. The Directors of the Company may call in the capital stock of the same as follows: first call, ten per cent., one month's notice being first given; second call, ten per cent., one month's notice being first given; third call, twenty per cent., one month's notice being first given; fourth call, twenty per cent., two months' notice being first given; fifth call, twenty per cent., two months' notice being first given; sixth call, twenty per cent., two months' notice being first given; notice of each call must bear date after the date of the previous call and be in writing.

Calls on stock and notice thereof.

9. The business and affairs of the Company shall be conducted and managed and its powers exercised by ten Directors, (five of whom shall form a quorum,) elected by the stockholders.

Directors; number and quorum.

10. The Provisional Directors of the Company shall consist of Captain Jacob Hall, of Middleton, John W. Margeson, of Kentville, John B. Mills, of Annapolis Royal, Thomas R. Harris, of Aylesford, Captain Joseph Hall, of Granville Ferry, Thomas Jones, of Nictaux, Gilbert Shafner, of Granville, Joseph A. Bancroft, of Round Hill, James P. Roop, of Clementsport, and Thomas S. Whitman, of Annapolis. The Provisional Directors, after the passing of this Act, shall have power to organize, to open subscription books for the subscription of stock therein, and generally to exercise the usual functions of Directors until the first general election, as hereinafter provided.

Provisional directors.

Powers and duty.

11. It shall be lawful for the Company, at any annual meeting, or any regular meeting convened for the purpose, to make and pass such resolutions, and make such regulations and by-laws as shall appear to them proper and necessary to regulate the elections of Directors and the period during which they shall hold office, the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of certificates of stock, the forfeiture of stock for non-payment, the disposal of forfeited stock and of the proceeds thereof, the transfer of stock, the declaration and payment of dividends, the appointment, functions, duties and

By-laws may be made for certain purposes, and repealed or altered.

and removal of all agents, officers and servants of the Company, the security to be given by them to the Company, their remuneration and that of the Directors; the time at which meetings of the shareholders may be called, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-law, and the conduct in all other particulars of the affairs of the Company; and from time to time to repeal, amend or re-enact the same; but every by-law and every repeal, amendment or re-enactment thereof, unless in the meantime confirmed at a general meeting of the Company duly called for that purpose, shall only have force and effect until the next meeting of the Company, and in default of confirmation thereat shall, from that time only, cease to have force; and a register of all such by-laws shall be kept by the Company, which shall be open to the inspection of the public during regular office hours.

Subject to confirmation by shareholders at next general meeting.

Certificates of shares may be issued.

In case of transfer.

Recovery of calls by suit.

Proviso: for right of forfeiture.

Application of funds of the company.

Company not bound to see

12. The Directors of the Company shall, from time to time, issue to each of the shareholders respectively certificates under the seal of the Company of the number of the shares to which he is entitled; and he shall then be legal owner of such shares and invested with all the rights and subject to all the liabilities of a shareholder in respect of such shares; and each person to whom any share or shares shall be assigned shall sign an acknowledgment of his having taken such share or shares, which acknowledgment shall be kept by the Directors, and shall be conclusive evidence of such acceptance and that the person signing it has taken upon himself the liability aforesaid.

13. Should the said Directors deem it more expedient, in any case, to enforce the payment of any unpaid instalments than to declare forfeited or sell the share, in respect whereof the said call is due, it shall and may be lawful for the Company to sue for and recover the same from such shareholder, with interest thereon, in an action in any court having civil jurisdiction to the amount claimed: Provided, that nothing herein contained shall in any way affect the right of the Company to declare forfeited the shares of any shareholder for non-payment of calls or subscription, whether after or before such judgment for recovery thereof.

14. The capital stock and increase thereof of the Company is hereby directed and appointed to be laid out and applied, in the first place, to the preliminary expenses attending the establishment of the Company; and all the rest, residue and remainder of such money for and towards carrying out the objects of the undertaking and the other purposes of the Company, and to no other use, intent or purpose whatsoever.

15. The Company shall not be bound to see to the execution of any trust, whether express, implied or constructive

to

to which any of the shares of their capital stock may be subject, and the receipt of the party in whose name any such share shall stand in the books of the Company shall, from time to time, be a discharge to the Company for any dividend or other sum of money payable in respect of such share, notwithstanding any trust to which such share may then be subject, and whether or not the Company have had notice of such trust, and the Company shall not be bound to see to the application of the money paid upon such receipt.

16. Any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any shareholder, or in consequence of the marriage of any female shareholder, may be registered as a shareholder upon such evidence being produced as shall, from time to time, be required by the Directors, and on production of a declaration and request in writing in that behalf,—which declaration shall distinctly state the manner in which, and the party to whom, such shares shall have been transmitted, and shall be, by such party, made and signed; and the signature thereto shall be attested by at least one witness, whom the Company may require to be sworn before a judge of a court of record, or the mayor, provost or chief magistrate of a city, town or borough or municipality, or a public notary, or, if from a foreign country, by the British Consul or Vice-Consul, or other accredited representative of the British Government in the country where the declaration shall be made, which shall be conclusive evidence of such party having agreed to become a shareholder.

17. The annual general meeting of the Company shall be held at Annapolis Royal, in the office of the Company, at such time as may be fixed by the Directors, for the purpose of electing Directors and for transacting the general business of the Company. At such meeting the President of the Company, or in his absence the Vice-President, and in the absence of both, the Managing Director or any other of the Directors, shall take the chair, and shareholders may appear in person or be represented by proxy, as hereinafter provided.

18. The Directors elected at the annual meeting, or by a meeting convened for the purpose, shall assemble within two days after the annual election of the said Directors, and shall then elect from amongst themselves, by a majority of votes of those then present, a President and a Vice-President and a Managing Director, (who may be either the President or the Vice-President,) who shall hold office for one year, or until their successors are elected and enter upon the duties of their offices: any of these officers may call meetings of the Directors as often as occasion may require.

19.

to trusts on shares

Transmission of shares other than by transfer.

Proof of transfer.

Annual general meeting.

Who shall preside.

Election of officers

Term of office.

Calling meeting.

One vote on each share.

Proxies.

Majority to decide.

Proviso; as to proxies.

19. At all meetings of the shareholders held in pursuance of this Act, whether the same be annual or special, every shareholder shall be entitled to as many votes as he has shares in the said stock, and such vote or votes may be given in person or by proxy; and all questions proposed or submitted for the consideration of the said meetings shall be finally determined by the majority of the votes of the shareholders present or voting by proxy, except in any case or cases otherwise provided for by this Act: Provided always, that no person shall be entitled to vote as proxy at any meeting unless he shall be a shareholder in the Company, and produce written authority as such proxy, duly authenticated.

Time and manner of voting at meetings.

Notice.

20. At all elections of Directors or in the transaction of other business of the Company the voting shall be by ballot, and between the hours of ten o'clock A.M. and four o'clock P.M., and thirty days' notice must be given in at least one newspaper published in each of the three Counties of Annapolis, King's and Digby, and by special notices mailed to the addresses of the shareholders who shall have made known such address to the Company, stating whether the meeting is annual or special, and if special, the principal object for which it is called.

Local boards or agents, and their appointment and powers.

21. The Directors of the Company may appoint local boards of management or agents in Canada or elsewhere, and for such time and on such terms as to them shall seem expedient; and the Directors may empower and authorize any such board or agent to do and perform any act or thing, or to exercise any powers which the Directors themselves or any of them may lawfully do, perform and exercise, except the power of making by-laws; and all things done by any such board or agent, by virtue of the powers in them vested by such Directors, shall be as valid and effectual, to all intents and purposes, as if done by such Directors themselves, anything in this Act to the contrary notwithstanding.

Yearly statement of affairs.

22. The Directors shall cause an exact statement of the affairs, debts and assets of the Company to be made up on a certain day in each and every year,—such day to be fixed by the Directors, which statement shall be submitted to the shareholders.

Certain books to be kept and what they shall contain.

23. The Company shall cause a book or books to be kept by the Secretary, or by some other officer specially charged with that duty, wherein shall be recorded the names of all persons who are or have been shareholders, the address and calling of every such person while such shareholder; the number of shares of stock held by each shareholder; the amounts paid in and remaining unpaid, respectively, on the stock of each shareholder; all transfers of stock in their order

order as presented to the Company for entry, with the date and other particulars of each transfer, and the date of the entry thereof; the names, addresses and callings of all persons who are or have been Directors of the Company, with the several dates at which each became or ceased to be such Director.

24. The Directors may refuse to allow the entry, in any such books, of a transfer of stock whereof the whole amount has not been paid in; and no transfer made with the view of relieving the transferrer from pre-existing debts of the Company shall be valid or prevent any antecedent creditor from exercising his remedy against such transferrer in the same way as if he had continued to be a shareholder in the Company.

Conditions as to transfer of shares.

25. Every shareholder shall be permitted to examine the books of the Company on making application, in writing, to the Directors, stating the reasons and objects of such examination: Provided always, that the business of the Company be not interrupted thereby.

Shareholder may examine books.

26. No shareholder shall, as such, be held liable for any claim, engagement, loss or payment, or for any injury, transaction, matter or thing relating to or connected with the Company, or the liabilities, acts or defaults of the Company beyond the sum, if any, remaining due and unpaid on the shares subscribed for or held by him in the stock of the Company.

Liability of a shareholder limited.

27. The shares in the capital stock of the Company shall be deemed personal estate, and shall be transferable as such.

Shares personal estate.

28. Every contract, agreement or bargain by the Company, or by any one or more of the Directors on behalf of the Company, or by any agent or agents of the Company, and every promissory note made or endorsed, and every bill of exchange drawn, accepted or endorsed by such Director or Directors on behalf of the Company, or by any such agent or agents in general accordance with the powers to be devolved to and conferred upon them respectively under the by-laws, shall be binding upon the Company; and in no case shall it be necessary to have the seal of the Company affixed to any such contract, agreement, engagement, bargain, promissory note or bill of exchange, or to prove that the same was entered into, made or done in strict pursuance of the by-laws; nor shall the party entering into, making or doing the same as Director or agent be thereby subjected individually to any liability whatsoever. Provided always, that no such note or bill shall be for any sum of less than one hundred dollars, or be payable to bearer, or intended to be circulated as money, or as the note or bill of a Bank.

Certain contracts, &c., binding on the company.

Seal not requisite.

Proviso; as to notes payable to bearer.

Borrowing powers of the company.

To give security on property of company.

Proviso; amount limited.

Lender not bound to certain inquiries.

Rights of alien shareholders.

Transfer restricted.

Failure of election not to dissolve company.

Forfeited shares.

Paid-up stock may be issued in payment of claims.

29. The Directors may, from time to time, resolve at any meeting specially called for such purpose, to borrow money on behalf of the Company at such rates of interest and upon such terms as they may, by such resolution, determine; and to effect such loan the Directors may authorize the Managing Director of the Company, the President, or any two of the Directors, to make and execute mortgages, issue, grant and consent to bottomry or other bonds or other instruments which may be necessary, and to that end charge such property of the Company as they may by such resolution be authorized to so charge, by way of pledge, mortgage or hypothec, and may assign, transfer or deposit any of the documents, title deeds, muniments, securities or property of the Company, and either with or without power of sale or other special provisions as the Directors at such meeting may deem expedient: Provided that the aggregate of the sum or sums borrowed or bonds issued shall not, at any time, exceed half the amount of the paid up capital stock of the Company; and no lender or purchaser of bonds so issued by the Company shall be bound to enquire into the occasion for any such loan or into the validity of any resolution authorizing the same or the purpose for which such loan is wanted.

30. Aliens shall have the same right as British subjects to take and hold stock or shares in the Company, and to vote either as principals or proxies, and shall be eligible to office in the Company.

31. No share shall be transferable until all overdue calls thereon have been fully paid in, or until declared forfeited for non-payment of calls thereon or sold under an execution.

32. If at any time an election of Directors be not made, or do not take effect at the proper time, the Company shall not be held to be thereby dissolved; but such election may take place at any general meeting of the Company duly called for that purpose.

33. Every share which shall be forfeited shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed of upon such terms, in such manner and to such person or persons as the Company may think fit.

34. The Directors shall have power to issue paid up stock in the Company in payment of the price of steamers and vessels or real estate; and such paid up stock shall be free from all calls whatsoever, and from all claims and demands on the part of the Company or the creditors thereof, to the same extent as if the amount of the same had been

been regularly called in by the Company, and paid by the holder thereof in full.

35. Every Director of the Company, and his heirs, executors and administrators shall, from time to time, be indemnified and saved harmless out of the funds of the Company from and against all costs, charges and expenses whatsoever, which he shall or may sustain or incur in or about any action, suit or proceeding which shall be brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office; and also from and against all other costs, charges and expenses which he shall sustain or incur in or about, or in relation to the affairs thereof, except such costs, charges or expenses as shall be occasioned by his own wilful neglect or default.

Directors indemnified, except for wilful neglect or default.

36. No person holding stock in the Company, as an executor, administrator, curator, guardian or trustee, shall be personally subject to liability as a shareholder, but the estates and funds in the hands of such person shall be liable in like manner and to the same extent as the testator or intestate, or the minor or ward or interdicted person, or the person interested in such trust fund would be, if living, and competent to act; and no person holding such stock as collateral security shall be personally subject to such liability; but the person pledging such stock shall be considered as holding the same, and shall be liable as a shareholder accordingly.

Trustees of stock not personally liable.

Nor persons holding as collateral security.

37. The head office of the Company shall be in Annapolis Royal, but the Directors may have offices and transact business wherever they may see fit.

Offices of the company.

CHAP. 54.

An Act to amend the Act of incorporation of "The Accident Insurance Company of Canada," and to authorize the change of the name of the said Company to "The Accident Insurance Company of North America."

[Assented to 21st March, 1881.]

WHEREAS The Accident Insurance Company of Canada have, by their petition, prayed for an Act to authorize the changing of the name of the said Company and otherwise to amend their Act of incorporation, passed in the

Preamble.

35 V., c. 105. thirty-fifth year of Her Majesty's reign and chaptered one hundred and five, and whereas 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:—

Name of company changed.

Powers and privileges, &c., continued.

Proviso: change must be sanctioned.

Section 2 amended.

Branch offices and agencies may be established.

1. The name of the said Company is hereby changed to "The Accident Insurance Company of North America," by which name in future the said Company shall enjoy all the franchises and privileges, and shall have and hold all the rights and assets, and shall be subject to all the undertakings and liabilities heretofore held, enjoyed or possessed, or which have heretofore attached to the said Company; and no suit, either in law or equity, now pending, either on behalf of or against the said Company, shall be abated by reason of the said change of name, but any such suit may be continued to final judgment in the name under which it shall have commenced: Provided such change of name shall be sanctioned by the shareholders of the said Company at a special general meeting of the shareholders to be convened for that purpose; otherwise the name of the said Company shall remain unchanged.

2. Section two of the Act cited in the preamble is hereby amended by striking out the words "five hundred thousand" which appear in the proviso of the said section, and substituting therefor the words "one million;" and also by adding immediately after the word "meeting," in the said proviso, the words "or general meetings."

3. It shall be lawful for the Company to have offices, maintain agencies and transact business in any part of the United Kingdom of Great Britain and Ireland, the United States of America or elsewhere, as may be determined by the shareholders at a special general meeting or special general meetings expressly convened for that purpose.

CHAP. 55.

An Act to incorporate the Metropolitan Fire Insurance Company of Canada.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS William F. McMaster, Hugh N. Baird, Arthur B. Lee, Henry W. Darling, John A. Boyd, Alexander Manning, Samuel Nordheimer, J. S. Playfair, John Leys, William Galbraith, William D. Taylor and James R. Roaf have,

have, by their petition, prayed that they may be incorporated with others as a Company for the purpose of carrying on the business of fire insurance, 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:—

1. The persons named in the preamble of this Act, with such persons as may become shareholders in the Company to be by this Act created, shall be and they are hereby created, constituted and declared to be a body corporate and politic under the name of "The Metropolitan Fire Insurance Company of Canada" (hereinafter called the Company), and shall have perpetual succession and a corporate seal, with power to alter and change the same at pleasure, and may, by such name, sue and be sued, implead and be impleaded in all courts of law or equity.

Certain persons incorporated.

Corporate name and general power.

2. The chief place of business of the Company shall be in the City of Toronto, or elsewhere in the County of York, in the Province of Ontario, as may be determined at a general meeting of the shareholders to be called for that purpose.

Head office of the company.

3. The Company shall have power and authority to make and effect contracts of insurance with any person or persons, firm, body politic or corporate, against loss or damage by fire on any house, dwelling, store or other building whatsoever, and in like manner on any goods, chattels or personal estate whatsoever, for such time or times and for such premiums or considerations and under such modifications and restrictions and upon such conditions as may be bargained and agreed upon or set forth by and between the Company and the insured, and to cause themselves to be re-insured when deemed expedient against any loss or risk upon which they may have made or may make insurance, and generally to do and perform all other matters and things necessary to such objects.

Business of the company.

Re-insurance.

4. The capital stock of the Company shall be one million dollars, and shall be divided into ten thousand shares of one hundred dollars each, which shares shall be and are hereby vested in the several persons who shall subscribe for the same: Provided always, that it shall and may be lawful for the Company to increase its capital to a sum not exceeding two million dollars, as a majority of the shareholders at a special general meeting, to be expressly convened for that purpose, shall agree upon.

Capital stock and shares.

Increase of capital.

5. The stock of the Company shall be deemed personal estate, and shall be transferable in such manner only and subject to all such conditions and restrictions as by the by-laws of the Company may be prescribed.

Transfers of stock.

Liability of shareholders limited.

6. The shareholders of the Company shall not as such be held responsible for any transaction, matter or thing whatsoever relating to or connected with the Company beyond the unpaid amount of their respective shares in the capital stock thereof.

Extent of liability to creditors defined.

7. Each shareholder, until the whole amount of his stock has been paid in, shall be individually liable to creditors of the Company to an amount equal to that not paid up thereon, but shall not be liable to an action therefor by any creditor before an execution against the Company has been returned unsatisfied in whole or in part; and the amount due on such execution shall, subject to the provisions of the sixth section, be the amount recoverable with costs against such shareholder, and any shareholder may plead by way of defence in whole or in part, any set-off which he could set up against the Company except a claim for unpaid dividends or a salary or allowance as President or Director.

Plea of set-off allowed.

What only need be alleged and proved in actions for calls.

8. In all actions or suits for the recovery of arrears of calls on stock, it shall be sufficient for the Company to allege that the defendant, being the owner of so many shares, is indebted to the Company in such sum of money as the calls in arrear amount to for such and so many shares, whereby an action hath accrued to the Company by virtue of this Act; and on the trial it shall not be necessary to prove the appointment of the Directors who made such calls, or any other matter whatsoever than has hereinbefore been mentioned. A copy of any by-law, regulation or minute, or of any entry in any book of the Company, certified to be a true copy or extract under the hand of the President or Vice-President, Managing Director or Manager of the Company, and sealed with the corporate seal, shall be received in all courts and proceedings as *prima facie* evidence of such by-law, regulation, minute or entry, without further proof thereof and without proof of the official character or signature of the officer signing the same or of the corporate seal.

What shall be evidence.

Company not bound to see to trusts on shares.

9. The Company shall not be bound to see to the execution of any trust whether express, implied or constructive to which any share or shares of its stock may be subject; and the receipt of the person in whose name any share stands shall be a sufficient discharge to the Company for any money paid in respect of such share or shares, notwithstanding any trusts to which they or any of them may be held subject, and whether or not the Company shall have had notice of such trust.

Liability of directors as respects transfers of shares in certain cases.

10. No transfer of shares whereof the whole amount has not been paid in shall be made without the consent of the Directors, and whenever any transfer of shares not fully paid in has been made with such consent, to a person being apparently

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apparently of insufficient means to fully pay up such shares, the Directors, jointly and severally, shall be liable to the creditors of the Company, in the same manner and to the same extent as the transferring shareholder, but for such transfer, would have been; but if any Director, present when any such transfer is allowed, do forthwith, or if any Director then absent, do, within twenty-four hours after he shall have become aware thereof and able so to do, enter on the minute book of the Board of Directors his protest against the same, and do within eight days thereafter publish such protest in at least one newspaper published at, or as near as may be possible to, the office or chief place of business of the Company, such Director may thereby, and not otherwise, exonerate himself from such liability.

How only a director may avoid liability.

11. For the purpose of organizing the Company, the said William F. McMaster, Samuel Nordheimer, Alexander Manning, Hugh N. Baird, Arthur B. Lee, Henry W. Darling and John A. Boyd, shall be provisional Directors thereof, and they, or a majority of them, may cause a stock book or books to be opened, upon which stock book or books may be recorded the subscriptions of such persons as desire to become shareholders in the Company, and such book or books shall be opened in the City of Toronto, and elsewhere, at the discretion of the said provisional Directors, and shall remain open as long as they shall deem necessary.

Provisional directors and their powers.

12. When and so soon as two hundred thousand dollars of the said capital stock shall have been subscribed, as aforesaid, and not less than ten per cent. of the amount so subscribed paid in, the said provisional Directors may call a general meeting of the shareholders at some place to be named in the City of Toronto, giving at least twenty-one days' notice thereof in the *Canada Gazette* and in one daily newspaper published in the said city, at which general meeting the shareholders present in person, or represented by proxy, shall elect seven Directors in the manner and qualified as hereinafter provided, who shall constitute a Board of Directors, and shall hold office as hereinafter provided; Provided always, that no person shall be eligible to be or continue a Director unless he shall hold, in his own name and for his own use, at least forty shares of the capital stock of the Company, and shall have paid all calls thereon and all liabilities incurred by him to the Company; and the shareholders shall have power to increase the number of Directors at the first or any general meeting to any number not exceeding thirteen, or to reduce them to any number not less than five; Provided always, that the Company shall not commence the business of insurance until the sum of not less than five hundred thousand dollars shall have been subscribed, and a sum of not less than one hundred thousand dollars shall have been actually paid in on the subscribed capital.

First meeting of shareholders for election of directors.

Proviso: qualification of directors.

Number of directors may be changed.

Proviso; when business may be commenced.

13. At all meetings of the Company, each shareholder shall be entitled to give one vote for every share held by him for not less than fourteen days prior to the time of voting, upon which all calls then due shall have been paid; such votes may be given either in person or by proxy,—the holder of such proxy being himself a shareholder duly qualified to vote upon his stock; and all questions proposed for the consideration of the shareholders shall be determined by the majority of votes, the chairman presiding at such meeting having the casting vote in case of an equality of votes.

14. In default only of other express provisions in such behalf, by this Act or the by-laws of the Company, such election shall take place yearly,—all the members of the board retiring, and (if otherwise qualified) being eligible for re-election; notice of the time and place for holding general meetings of the Company shall be given at least twenty-one days previously thereto in the *Canada Gazette* and in some newspaper published in or as near as may be to the place where the chief office or place of business of the Company is situate: elections of Directors shall be by ballot: vacancies occurring in the Board of Directors may be filled for the unexpired remainder of the term, by the board from among the qualified shareholders of the Company: the Directors shall, from time to time, elect from among themselves a President and, if they see fit, a Vice-President of the Company, and may also name all other officers thereof.

15. If at any time an election of Directors be not made, or do not take effect at the proper time, the Company shall not be held to be thereby dissolved; but such election may take place at any general meeting of the Company duly called for that purpose; and the retiring Directors shall continue in office until their successors are elected.

16. The Directors of the Company shall have full power in all things to administer the affairs of the Company, and to make or cause to be made for the Company, any description of contract which the Company may, by law, enter into; and may, from time to time, make by-laws not contrary to law, nor to this Act, to regulate the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of certificates of stock, the forfeiture of stock for non-payment, the disposal of forfeited stock and of the proceeds thereof, the transfer of stock, the declaration and payment of dividends, the term of service of the Directors, the appointment, functions, duties and removal of all agents, officers and servants of the Company, the security to be given by them to the Company, their remuneration and that (if any) of the Directors, the time at which, and place where

the

the annual meetings of the Company shall be held, the calling of meetings, regular and special, of the Board of Directors and of the Company, the quorum, the requirements as to proxies, and the procedure in all things at such meetings, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-law, and the conduct in all other particulars of the affairs of the Company; and may, from time to time, repeal, amend or re-enact the same; but every such by-law, and every repeal, amendment or re-enactment thereof, unless in the meantime confirmed at a general meeting of the Company, duly called for that purpose, shall only have force until the next annual meeting of the Company, and in default of confirmation thereat, shall, at and from that time only, cease to have force: Provided always, that one-fourth part in value of the shareholders of the Company shall, at all times, have the right to call a special meeting thereof for the transaction of any business specified in such written requisition and notice as they may issue to that effect: Provided also, that no by-law for the issue, allotment or sale of any portion of the unissued stock at any greater discount or at any less premium than what has been previously authorized at a general meeting, or for the payment of the President or any Director shall be valid or acted upon until the same has been confirmed at a general meeting.

And repealed or amended.

Subject to confirmation at annual meeting.

Proviso: special general meeting may be called.

Proviso: certain by-laws not valid until confirmed.

17. The Company shall have power to lay out and invest its capital in the first place in paying and discharging all costs, charges and expenses incurred in applying for and obtaining this Act and all other expenses preparatory or relating thereto, and shall have power to acquire and hold such real estate as it may require for the purposes of its business within the Dominion of Canada or elsewhere, and to sell and dispose of the same, and to take, hold and acquire other property in its place as may be deemed expedient, and to take, hold and acquire all such lands and tenements, real and immovable estate, as shall have been *bonâ fide* mortgaged to it by way of security or conveyed to it in satisfaction of debts previously contracted in the course of its dealings or otherwise obtained: Provided that the Company shall not retain such real estate so acquired in satisfaction of debts for a period exceeding five years: and the Company may invest the capital stock, funds and moneys of the Company, temporarily or otherwise, in Dominion, Provincial, municipal and foreign securities, in bonds and mortgages and the stocks of the incorporated moneyed institutions of the Dominion of Canada, and may change and re-invest the same as occasion may, from time to time, require.

Application of capital. Powers as to real estate.

Proviso.

Investment of funds.

18. The Company shall not make any dividend whereby their capital will be, in any degree, reduced.

Dividends not to impair capital.

19.

Branch offices
elsewhere
than in
Canada.

19. It shall be lawful for the Company to have offices, maintain agencies, and transact business in any part of the United Kingdom of Great Britain and Ireland, and in any part of the United States of America, should a majority of the shareholders, at a special general meeting to be expressly convened for that purpose, so determine.

Deposits may
be made.

20. To enable the Company to extend their business to parts abroad, as contemplated by this Act, it shall be lawful for the Company to make deposits of money or securities there, in compliance with the laws of the country, state or states wherein it may be desirable to carry on their business of insurance.

General laws
to apply.

21. This Act and the Company hereby incorporated, and the exercise of the powers hereby conferred, shall be subject to the provisions contained in "*The Insurance Acts of 1875 and 1877*," and to all other general laws in force or that may hereafter be in force respecting Fire Insurance Companies.

CHAP. 56.

An Act to incorporate the English and Colonial Insurance Company.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS the Honorable George W. Allan, D. McCarthy, R. H. Bethune, H. Strathy, S. Nordheimer, T. S. Stayner, W. Ramsay, Ralph K. Burgess, W. Galbraith, J. W. G. Whitney, B. H. Dixon, J. Crowther and F. A. Ball, have petitioned for an Act to incorporate them and others under the style and title of the English and Colonial Insurance Company, for the purpose of carrying on the business of Fire, Inland and Ocean Marine Insurance, in the Dominion of Canada, and elsewhere; and whereas 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:—

Incorporation.

1. The said persons and all such other persons and bodies corporate and politic as shall, from time to time, be possessed of any share or shares of the stock of the Company hereby incorporated, are hereby constituted and shall be one body corporate and politic, in law and in fact, by the name of "*The English and Colonial Insurance Company*," and by that name shall have perpetual succession and a common seal, with power to change and alter such seal at pleasure, and
by

Corporate
name and
general
powers.

by that name may sue and be sued, plead and be impleaded, in all courts whatsoever.

2. The capital stock of the Company shall be one million dollars, divided into ten thousand shares of one hundred dollars each, which said shares shall be and are hereby vested in the several persons and bodies corporate and politic who shall subscribe for the same, their legal representatives and assigns, subject to the provisions of this Act: Provided always, that it shall be lawful for the Company, from time to time, to increase its capital stock to such sum, not exceeding in the whole five millions of dollars, as a majority of the shareholders representing at least one-half of the subscribed capital, at a special general meeting to be specially convened for that purpose, from time to time, shall agree upon.

Capital and shares.

Proviso: how the company may increase its capital.

3. For the purpose of organizing the Company, the persons named in the preamble of this Act shall be provisional Directors thereof; and they, or a majority of them, may cause stock books to be opened, after giving such notice thereof as they may deem necessary, upon which stock books shall be recorded the subscriptions of such persons and bodies corporate and politic as desire to become shareholders in the Company; and such books may be opened in the City of Toronto and elsewhere at the discretion of the said provisional Directors, and may remain open as long as they deem it necessary: Provided always, that the said provisional Directors may issue such shares at their par value, or at such rate of premium as they may consider advisable, the amount of all premiums on stock to be placed to the credit of a reserve fund in the books of the Company.

Provisional directors and their powers.

Proviso: as to issue of shares.

4. When and so soon as five hundred thousand dollars par value of the said capital stock shall have been subscribed as aforesaid, and one hundred thousand dollars thereon paid in, the said provisional Directors may call a general meeting of shareholders, at some place to be named in the City of Toronto, giving at least ten days' notice thereof in the *Canada Gazette*, and also in some daily newspaper published in the said city, at which general meeting the shareholders present in person or by proxy shall elect nine Directors in the manner and qualified as hereinafter provided, who shall constitute a Board of Directors, and who shall hold office until the third Wednesday in February in the year following their election.

First general meeting for election of directors.

Notice.

Term of office.

5. The shares of capital stock subscribed for, and the premium, if any, thereon shall be paid in and by such instalments at such times and places as the Board of Directors for the time being may, from time to time, limit and direct: Provided always that the Directors may allow such rate of interest

Calls.

Proviso: the directors may allow interest

interest for pre-payment of calls.

Proviso : \$100,000 to be paid in before commencing business.

Nine directors to be elected.

How and when to be elected.

Notice.

Ballot.

Case of equality of votes.

President and Vice-President. Vacancies among directors, how filled.

Proviso : qualification of directors.

Provision in case of failure to elect direc-

interest for prepayment of calls not exceeding six per cent. per annum, as they may deem expedient; and provided also that it shall not be lawful for the Company to commence the business of fire, inland navigation and marine insurance until a sum not less than one hundred thousand dollars shall have been actually paid in on account of the subscribed stock.

6. The stock, property, affairs and concerns of the Company shall be managed and conducted by a Board of Directors, one of whom shall be chosen President, and one Vice-President, who, excepting as hereinbefore provided for, shall hold office for one year, which Directors shall be elected at the annual general meeting of shareholders to be holden at Toronto on the third Wednesday in February in each year, or on such other day as may be regulated by by-law,—not less than ten days, notice of such meeting being given by advertisement in some daily newspaper published in Toronto; and the said election shall be held and made by such of the shareholders present in person or by proxy as shall have paid all calls made by the Directors and then due; and all such elections shall be by ballot, and the nine persons who shall have the greatest number of votes at any such election shall be Directors, except as hereinafter directed; and if two or more persons have an equal number of votes in such a manner that a greater number of persons than nine shall appear to be chosen as Directors, then the Directors who shall have a greater number of votes, or the majority of them, shall determine which of the said persons so having an equal number of votes shall be Director or Directors, so as to complete the whole number of nine: and the Directors, as soon as may be, after the said election, shall proceed in like manner to elect one of their number to be President and one to be Vice-President: and if any vacancy should at any time happen amongst the Directors by death, resignation, disqualification or absence from the board meetings for three consecutive months without leave of the board, during the current year of office, such vacancy may be filled for the remainder of the year by the remaining Directors, or the majority of them, electing in such place or places, a shareholder or shareholders, eligible for such an office: Provided always, that no person shall be eligible to be or continue as Director unless he shall hold in his own name and for his own use, stock in the Company to the amount of fifty shares, whereof at least twenty per cent. shall have been paid in, and shall have paid all calls made upon his stock, and all liability incurred by him with the Company.

7. If at any time an election of Directors be not made, or do not take effect at the proper time, the Company shall not be held to be thereby dissolved; but such election may take place

place at any general meeting of the Company duly called for that purpose; and the retiring Directors shall continue in office until their successors are elected.

8. At all general meetings of the Company each shareholder shall be entitled to give one vote for each share then held by him. Such votes may be given in person or by proxy,—the holder of any such proxy being himself a shareholder. But no shareholder shall be entitled, either in person or by proxy, to vote at any meeting unless he shall have paid all the calls upon all the shares held by him. All questions proposed for the consideration of the shareholders shall be determined by the majority of votes,—the Chairman presiding at such meeting having the casting vote in case of an equality of votes.

Shareholders to have one vote per share.

Proviso.

Proviso; majority to decide. Casting vote.

9. At all meetings of Directors, five shall be a quorum for the transaction of business, and all questions before them shall be decided by a majority of votes; and in case of an equality of votes, the President, Vice-President or presiding Director shall give the casting vote in addition to his vote as Director.

Five directors a quorum.

Casting vote.

10. The Company shall have power and authority to make and effect contracts of insurance with any person or body corporate or politic against loss or damage by fire, or by explosion or lightning, on any houses, stores or other buildings, lumber, timber, grain, flour, shipping and vessels, goods, chattels and personal estate, and on any other property whatsoever and wheresoever situated in Canada or elsewhere, and to make and effect contracts of insurance with any person or body corporate or politic, against loss or damage of or to sea-going, lake-going or river-going ships, boats, vessels, steamboats or other craft navigating the oceans, lakes, rivers, high seas or any other navigable waters whatsoever, from any port or ports in Canada to any other port or ports in Canada or to any British or foreign port or ports upon the oceans, lakes, rivers or other navigable waters aforesaid, or from one foreign port to another foreign port, or from any British or foreign port or ports to any port or ports in Canada or elsewhere upon all or any of the oceans, seas, lakes, rivers and navigable waters aforesaid; and against any loss or damage of or to the cargoes or property conveyed in or upon such ships, boats, vessels, steamboats or other craft, and the freight due or to grow due in respect thereof; or of or to timber or other property of any description conveyed in any manner upon all or any of the oceans, seas, lakes, rivers and navigable waters aforesaid, for such premium or premiums or consideration and under such modifications and restrictions as may be bargained for or agreed upon or set forth by and between the Company and the person or persons agreeing with them for such assurance; and the Company shall have power

Power: to effect insurance contracts. Fire insurance.

Marine insurance.

Re-insurance.

to

to cause themselves to be insured against loss or damage or risk they may have incurred in the course of their business, and generally to transact all such other business as is usually transacted by fire and marine insurance companies.

Directors may make by-laws for certain purposes, and repeal or amend them.

To be subject to control of next yearly meeting.

Proviso; for special meetings.

Proviso; as to by-laws respecting issue of stock.

Proof of by-laws.

11. The Directors of the Company shall have full power in all things to administer the affairs of the Company, and to make or cause to be made for the Company, any description of contract which the Company may by law enter into; and may, from time to time, make by-laws not contrary to law, nor to this Act, to regulate the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of certificates of stock, the forfeiture of stock for non-payment, the disposal of forfeited stock and of the proceeds thereof, the transfer of stock, the declaration and payment of dividends, the number of the Directors, their term of service, the amount of their stock qualification, the appointment, functions, duties and removal of all agents, officers and servants of the Company, the security to be given by them to the Company, their remuneration and that (if any) of the Directors, the time at which, and place where the annual meetings of the Company shall be held, the calling of meetings, regular and special, of the Board of Directors and of the Company, the quorum, the requirements as to proxies, and the procedure in all things at such meetings, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-law, and the conduct in all other particulars of the affairs of the Company; and may, from time to time, repeal, amend or re-enact the same; but every such by-law, and every repeal, amendment or re-enactment thereof, unless in the meantime confirmed at a general meeting of the Company, duly called for that purpose, shall only have force until the next annual meeting of the Company, and in default of confirmation thereat, shall, at and from that time only, cease to have force: Provided always, that one-fourth part in value of the shareholders of the Company shall, at all times, have the right to call a special meeting thereof for the transaction of any business specified in such written requisition and notice as they may issue to that effect: Provided also, that no by-law for the issue, allotment or sale of any portion of the unissued stock at any greater discount or at any less premium than what has been previously authorized at a general meeting, or for the payment of the President or any Director, shall be valid or acted upon until the same has been confirmed at a general meeting.

12. A copy of any by-law of the Company, under their seal, and purporting to be signed by any officer of the Company, shall be received as against any shareholder of the Company as *prima facie* evidence of such by-law in all courts in Canada

13. The stock of the Company shall be deemed personal estate, and shall be transmissible as such and shall be transferable, in such manner only, and subject to all such conditions and restrictions as by this Act or by the by-laws of the Company, are or shall be prescribed.

Stock to be deemed personal estate.

14. It shall be lawful for the Company to invest the capital stock, funds and moneys of the Company temporarily or otherwise in Dominion, Provincial, municipal and foreign government securities, in bonds and mortgages and the stocks of the incorporated moneyed and other institutions of the Dominion of Canada, Great Britain and the United States of America, and to call in, change and re-invest the same as occasion may, from time to time, require.

Investment of moneys by the company.

15. To enable the Company to extend their business to parts abroad, it shall be lawful for the Company to make deposits of money or securities there in compliance with the laws of the country or state or states wherein it may be desirable to carry on their business of assurance.

They may deposit moneys abroad.

16. The Company shall have power to acquire and hold real estate, and to build thereon for the purpose of their business within the Dominion of Canada and elsewhere, of an annual value not exceeding twenty thousand dollars, in the Dominion of Canada or other country or countries respectively, and to sell and dispose of the same, and to acquire other property in its place as may be deemed expedient, and to take, hold and acquire all such lands and tenements, real and immovable estate, as shall have been *bonâ fide* mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts, or purchased for the purpose of avoiding a loss to the Company in respect thereof or to the owner thereof, and to retain the same for a period not exceeding ten years.

Powers as to real estate.

Limitation of holding.

17. The policies of insurance issued by the Company shall be under the seal of the Company, and shall be signed by the President or Vice-President and countersigned by such officer as may be directed by the by-laws, rules and regulations of the Company, and being so sealed, signed and countersigned, shall be deemed valid and binding upon the Company according to the tenor and meaning thereof: Provided always that the seal of the Company may be printed or engraved on policies or other contracts if so ordered by the Board.

Execution of policies.

Proviso; seal may be engraved or printed.

18. If any shareholder shall neglect or refuse to pay the instalment due upon any share or shares held by him, the Directors may forfeit such share or shares, together with the amount

Forfeiture of shares for non-payment of calls.

And sale of the same.

Proviso; as to application of proceeds.

amount previously paid thereon, in such manner as may be provided by the by-laws; and such forfeited share or shares may be sold at a public sale by the Directors after such notice as they may direct, and the moneys arising therefrom shall be applied for the purposes of this Act: Provided always that in case the money realized by any sale of shares be more than sufficient to pay all arrears and interest, together with the expenses of such sale, the surplus of such money shall be paid on demand to the owner; and no more shares shall be sold than what shall be deemed necessary to pay such arrears, interest and expenses.

Owner of share may pay arrears, &c., before sale.

Suits for calls.

Allegation in suits for calls.

What shall be *prima facie* proof in such suits.

19. If payment of such arrears of calls, interest and expenses be made before any share so forfeited shall have been sold, such share shall revert to the owner as if the same had been duly paid before forfeiture thereof; the Company may, if they see fit, instead of declaring forfeited any share or shares, enforce payment of all calls and interest thereon, by action in any competent court; and in such action it shall not be necessary to set forth the special matter, but it shall be sufficient to declare that the defendant is a holder of one share or more, stating the number of shares, and is indebted in the sum of money to which the calls in arrear amount, in respect of one call or more upon one share or more, stating the number of calls and the amount of each, whereby an action hath accrued to the Company under this Act; and a certificate under their seal, and purporting to be signed by any officer of the Company, to the effect that the defendant is a shareholder, that such call or calls has or have been made, and that so much is due by him and unpaid thereon, shall be received as against the defendant in all courts as *prima facie* evidence to that effect.

Certain transfers of shares must be valid.

And by consent of directors.

Proviso: as to indebtedness to company.

20. No transfer of any share of the stock of the Company, unless made by sale under execution, or under the decree, order or judgment of some court competent in that behalf shall be valid for any purpose whatever, save only as exhibiting the rights of the parties thereto towards each other, and as rendering the transferee liable, *ad interim*, jointly and severally with the transferrer, to the Company and its creditors, until entered in the books of the Company according to such form as may, from time to time, be fixed by the by-laws; and until the whole capital stock of the Company is paid up it shall be necessary to obtain the consent of the Directors to such transfer being made: Provided always that no shareholder indebted to the Company shall be permitted to make a transfer or receive a dividend until such debt is paid or secured to the satisfaction of the Directors; and no transfer of stock shall, at any time, be made until all calls thereon have been paid in.

21. No transfer of any policy of assurance shall be valid until entered in the books of the Company and consented to by the Managing Director or Manager.

As to transfers of policies.

22. Each shareholder, until the whole amount of his shares has been paid up, shall be individually liable to the creditors of the Company to an amount equal to that not paid up thereon; but shall not be liable to an action therefor by any creditor, before an execution against the Company has been returned unsatisfied in whole or in part; and the amount due on such execution, not exceeding the amount unpaid on his shares, as aforesaid, shall be the amount recoverable, with costs, against such shareholder; and any amount so recoverable, being paid by the shareholder, shall be taken as paid on his shares.

Liability of holders of shares not paid up to creditors of company.

23. The shareholders of the Company shall not, as such, be held responsible for any act, default or liability whatsoever of the Company, or for any engagement, claim, payment, loss, injury, transaction, matter or thing whatsoever, relating to or connected with the Company, beyond the amount unpaid on their respective shares in the capital stock thereof, subject to the provisions of the next preceding section.

Limited to the amounts unpaid on their shares.

24. The head office of the Company shall be in the City of Toronto; but the same may be removed to another place; provided always that a by-law to that effect be approved by the majority of shareholders present at an annual general meeting, or a special general meeting to be called for the consideration of such by-law,

Head office of the company. Proviso.

25. All contracts, cheques, drafts, acceptances and other writings intended to be in any wise binding on the Company and not under seal shall be signed by the Managing Director or Manager, and certified by the President or Vice-President as being in pursuance of the order or resolution of the Board of Directors.

Contracts, &c, not under seal to be signed and certified.

26. At the annual general meeting of the shareholders the election of Directors shall be held, and all business transacted, without the necessity of specifying such business in the notice of such meeting; and at such meeting a general balance sheet and statement of the affairs of the Company with a list of the shareholders thereof, and all such further information as shall be required by the by-laws shall be laid before the shareholders:

Annual general meetings, business and proceedings.

2. Special general meetings of the shareholders may be called in such manner as may be provided for by the by-laws: and at all meetings of the shareholders the President, or in his absence the Vice-President, or in the absence of both of them, a Director chosen by the shareholders, shall preside,

Special general meetings. Who to preside.

VICT.

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preside, who in case of an equality of votes shall give the casting vote in addition to his vote as a shareholder.

The directors may declare dividends.

Proviso.

27. The Directors of the Company may declare such dividends and bonuses on the capital stock, yearly, half-yearly or quarterly, as they shall deem justified by the results of the Company's business, so that no part of the capital of the Company be appropriated to any such dividends or bonuses.

The directors may levy an assessment on the capital stock whenever impaired.

And enforce the same.

Proviso.

Proviso.

28. If it should appear at any time that after providing for all liabilities of the Company, including fifty per cent. of the premiums in all fire and inland navigation policies and one hundred per cent. of the premiums on all ocean marine policies in force as a reserve for unearned premiums or a re-insurance fund, the capital stock of the Company is impaired, the Directors of the Company may levy an assessment on the stockholders of the Company, according to such capital stock of the Company, independent of and in addition to all ordinary calls, sufficient to make good the amount of such impairment, and in case any shareholder or shareholders shall fail or refuse to pay in at the head office of the Company the amount of the assessment on his, her or their stock, the Directors may sell so much of his, her or their stock as shall be sufficient to make good the amount of the assessment thereon either by public or private sale, having first mailed to each of such shareholders at his last place of residence, as registered in the books at the head office of the Company, a notice at least ten days before such sale shall take place: Provided always that the amount of any such assessment may be returned to the shareholders, when it can be done without leaving the capital impaired; and provided further that such assessments and calls shall not in the aggregate exceed one hundred dollars per share.

Power to take over the business of any similar company.

29. It shall be lawful for the Company to purchase and take over the business of, or amalgamate with any other fire or fire and marine insurance company or companies on such terms as may be mutually agreed upon by the shareholders of the Company and of such other company or companies, at any annual or special general meeting thereof respectively.

38 V., c. 20 and 40 V., c. 42 to apply.

30. The Company shall be subject to the provisions of "*The Insurance Acts of 1875 and 1877.*"

CHAP. 57.

An Act further to amend the Act incorporating the Canada Guarantee Company and to change the name of the said Company to "The Guarantee Company of North America."

[Assented to 21st March, 1881.]

WHEREAS the Canada Guarantee Company have, by their petition, prayed for an Act to change the name of the said Company and to amend certain sections of the Act incorporating the said Company, that is to say, the Act of the late Province of Canada passed in the session held in the fourteenth and fifteenth years of Her Majesty's reign and chaptered thirty-six; 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.

Act of Province of Canada, 14 and 15 V., c. 36.

1. The name of the said Company is hereby changed to "The Guarantee Company of North America" by which name, in future, the said Company shall enjoy all the franchises and privileges, and shall have and hold all the rights and assets, and shall be subject to all the undertakings and liabilities heretofore held, enjoyed or possessed, or which have heretofore attached to the said Company; and no suit either in law or in equity now pending either on behalf of or against the said Company, shall be abated by reason of the said change of name, but the same may be continued to final judgment in the name under which it shall have been commenced.

Name of company changed.

Powers and privileges continued &c.

2. Sections six and seven of the Act cited in the preamble are hereby repealed.

Sections 6 and 7 repealed.

3. The affairs of the Company shall be administered by a board of nine Directors who shall be elected by the shareholders yearly at the annual general meeting; no person shall be elected a Director unless he be and continue to be, during his term of office, the proprietor in his own name and right of not less than twenty shares of the capital stock of the Company; and retiring Directors, if otherwise qualified, shall be eligible for re-election: Provided always, that a majority of the Directors so elected shall be British subjects and resident in Canada: And provided also, that the shareholders may at any annual general meeting or at any special general meeting called for the purpose, increase

Board of Directors.

Election and qualification.

Proviso.

Proviso: for increase or reduction of number.

the number of Directors to any number not exceeding fifteen or reduce the same to any number not less than seven, —public notice of the intention so to increase or reduce the number of Directors being given by advertisement for at least thirty days previous to such meeting.

Section 28 amended.

4. Section twenty-eight of the said Act is hereby amended by adding immediately after the word "Treasurer" therein, the words "or such other person as may, by by-law, be appointed from time to time."

Section 33 repealed.

5. Section thirty-three of the said Act is hereby repealed.

Provision for increase of capital and allotment of shares.

6. It shall be lawful for the Directors to increase the capital of the Company by the issue of new shares, either at once or from time to time, to the amount in the whole (including the present capital) of five million dollars; and if the shares of the Company shall be at a premium, the same shall be offered to the shareholders ratably according to the amount of their shares, or the same or any of them may, at the option of the said Directors, be sold, and the profits arising from such sale added to the shareholders fund; but if the new shares shall not be at a premium then the same may be disposed of as the Directors may think fit, and on such terms and conditions as they may think proper. Provided always, that the subscribed capital stock of the said, Company shall not be increased by the said Directors beyond the sum of one million dollars, without the consent of shareholders holding a majority of the entire stock of the Company either present in person or represented by proxy at a special general meeting or special general meetings to be expressly convened for that purpose.

Proviso: as to increase beyond \$1,000,000.

CHAP. 58

An Act to enlarge and extend the powers of the "Crédit Foncier Franco-Canadien."

[Assented to 21st March, 1881.]

Preamble.

WHEREAS the Crédit Foncier Franco-Canadien, incorporated by the statute of the Province of Quebec, passed in the session of the Legislature of that Province held in the forty-third and forty-fourth years of Her Majesty's reign, chapter sixty, intituled "*An Act to incorporate the Crédit Foncier Franco-Canadien*," has prayed for an extension

Act of Quebec, 43, 44 V., c. 60.

extension and enlargement of its powers so as to allow it to transact business throughout the Dominion, and it is expedient to grant the prayer of its petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. It shall be lawful for the Corporation created and constituted under the name of "Crédit Foncier Franco-Canadien" by the statute of the Province of Quebec, cited in the preamble, to exercise the powers hereinafter mentioned, in every part of the Dominion of Canada:—

Powers of the corporation.

1. To lend money as a first charge on mortgage or hypothecation of real estate, either freehold or leasehold, situate within the Dominion of Canada, repayable either at long date by annuities, including an annual payment by way of sinking fund for the gradual extinction of the loan, or at short date with or without progressive sinking of the debt ;

Loans on real estate.

2. To lend money upon the hypothecation or security of mortgages or of hypothecary or privileged claims being a first charge on real estate, either freehold or leasehold, situate within the Dominion of Canada, repayable either at long date by annuities, including an annual payment by way of sinking fund for the gradual extinction of the loan, or at short date with or without progressive sinking of the debt ;

On bonds and mortgages.

3. To lend on mortgage or hypothec or otherwise, to municipal and school corporations throughout the Dominion of Canada, and *fabriques* and trustees for the construction or repair of churches, such sums of money as they may be authorized to borrow, repayable either at long date by annuities, including an annual payment by way of sinking fund for the gradual extinction of the loan, or at short date with or without progressive sinking of the debt ;

Loans to corporations.

4. To acquire by assignment or transfer bonds and mortgages and hypothecary or privileged claims being a first charge upon real estate, either freehold or leasehold, situate within the Dominion of Canada ;

Acquisition of claims.

5. To make loans upon, or to purchase bonds or debentures issued by municipal or school corporations in the Dominion of Canada, and by incorporated companies doing business therein, and to sell the same if deemed advisable ;

Purchase of or loans on bonds and debentures of corporations.

6. To make loans upon, or to purchase bonds and debentures and other public securities of the Dominion of Canada, or of any of the Provinces thereof, and to sell the same if deemed advisable.

And public securities.

What only
may be taken
as security.

2. The Corporation shall accept as security only real estate, either freehold or leasehold, of which the revenues are deemed sufficient.

Limit of
loans and
annuities.

The amount of each loan shall not exceed one-half of the estimated value of the real estate, either freehold or leasehold, mortgaged or hypothecated therefor; and the annuity which the borrower may oblige himself to pay shall not exceed the net revenue which it may be estimated that the property might yield.

Valuation of
property.

The valuation of property offered as security shall be made on the double basis of the net revenue which it is susceptible of yielding, and of the price which it would bring if sold.

Local divi-
sions for bu-
siness pur-
poses of the
company.
Proviso.

3. For the management of business each Province other than the Province of Quebec shall form a division; but the Board of Management may, if it deems proper, divide each of such Provinces into two or more divisions, and may subsequently re-divide such divisions and form others; and may also divide the Province of Quebec into more than two divisions, and may subsequently subdivide such divisions and form others.

Branches and
agencies.

4. A branch office or agency may be established in any division, whenever the Board of Management deem it advisable.

Advisory
Boards.

5. The Board of Management may appoint and remove, when it sees fit, an Advisory Board in any division, composed of two or more shareholders, and may delegate to such Advisory Boards such powers for the granting of loans, not exceeding ten thousand dollars, as it may deem desirable.

Qualification
of members.

Each member of such Advisory Boards shall be the holder of twenty-five shares, which shall be affected by privilege as security for his good conduct, and shall not be transferable while he remains in office.

Managers
and agents.

6. A manager or agent may be appointed to administer the affairs of the Corporation in each Province or in any division which may be established by the Board of Management; and such managers or agents shall have the powers and be subject to the obligations prescribed from time to time by the Board of Management.

Suing and
being sued.

7. The Corporation may sue and be sued, complain and defend in any court of law or equity in the Dominion.

8.

8. The Corporation may stipulate for, exact and take, on all sums loaned, any rate of interest not exceeding six per centum per annum. Rate of interest limited.

When the loan is repayable by way of a sinking fund, the Corporation shall stipulate for, exact and take an annual sum for the gradual extinction of the loan to be determined by the rate of interest and the duration of the loan, and may also stipulate for, exact and take a percentage or commission for cost of management not exceeding one per centum per annum on the principal loaned; but, in such case, such percentage or commission and the interest together must not exceed six per centum per annum on the principal loaned. Sinking fund for paying off loan.

9. The annuity in the case of loans contracted with progressive sinking of the debt is composed of:— Of what the annuity for paying off shall be composed.

1. The interest;
2. The annual sum for the progressive sinking of the debt; and may also include,—
3. The percentage or commission for cost of management.

In case it should be stipulated that the insurance of the buildings on the estate mortgaged or hypothecated, may be made in the name of the Corporation and that the annual premiums therefor may be paid through the medium of the Corporation, the annuity may be increased by the amount of the annual premium. Insurance.

The annuities are to be paid half-yearly at the periods and places fixed by the Board of Management. Payment of annuities.

10. Every half-yearly instalment of an annuity, and every instalment of interest on loans without a sinking fund, if not paid when due, shall, of right and without any putting in default being necessary, bear interest for the benefit of the Corporation, at the same rate as the loan itself. Interest on arrears and costs.

11. Debtors of the Corporation shall have the right to discharge their debts before they become due, whether in whole or in part only. Anticipated payments.

Antioipated payments shall give rise to an indemnity in favour of the Corporation which shall not exceed three months' interest on the capital repaid before coming due, at the rate stipulated for the loan. Indemnity to company in such case.

12. The provisions of the Act forty-third Victoria, chapter forty-two, shall apply to the Corporation. Act 43 V., c. 42 to apply.

13.

8.

Power to borrow money and issue bonds of the corporation.

13. The Corporation may, from time to time, borrow money to an amount which shall not exceed five times the amount of its paid up and unimpaired capital; and it may, for that purpose, execute, negotiate and issue obligations or bonds or debentures in sums of not less than five hundred francs, French currency, redeemable either at a fixed period or within a definite term by means of drawings with or without premiums or prizes. It may stipulate and pay on the obligations or bonds or debentures which may be issued by it, any, rate of interest that may be lawfully taken by individuals at the place where they are issued.

Interest on bonds.

Bonds may be in dollars or francs.

14. Any bond or debenture issued under the provisions of this Act may be issued in the denomination of dollars or francs, and the coupons attached representing the interest on such bonds may correspond to the denomination of the bond to which they are attached.

Powers as to real estate, amount limited.

15. The Corporation may acquire and hold such real estate as may be necessary for offices for the transaction of its business in the several Provinces of the Dominion; but the value of such real estate acquired in each division for such purpose shall not exceed at the time of acquisition the sum of fifty thousand dollars.

Power to dispose of.

It may, from time to time, lease, mortgage, hypothecate, sell or otherwise dispose of or deal with such real estate.

To purchase claims on such property.

It may also, for the protection of its investments, purchase and hold real estate mortgaged or hypothecated in its favour; but it shall sell or otherwise dispose of such real estate so acquired in payment or for the protection of its claims, within seven years from the acquisition thereof; and may, in the meantime, deal with and manage and may, from time to time, mortgage, hypothecate or lease the real estate so acquired and held.

Term of holding limited.

Notices, how published.

16. Notices of meetings of shareholders and all other notices required to be published, shall be published in the *Canada Gazette*.

Annual report to Minister of Finance and what it must show.

17. The Corporation shall transmit, on or before the first day of March in each year, to the Minister of Finance, a statement in duplicate to the thirty-first day of December inclusive of the previous year, verified by the oath of the President, Vice-President or the Managing Director, setting out the capital stock of the Corporation and the proportion thereof paid up, the number of shares to order and the number to bearer, the assets and liabilities of the Corporation, the amount and nature of the investments and the average rate of interest derived therefrom, the extent and value of the real estate held, the amount and nature of the obligations

tions or bonds or debentures issued and the rate of interest payable thereon, and such other details as to the nature and extent of its business as may be required by the Minister of Finance, and in such form and with such details as he may, from time to time, require and prescribe; but the Corporation shall in no case be bound to disclose the names or private affairs of any persons who may have dealings with it.

CHAP. 59.

An Act to incorporate the *Crédit Foncier* of the Dominion of Canada.

[Assented to 21st March, 1881.]

WHEREAS *La société financière de Paris*; the firm of Kohn, Reinach and Company, of Paris, in France, bankers; W. Betzold, Esquire, of Paris, in France; Duncan McIntyre, of Montreal, Esquire; the Honorable J. Rosaire Thibaudeau, Senator of the Dominion of Canada; the Honorable Matthew Henry Cochrane, Senator of the Dominion of Canada; Charles D. Rose, of London, England, banker; the Honorable Peter Mitchell, of Montreal, and Andrew Robertson, of Montreal, merchant, have by their petition prayed for an Act of incorporation for the establishment, by means of a capital to be subscribed in Canada, Germany, France and elsewhere, of an institution of landed credit having for its object to supply real estate owners in the Dominion of Canada, who may desire to borrow upon hypothecary or mortgage securities, with the means of paying their indebtedness by long term annuities, and with the right to issue and negotiate obligations or bonds bearing interest yearly and repayable at par, or with prizes or premiums; and whereas it is expedient to grant the prayer of their petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

TITLE FIRST.

INCORPORATION OF THE INSTITUTION.

1. A Corporation is hereby created and constituted under the name of the *Crédit Foncier* of the Dominion of Canada.

TITLE

TITLE SECOND.

OBJECTS OF THE CORPORATION.

- Objects of the corporation. 2. The objects of the Corporation shall be,—
- Loans on hypothec. 1. To loan, upon hypothec or mortgage, to owners of real estate either freehold or leasehold within the Dominion of Canada, sums of money repayable either at long date by annuities, or at short date, with or without a sinking fund ;
- Loans on privileged claims. 2. To loan, upon the security of hypothecary, mortgage or privileged claims affecting immovables, or of the transfer of a mortgage or lien on real estate either freehold or leasehold situate in the Dominion of Canada, sums of money payable either at long date by annuities, or at short date, with or without a sinking fund ;
- To certain public bodies. 3. To loan, upon hypothec, mortgage or otherwise, to municipal and school corporations, to *Fabriques* and trustees for the construction or repair of churches in the said Dominion, such sums of money as they may be authorized to borrow, and repayable either at long date by annuities, or at short date, with or without a sinking fund ;
- Acquisition of claims. 4. To acquire by subrogation or transfer, hypothecary, mortgage or privileged claims upon immovables situate in the said Dominion ;
- Purchase of bonds. 5. To purchase bonds or debentures issued by municipal and school corporations in the said Dominion, and by incorporated companies doing business in the said Dominion, and to re-sell the same if deemed advisable ;
- Loans to Government. 6. To make loans to the Government of any of the Provinces of the Dominion ;
- Issue of bonds. 7. To create and negotiate, as representing its operations, obligations or bonds, to an amount which shall not exceed five times the amount of its paid-up and unimpaired capital.

TITLE THIRD.

HEAD OFFICE AND DURATION OF THE CORPORATION.

- Head office and branches. 3. The seat or chief office of the Corporation shall be at Montreal. Branch offices may be established at such other places in the said Dominion as the Board of Management may deem advisable.

4. The duration of the Corporation shall be limited to ninety-nine years, dating from the coming into force of this Act, unless further extended as hereinafter provided for.

Duration of the corporation.

TITLE FOURTH.

CAPITAL STOCK—SHARES—INSTALMENTS.

5. The capital stock shall be five million dollars gold, divided into fifty thousand shares of one hundred dollars each. It may be increased by a resolution adopted at a special general meeting.

Capital stock and shares. Increase.

6. The capital stock shall be composed of issues of ten thousand shares each, of which the first shall be issued at once: on the ten thousand shares composing the first issue, ten per cent. shall be paid on subscription and fifteen per cent. in the month following: the dates of the issues of the remaining forty thousand shares shall be determined by the Board of Management. Holders of shares previously issued shall, within the delay fixed by the Board of Management, be entitled by privilege and in proportion to the stock they hold, to subscribe for the forty thousand shares. The new shares must be paid up in the same proportion as the shares previously issued; the new shares shall not be allotted below par; and the Board of Management shall determine the amount of the subsequent calls, as well as the manner and the delay in which they shall be paid up: the Corporation may commence business whenever one million dollars have been subscribed and twenty five per cent thereof has been paid up.

Separate issues of stock, and payments thereon.

When to commence business

7. The subscribers to the capital stock to the extent of the ten thousand shares mentioned in section six, shall be the founders of the Corporation, and shall, as such, be entitled to the benefits mentioned in sections eight and ninety-three of this Act. Stock certificates shall be given to the founders to establish their rights under the first paragraph of section eight and to facilitate their obtaining their shares of the profits specified in section ninety-three. The Board of Management shall determine the form of such certificates, and the method of their transfer shall be the same as in the case of shares.

Founders of the corporation and their privileges.

8. In the event of the capital stock being increased beyond five million dollars, the founders and holders of shares previously issued shall have a right, by preference, to subscribe for the shares to be issued in the ratio of thirty per cent. for the founders or their representatives, and seventy per cent. for the shareholders.

Allotment of increased stock.

To be proportionate. 2. The allotment of such seventy per cent. shall be in proportion to the amount of stock held by each shareholder.

Shareholders may unite in order to vote, &c. 3. Such of the shareholders as do not hold sufficient stock to entitle them to at least one share in the new issue may unite together to form the number and to exercise their rights.

Regulations to be made by Board of Management. 4. A resolution of the Board of Management, shall determine the delays and the manner in which the benefit of the above provisions may be claimed.

Payment of shares. 9. The amount of the shares shall be payable in gold, or its equivalent, at Montreal or such other place or places and at such dates as may be fixed by the Board of Management. After the first call has been paid up there shall be delivered to each shareholder an interim stock certificate bearing one of a series of numbers, upon which all subsequent payments shall be inscribed. The calls shall be made known to the shareholders by means of advertisements inserted, a month beforehand, in the *Canada Gazette* and one or more daily newspapers published in Montreal, and such other place or places as may be determined by the Board of Management.

Interest on arrears. 10. Every sum of money of which the payment is delayed, shall, of right, bear interest, and without a suit at law being necessary, for the benefit of the Corporation, at the rate of six per cent. per annum from the date at which such payment became due.

Forfeiture and sale of shares for non-payment. 11. The Board of Management shall have the power to provide by by-law for the forfeiture of stock for the non-payment of calls made thereon, and for the disposal of forfeited stock and of the proceeds thereof. The steps hereinabove authorized to be taken shall not prevent the Corporation from having recourse, at the same time, to ordinary proceedings at law: the proceeds of the sale, after deducting the costs, shall be applied upon the amount due by the expropriated shareholders, who shall still be liable for the difference, if there be a deficiency, but who shall be entitled to receive the surplus, if there be any.

Stock certificates to bearer. 12. The Corporation may, if they deem it advisable so to do, deliver certificates to bearer, for shares on which forty per cent. is paid up, provided the said shares are held, owned and transferred on the continent of Europe. Certificates to bearer shall be taken from a register with counterfoil; they shall be numbered consecutively and bear the signature of two Directors and the seal of the Corporation.

Form.

13. Stock certificates to order shall be negotiable to order by transfer, granted by the seller and accepted by the buyer; when the parties act through an agent, the power of attorney shall be delivered to the Corporation. Transfer of stock certificates to order.

14. Certificates to bearer shall be transferred by simple delivery. When to bearer.

15. Any shareholder may claim, in exchange for certificates made payable to bearer, a certificate to his order: the Board of Management shall determine the conditions, the manner, and the cost of effecting such exchange of certificates. Exchange of certificates.

16. The ownership of more than one share, in the name of the bearer, shall be established by a collective certificate. Collective certificate.

17. Every share shall give its holder a right in the ownership of the assets of the Corporation and to a share in the profits, in proportion to the number of shares issued. Payment of the dividends upon any share, either to order or to bearer, shall be valid, if made to the holder of the certificate. Payment of dividend to holder of certificate.

18. The shareholders shall be liable only for the amount of their shares; and no call shall be permitted beyond such amount. Liability of shareholders limited.

19. Every share shall be indivisible, and the Corporation shall recognize but one owner for each share; co-proprietors of a share shall be required to be represented by one and the same person. No division of shares.

20. The rights and obligations appertaining to shares shall follow the certificate into whatever hands it may lawfully pass; the possession of a share shall of right entail compliance with the by-laws or regulations of the corporation and the decisions of general meetings. Effect of transfer of certificate.

21. In the event of any stock certificates to bearer being lost, the Corporation shall not be obliged to replace them or to pay the interest or dividends due thereon, until it has been furnished with satisfactory proof of the loss of such certificates and of the rights of the claimants, and also until all legal formalities have been fulfilled: the Board of Management shall determine the conditions on which certificates to order, which have been lost or mislaid, shall be replaced. Provision in case of loss of certificate.

TITLE FIFTH.

MANAGEMENT OF THE CORPORATION.

Section I.—Board of Management.

22. The Corporation shall be managed by a Board of Management, composed of from seven to twenty-one Directors, who shall annually elect from amongst their number, a President and a Vice-President; the number of Directors may, from time to time, be fixed by by-law; until otherwise provided, the Board shall be composed of seven Directors.

Board of management, and how composed.

23. The Directors shall be appointed at the general meeting of the shareholders; nevertheless, the first Board of Management shall be appointed by the persons mentioned in the preamble, and by those having power and authority to act for the companies therein named. This latter Board shall remain in office for one year; and before entering upon office, each member shall establish that he is possessed of fifty shares. Fifty shares of his stock shall be held by the Corporation as security for his good conduct and management as Director, and shall not be transferable while he remains in office.

Elected and provisional directors and qualification.

Term of and proof of qualification.

Security.

24. One-third in number of the Directors shall go out of office every year after the first year: it shall be decided by lot which of the Directors shall retire during the three years next after the first year; and afterwards, they shall retire by seniority: they may always be re-elected: any vacancy occurring among the Directors shall be temporarily filled up by the Board, and the next ensuing general meeting shall definitively elect a successor: a Director appointed in the place of another shall remain in office only during the remainder of his predecessor's term of office.

Order of retirement.

Vacancies how filled.

25. The Directors shall, for every time they are present, receive a counter, of which the value shall be determined by the general meeting.

Allowance for attendance.

26. The Board of Management shall meet as often as the interests of the Corporation may require, and at least once a month. The meetings shall be called by the President or Vice-President, or by the Director chosen by the Board to fill his place.

Meetings of the Board.

27. No resolution can be adopted unless three of the Directors residing in Canada are present. Directors residing in foreign parts or those who are absent may be represented at the meetings of the Board by proxy given to one of their colleagues. No Director shall, as proxy, have more than three votes at the Board.

Voting at meetings of Board.

3. Directors who are absent may also give their vote in writing by correspondence. Vote in writing.

4. All resolutions and by-laws shall be carried by a majority of the votes cast at the meeting; when the votes are equal, the President, Vice-President or presiding Director shall have a casting vote. Decision.

27. The proceedings shall be recorded by minutes entered in a register and signed by the President, the Vice-President, or the Director chosen by the Board to fill his place, and the Secretary; copies or extracts of such minutes which are required to be produced in court or elsewhere, shall be certified by the President or Vice-President. Minutes to be kept.

28. The Board of Management shall have full powers for the management of the affairs of the Corporation: it shall pass by-laws for its internal management; it shall appoint and remove the managers, officers, and employees of the Corporation, shall determine their powers and fix their fees, salaries and gratuities; it shall also determine the amount of the security which they shall give, and if necessary, authorize it to be repaid; it shall, if need be, authorize the purchase of immovable property in the Dominion of Canada, for the purpose of establishing its offices therein, and the sales of such immovables and those acquired in payment or for the protection of their claims; it shall decide upon— Powers of the Board of management.

1. The general conditions on which loans shall be granted; Loans.
2. The conditions and terms on which the borrowing powers shall be exercised; Terms.
3. Calls upon shares issued and the issue of new shares; Calls.
4. The annual statement of accounts to be submitted to the general meeting; Annual statements.
5. The determining the amount of the dividend and of the amounts to be advanced on account thereof; Dividends.
6. The establishment or closing of branch offices or agencies; Agencies.
7. The amalgamation of the Corporation with other companies with the consent of a majority of the shareholders at a meeting specially called for the purpose; Amalgamation.
8. Its anticipated dissolution; Dissolution.
9. The rules under which the managers shall in general administer the affairs of their respective divisions; Rules.

Issue of
bonds.

10. The creation and issue of obligations or bonds; the date of their issue; the rate of interest, which shall not exceed that authorized by law in the Dominion of Canada; the date of the re-payment thereof, the number of drawings (*tirages au sort*) and the amount of the prizes or premiums, the percentage whereof, together with the interest thereon, shall not exceed the rate authorized by law.

Annual
report.

11. It shall submit, each year, to the meeting a report upon the accounts and the financial position of the Corporation, —which report shall be printed and distributed to the members at the meeting.

Deciding
upon appli-
cations.

29. The Board of Management shall decide upon applications for loans and other transactions, and grant or refuse them; but it may delegate that power to a committee thereof, for applications which do not exceed twenty thousand dollars.

Local boards
may be ap-
pointed.

30. The Board of Management may appoint and remove, when it sees fit, a "Local Board" in each division; such

Their power.

Local Boards shall be composed of not less than three persons; they shall exercise the powers of the Board relating to applications for loans or proposals for the transfer of hypothecary or mortgage claims, the amount of which does not exceed ten thousand dollars Canadian currency; but the Board of Management may further limit the amount of such applications and proposals. No proceedings of the Local Board shall be valid unless a majority of the members are present; the Board may also appoint an agent to act for the Corporation in Europe and may confer upon him such powers as they deem desirable within the scope of their authority.

Quorum.

Agent.

Members of
board indem-
nified.

31. The members of the Board of Management shall not incur any personal or joint and several liability in the performance of their duties; they shall be responsible only for the proper execution of their trust.

Shareregister.

32. A register for the transfer of the shares of the Corporation, sold out of Canada, shall be kept in a place to be fixed by the Board of Management; and the officer in charge of such register shall forward a list of transfers effected therein to the office of the Corporation in Montreal, in order that a complete register may be preserved there of all the shares to order in the said Corporation.

Section II.—The Auditors.

Appointment
of Auditors.

33. Three auditors shall be appointed by the general meeting. They shall remain in office for one year, and shall be eligible for re-election.

2. In case of the death, absence, illness or retirement of one of the auditors, the remaining auditors shall forthwith elect a successor. Vacancies.

3. Every auditor shall be the holder of at least twenty-five shares and his stock to that extent shall be held by the Corporation as security for his good conduct as auditor, and shall not be transferable while he remains in office. Qualification.

4. The provisions of section twenty-five of this Act shall apply to the auditors as well as to the Directors. Sec. 25 to apply.

34. The duty of the auditors shall be to see to the strict observance of the provisions of this Act as to the issue of bonds and otherwise; they shall be entitled to be present at the meetings of the Board and to give their opinion; they shall examine the yearly accounts and inventories and certify to their correctness; the books and accounts, and generally all documents of the Corporation, shall be submitted for their examination, at their request. They may, at any time, examine the cash, securities and vouchers of the Corporation. Duties and powers of Auditors.

35. They shall make an annual return to the general meeting,—which return shall be printed and distributed to the members two weeks previous to the meeting. To make annual returns.

36. The auditors shall have the right, when they unanimously decide upon it, to have a special general meeting called. May call special meetings.

Section III.—Management in the Dominion.

37. For the transaction of business the Board of Management may form divisions, and may subdivide such divisions and form others. Board of management.

38. The affairs of each division shall be administered by a manager who may also be a Director. Management of affairs.

39. Every manager shall be the holder of at least fifty shares, and his shares to that extent shall be held by the Corporation as security for his good conduct as manager, and shall not be transferable while he remains in office. Qualification of manager.

40. The duties and powers of the managers shall be such as may be prescribed from time to time by the Board of Management. Manager's duties and powers.

41. The manager may, with the permission of the Board of Management, require the assistance of and be represented by a deputy; but he shall be responsible for all his acts and the

the consequences thereof: all powers delegated by him shall be special and temporary.

Suspension of employees. 42. The manager may suspend any employee in his office, but he shall refer the matter to the Board of Management, and he shall temporarily replace any employee who may be suspended; in case of the death, absence or inability to act of any of the employees, he shall provide a temporary substitute.

Detailed annual statement. 43. On the first day of January of each year, the manager shall prepare a detailed statement of the operations of the Corporation in his division during the preceding year: such document shall be submitted to the Board of Management, who, after having examined it, shall forward it, with its observations thereon, to the auditors.

Power to manager to be executed by board. 44. The President shall, after the appointment of a manager by the Board of Management, execute in duplicate a procuration or power of attorney, countersigned by the Secretary, authorizing him to act, within the limits of his powers, for and in the name of the Corporation; a duplicate of the procuration shall be deposited in the office of the Secretary of State of Canada, and the latter shall give notice, in the *Canada Gazette*, of such appointment and of the deposit of the procuration.

Deposit of duplicate and notice thereof. All registrars shall be bound, after such notice, to receive all deeds passed by such manager within the limits of his powers, and before the publication in the *Canada Gazette* of a revocation of the procuration, as sufficient without requiring any proof of his power to act.

Effect thereof.

TITLE SIXTH.

GENERAL MEETINGS.

General meeting and how composed. 45. The general meeting regularly constituted shall represent the whole body of the shareholders; but in order to be entitled to take part in the proceedings of the general meeting, the shareholders must have held the shares they vote upon at least thirty days before the day appointed for the meeting. A list of shareholders, having a right to take part in the general meeting, shall be prepared by the Board of Management, and shall show opposite the name of each shareholder the number of shares which he holds. Such list shall be open to the examination of such shareholders as wish to examine it for at least ten days before the day fixed for the meeting, at the office of the Corporation in Montreal.

Lists of shareholders.

To be open.

Proxies. 46. No one may be represented except by a proxy who is a member of the meeting.

47. The general meeting shall be held before the thirtieth of April in each year, at Montreal, until some other place has been fixed by by-law.

Time and place of general meeting.

48. Special meetings shall, moreover, be held whenever the Board of Management deems it necessary, or the auditors unanimously require the same.

Special meetings.

49. The meetings shall be called at such place and by such notice as may be determined by by-law, and voting may be by ballot.

Calling of meetings and notice to be given.

50. The meeting shall be regularly constituted when one-fourth of the shares forming the capital stock is represented thereat.

When meeting is constituted.

51. If the condition provided for in the next preceding section is not fulfilled, the Board of Management shall, a second time, call a general meeting within an interval of at least one month; and in such case the delay between the calling of the meeting and the day on which it shall be held, may be reduced to fifteen days. All the proceedings of members present at the second meeting shall be valid, whatever may be the number of the shares which they represent, but only with respect to the subjects mentioned on the orders of the day drawn up for the first proposed meeting.

Second meeting if there is no quorum.

Proceedings to be valid.

52. The officers of the meeting shall be the chairman, two scrutineers and a secretary; the President of the Board of Management shall be, *ex-officio*, the chairman of the meeting; in his default, the meeting shall be presided over by the Vice-President, or, in the absence of both, by a Director designated by the Board; the duties of scrutineer shall be performed by two shareholders elected at the meeting.

Officers of the meeting.

53. The report of the Board of Management on the position of the affairs of the Corporation, shall be read to the meeting, as also, if required, the observations of the auditors; the meeting shall approve or reject the annual accounts and shall appoint the Directors and auditors, whenever it is necessary to replace them; it shall take into consideration, when the proposition is submitted to it, the advisability of increasing the capital of the Corporation, and also the rules and regulations for the government of the Corporation, and for the administration and management of its affairs, and also the amendments or additions to be made to them; finally, it shall definitely decide upon all things touching the interests of the Corporation and, by its resolutions, confer upon the Board of Management the necessary powers for such cases as have not been provided for.

Proceedings at the meeting.

Increase of capital, &c.

All matters of interest to corporation.

Minutes to be kept. **54.** The proceedings shall be recorded by minutes entered in a special register, and signed by the officers of the meeting.

Copies to be evidence. **55.** The proof of the proceedings of the general meeting shall, as far as third parties are concerned, be derived from true copies or extracts, certified as such by the President or Vice-President.

TITLE SEVENTH.

OF LOANS AND OTHER TRANSACTIONS.

Nature of loans to be made on annuity. Repayable. **56.** The Corporation may effect hypothecary or mortgage loans of two kinds: the first shall be repayable by annuities calculated so as to extinguish the debt in a space of ten years at the least and fifty years at the most; the second shall be repayable within a period of not more than ten years.

Security to be taken for loans. **57.** The Corporation shall lend to proprietors of immovables only on first hypothec or mortgage,—constituted seigniorial rents and equivalent ground rents being alone excepted: loans by which debts already registered are to be repaid, shall be considered as made on first hypothec or mortgage, when by the fact of such payment or subrogation made in favour of the Corporation, the hypothec so created shall be the first charge on the property; in such cases the Corporation shall keep in its possession sufficient funds to meet such payment.

Loans may not be made on certain property specified. **58.** Loans may not be effected by the Corporation on the following,—

1. Theatres;
2. Mines and quarries;
3. Undivided immovables or real estate, if the hypothec or mortgage be not established on the whole of such immovables or real estate, with the consent of all the co-proprietors;

Not on mere usufruct. **4.** Immovables of which the usufruct and the mere ownership are not vested in the same person, unless all those having any right in the property consent to the creation of the hypothec. This provision relates to the management only and shall not affect the validity of the hypothec: Provided always, that nothing herein contained shall prevent loans being effected by the Corporation on the security of leasehold property.

Proviso.

59. The amount of the loan shall not exceed one-half of the estimated value of the immovable hypothecated if the same be farm or unimproved property, or two-thirds of the estimated value in the case of property situated in cities or towns.

Amount of loan.

60. The rate of interest to be charged on all sums loaned, shall be determined by the Board of Management and shall not exceed six per centum per annum, except in the Provinces and Territories west of the Province of Ontario, where interest at the rate of seven per centum per annum may be charged.

Rate of interest.

61. The annuity, as well of long as of short date loans stipulated in the contract of loan, shall include—

What annuity shall include.

1. Interest ;
2. The sinking fund, determined by the rate of interest and the duration of the loan ; and may also include—

3. An annual allowance for cost of management, which shall not exceed one per cent. per annum of the principal loaned ; but the interest charged together with the charge for management shall not exceed six per cent. to the borrower in all, except in the Provinces and Territories west of the Province of Ontario, where it shall not exceed seven per cent. per annua in all.

Sinking fund.

62. Annuities shall be payable half-yearly, at the dates fixed by the Board of Management ; but when the first instalment is due the borrower shall only pay interest for such part of six months as have elapsed from the time of the effecting of the loan until the payment of such first instalment.

When annuities shall be payable.

63. Every half-yearly instalment of an annuity, if not paid when due, shall, of right and without any putting in default being necessary, bear interest for the benefit of the Corporation at the same rate as the loan itself.

Interest on overdue annuities.

64. Whenever any principal money or interest secured by mortgage of real estate is, by the same, made payable on the sinking fund plan, or on any plan under which the payments of principal money and interest are blended, or on any plan which involves an allowance of interest on stipulated repayments, no interest whatever shall be chargeable, payable or recoverable, on any part of the principal money advanced, unless the mortgage contains a statement showing the amount of such principal money and the rate of interest chargeable thereon, calculated yearly or half-yearly, not in advance.

No interest recoverable in certain cases, unless the mortgage contains a certain statement as to principal and interest.

No rate recoverable beyond that shewn in such statement.

65. Whenever the rate of interest shewn in the statement referred to in the next preceding section is less than the rate of interest which would be chargeable by virtue of any other provision, calculation or stipulation in the mortgage, no greater rate of interest shall be chargeable, payable or recoverable on the principal money advanced than the rate shewn in the said statement.

Anticipated payments.

66. Debtors shall be entitled to discharge their debts before they become due, whether in whole or in part only: anticipated payments shall give rise to an indemnity in favour of the Corporation, which shall not exceed three months interest upon the capital repaid before coming due at the rate agreed upon for the loan.

Certain property to be insured.

67. Properties liable in whole or in part to destruction by fire shall be insured against fire, at the expense of the borrower; the contract of loan shall contain a transfer of the amount of the policy in case of loss, and the insurance shall be kept up during the entire continuance of the loan. The Corporation may require that the policy of insurance be made out in its name and that the amount of the annual premiums be paid by it; in such case the amount of annuity shall be increased to that extent. Anticipated payments arising from fires shall not carry with them any right to the indemnity authorized by the latter part of section sixty-six.

Policies.

Proviso.

No loan below \$250.

68. The Corporation shall not loan an amount less than two hundred and fifty dollars, currency of Canada.

Loans in Canadian currency.

69. Loans shall be effected and be repayable in currency of Canada.

Application of foregoing provisions.

70. The rules laid down in this title shall apply to loans made upon the security of hypothecary or mortgage or privileged claims; and those which relate to the rank of the hypothec or mortgage and to the nature and value of the immovables or real estate offered as security, shall also apply in cases of acquisition by means of subrogation or transfer of such claims.

Applications for loans.

71. The proceedings upon applications for loans shall be regulated by the Board of Management.

TITLE EIGHTH.

BONDS.

Section I.—General Provisions.

What obligations may be issued.

72. The Corporation may create and issue bonds or debentures of two kinds: the first shall be created to represent the

the operations of the Corporation, with the exception of loans to Governments, to municipal or school corporations, *fabriques*, and church trustees, and public securities, and bonds or debentures of municipal and school corporations belonging to the Corporation; they shall be known as "real estate bonds or debentures:" the second shall be created to represent loans to Governments, municipal and school corporations, *fabriques*, and church trustees, and public securities, and bonds or debentures of municipal and school corporations belonging to the Corporation; they shall be known as "special bonds or debentures."

73. The Corporation may issue bonds or debentures of the following kinds, to wit:—

Descriptions
of obligations
which may be
issued.

1. Those redeemable at par with a fixed term for redemption, without prizes;
2. Those redeemable with premiums at a fixed term for redemption, without prizes;
3. Those redeemable at par within a definite delay, without any period being fixed for their redemption before such delay, and by means of a drawing of numbers, without prizes;
4. Those redeemable at par with a right to participate in prizes, within a definite delay, without any period being fixed for their redemption before such delay, and by means of a drawing of numbers;
5. Those redeemable with a premium within a definite delay, without any period being fixed for their redemption before such delay, and by means of a drawing of numbers, without prizes;
6. Those redeemable at par with a premium and a right to participate in prizes, within a definite delay, without a period being fixed for their redemption before such delay, and by means of a drawing of numbers;

The Board of Management shall determine the duration of the delay and the date of the drawings.

74. The drawing of the bonds or debentures which are to be repaid shall be effected by lot, in the presence of the Auditors, or of one or more of them.

Drawing to
be by lot.

75. Within eight days from such drawing the numbers drawn shall be posted up in the office of the Corporation at Montreal, and published as may be fixed by-law.

Numbers
drawn to be
posted up.

Redemption. **76.** The bonds or debentures designated by lot shall be redeemed on the day indicated in the notice published ; from and after such day the interest on such redeemable bonds or debentures shall cease to run.

Cancellation of bonds. **77.** Bonds or debentures redeemed by such drawing of numbers shall be at once cancelled by means of a stamp ; they shall be destroyed in the presence of the President or of his representative, and one of the auditors, and a minute of such operations shall be kept of record.

When redeemed by anticipated payments. **78.** Bonds or debentures redeemed by the Corporation by anticipated payments shall at once be stamped with a special stamp, and they may be replaced in circulation only by resolution of the Board of Management ; in all cases they shall participate in the drawing of numbers.

Transfer of bonds. **79.** Bonds or debentures shall be payable either to order or to bearer : obligations payable to order shall be transferable in the same manner as that indicated for the transfer of shares to order, in accordance with the provisions of section thirteen ; the Corporation shall not in any case be responsible for the validity of transfers : bonds or debentures payable to bearer shall be transferable by simple delivery.

Minimum amount. **80** No bond or debenture shall be issued for an amount less than one hundred dollars.

Interest. **81.** The bonds or debentures shall bear interest,—the rate and the date and manner of payment whereof shall be determined by the Board of Management ; whatever may be the form of the bonds or debentures the payment of the interest thereon to the holder thereof shall be lawful.

Form of obligation. **82.** The bonds or debentures shall be represented by scrip taken from a register with a counterfoil ; they shall be signed by two Directors, and shall bear the seal of the Corporation.

May be in either currency. **83.** Any bond or debenture issued under the provisions of this Act may be issued in the denomination of dollars or francs and the coupons attached representing interest upon such bond may correspond to the denomination of the bond to which they are attached.

What it shall contain. **84.** The interest upon bonds or debentures, the premiums or prizes, and the sinking fund shall be set forth upon the scrip.

Section II—Real Estate Bonds.

Real estate and special obligations. **85.** The total amount of the real estate and special bonds to be issued shall not exceed five times the amount of the paid up and unimpaired capital of the corporation.

86. The real estate bonds shall be secured by the How secured. assets of the Corporation, with the exception of claims specially set apart to secure the redemption of special bonds.

87. Holders of real estate bonds shall have no Recourse of other recourse, for the recovery of the principal and interest holders. due thereon, than that which they may exercise against the Corporation directly.

Section III—Special Bonds.

88. The special bonds shall be secured by the assets of How secured. the Corporation, with the exception of such assets as are set apart to secure the redemption of real estate bonds.

TITLE NINTH.

ACQUISITION OF REAL ESTATE.

89. The Corporation may acquire and possess such real Powers as to estate as may be necessary for its offices for the administration of its affairs, in the Dominion of Canada, but the value of such real estate, acquired in each division for such purpose, shall not exceed, at the time of such acquisition, the sum of one hundred thousand dollars, Canadian currency; and it may, from time to time, lease, mortgage, hypothecate, sell or otherwise dispose of or deal with such real estate; and it may also, for the protection of its investments, purchase and hold real estate mortgaged or hypothecated in its favour: but it shall sell or otherwise dispose of such real estate so acquired in payment or for the protection of its claims within seven years from the acquisition thereof; and may, in the meantime, deal with and manage, and may, from time to time, mortgage, hypothecate or lease the real estate so acquired and held. Must be disposed of within a certain time.

TITLE TENTH.

INVENTORIES AND ANNUAL STATEMENTS OF ACCOUNTS.

90. The Corporation's financial year shall commence on Financial the first of January and end on the thirty-first of December; year. the first term shall include, in addition to the year current when the Corporation commences its operations, the whole of the following year also.

91. At the end of the financial year, a detailed general Detailed annual statement. statement of the assets and liabilities shall be prepared under the supervision of the Board of Management, and further, a summary statement of the assets and liabilities shall also be prepared every six months; the accounts shall be prepared by the Board of Management, and shall be submitted

submitted to the general meeting of the shareholders which shall approve or reject the same.

TITLE ELEVENTH.

DIVISION OF PROFITS, RESERVE FUND AND PROVIDENT FUND.

How distributed.

92. From the annual net profits of the company a dividend of ten per cent. upon the paid up stock may be distributed to the stockholders, provided the net profits are sufficient to pay such dividend; and of the remainder of such net profits one tenth shall be applied to the foundation of a reserve fund until such fund amounts to one tenth of the paid up capital.

Reserve fund.

Distribution of remainder.

93. The remainder shall be divided among the stockholders and founders, in the proportion of three fourths to the former and one fourth to the latter.

Reserve fund limited.

Its object.

94. When the reserve fund amounts to one-tenth of the capital stock paid up, the percentage of which it is formed shall cease to be set aside; if such reserve is encroached upon, such percentage shall again be set aside. The reserve fund is intended to provide for unforeseen circumstances.

TITLE TWELFTH.

RULES OR REGULATIONS.

Notice of meetings for certain purposes.

Two-third vote requisite.

Restriction as to rules.

95. When the general meeting shall be called upon to vote on the adoption or amendment of any rules or regulations, the notices calling such meeting shall contain a summary mention thereof; the proceedings at such meeting shall not be valid unless carried by two-thirds of the votes, representing at least one-third of the registered shares.

96. The rules or regulations must not be contrary to the laws of the Dominion of Canada, nor to the provisions of this Act.

TITLE THIRTEENTH.

DISSOLUTION AND LIQUIDATION OF THE CORPORATION.

Dissolution of the corporation.

97. The Corporation shall be dissolved at the expiration of the time fixed by section four, unless by resolution of the general meeting, voting in the manner prescribed in the latter part of section ninety-five, its continuance be authorized.

When question shall be submitted.

98. The question of the continuance of the Corporation shall be submitted at the latest, to the general meeting of the shareholders

shareholders held during the course of the year preceding that in which it would otherwise cease to exist.

99. In the event of the Corporation having lost, in addition to its reserve fund, one-third of its paid up capital stock, the dissolution and liquidation of the Corporation shall be proceeded with, unless the shareholders consent to pay up the lost capital. Dissolution if capital is impaired.

100. When the dissolution and liquidation of the Corporation shall have been decided upon, the general meeting of the shareholders shall determine the method of liquidation to be followed; it shall also appoint liquidators: if the general meeting does not come to any decision on this point, the dissolution and liquidation shall be proceeded with under the laws in force in the Dominion of Canada. Method of liquidation.

TITLE FOURTEENTH.

ORGANIZATION AND FINAL CONSTITUTION OF THE CORPORATION.

101. The persons mentioned in the preamble may open subscription books for the first issue of shares in the capital stock, at such place and for such time as they may deem advisable; after the closing of the books they shall allot the ten thousand shares, forming the first issue, in such manner as they may deem proper. Notice shall be given to each subscriber of his allotment, by a letter addressed to his place of residence, and sent by post; and within five days from the date at which such letter was sent to his address, each subscriber shall pay into the hands of the person or banking institution designated for that purpose ten per cent. upon the amount of the shares allotted to him, and subscribers who shall so pay ten per cent. shall become shareholders. As soon as the first issue of shares shall have been subscribed for, and ten per cent. upon the amount issued shall have been paid up, the person specially selected for such purpose among those mentioned in the preamble, shall call a general meeting of the shareholders, by public notice published at least ten days before the date of such meeting; and at such meeting the persons mentioned in the preamble and those authorized to represent the companies therein mentioned shall elect the first Directors; and the meeting itself shall elect the auditors, and thereupon the Corporation shall be duly organized, and may commence its operations. Proceedings for organization. Notice. First meeting for election of directors.

102. Notices of meetings of shareholders, and all other notices required to be published, shall be published in the *Canada Gazette*. Publication of notices.

Yearly statement to be transmitted to Minister of Finance, and what it must contain.

103. The Corporation shall transmit, on or before the first day of March in each year, to the Minister of Finance, a statement in duplicate to the thirty-first day of December inclusive of the previous year, verified by the oath of the President, the Vice-President, or the Managing Director, setting forth the capital stock of the Corporation and the proportion thereof paid up, the number of shares to order and the number to bearer, the assets and liabilities of the Corporation, the amount and nature of the investments and the average rate of interest derived therefrom, the extent and value of the real estate held, the amount and nature of the obligations or bonds or debentures issued and the rate of interest payable thereon, and such other details as to the nature and extent of its business as may be required by the Minister of Finance, and in such form and with such details as he may, from time to time, require and prescribe; but the Corporation shall in no case be bound to disclose the names or private affairs of any persons who may have dealings with it.

CHAP. 60.

An Act respecting the Canada Consolidated Gold Mining Company.

[Assented to 21st March, 1881.]

Preamble.

Recital. Incorporation in U.S.

Application for powers in Canada.

WHEREAS the Canada Consolidated Gold Mining Company have, by their petition, represented that they are a corporation incorporated under the general laws of the State of New York, one of the United States of America, and that they have agreed for the purchase of certain gold mines in the County of Hastings and Province of Ontario, and propose proceeding at once to mining and treating the ores to be taken from the said mines; and whereas they desire to have their organization and corporate powers recognized and confirmed by the Parliament of Canada, and also power to sell and treat the said ores in such part or parts of Canada or elsewhere as they deem proper, and to hold such real and personal property as may be requisite for the purposes of the undertaking, and have prayed for the passing of an Act for the purposes aforesaid; and whereas 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:—

Corporate powers conferred on the

1. The said The Canada Consolidated Gold Mining Company is hereby invested with and shall be entitled to all the powers,

powers, privileges and rights, as a corporation, necessary for the purpose of acquiring, by purchase or lease, or both, mines and minerals and working the same, and also in like manner to acquire and hold all other real and personal property required for the convenient and proper carrying on of their business, and when any such is not further required, to sell and dispose thereof; and shall be capable of contracting and being contracted with and of suing and being sued, pleading and being impleaded in any court of law or equity in Canada in their corporate name aforesaid; and they and their successors shall and may have a common seal, and may change the same at their will and pleasure, and they, as such corporation, shall have all the powers and privileges necessary for the proper management of their property and business, and incident to such a corporation.

company in
Canada.

2. The said Company shall have full power to sell the products of their mines in any part of Canada or elsewhere, and to establish treating works in any Province of the Dominion or elsewhere, as in the interest of the Company may be found expedient.

Business of
the company
in Canada.

3. Service of any process or legal document upon the chief officer or manager of the Company in Canada at any office where it may carry on business in Canada, or upon the person then in charge thereof, shall be good service and shall bind the Company.

Service of
process on
company.

CHAP. 61.

An Act to incorporate The Dominion Salvage and Wrecking Company.

[Assented to 21st March, 1881.]

WHEREAS a large number of vessels with valuable cargoes are yearly wrecked and stranded within the limits of the waters of the Dominion of Canada, and no sufficient means exist for assisting such vessels stranded or wrecked, or vessels in distress in the waters adjacent to the coasts of the Dominion of Canada; and whereas James G. Ross, John Merritt, Alfred Masson, Thos Workman, John Harvey, Honorable Thomas McGreevy, Sylvester Neelon, Robert Henry, S. E. Gregory, John Donnelly, J. H. G. Haggarty, Thomas Robertson, Hezekiah Herriman, Frederick W. Henshaw, William McDonald, and Alfred Brown, have by their petition prayed for an Act of incorporation, under the name of "The Dominion Salvage and Wrecking Company," and

Preamble.

whereas

whereas 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:—

Certain persons incorporated.

1. The said James G. Ross, John Merritt, Hezekiah Herri-man, Frederick W. Henshaw, Alfred Brown, Alfred Masson, Thomas Workman, John Harvey, William McDonald, Honorable Thomas McGreevy, Sylvester Neelon, Robert Henry, S. E. Gregory, John Donnelly, Thomas Robertson, J. H. G. Haggarty, and such other persons as they shall associate with themselves, shall be and are hereby constituted a corporation and body politic, by the name and style of "The Dominion Salvage and Wrecking Company," (hereinafter called the Company), the head office whereof shall be in the City of Montreal, with power to open branches in any other city or place within the Dominion of Canada, wherever deemed necessary by the Company.

Corporate name; head office and branches.

Business of the company.

2. The Company shall have power and authority to build, purchase, charter, hire and own a vessel or vessels to be propelled by sails, steam or other motive power, to be employed in towing vessels; also, in aiding, protecting and saving vessels and their cargoes, and in transporting freight and passengers upon the high seas, and throughout the various arms of the sea, and the inland waters, lakes and rivers of Canada, with power to take charge and control of abandoned vessels or the cargoes thereof; also, to acquire and hold such lands, appliances, machinery and apparatus as may be necessary for the business of the Company; also, to fix and determine upon rates of compensation by parol agreements or by instruments in writing, either with or without seal; and to take and receive all compensations for freight, towages and salvages which are customary and usual, and which by law and usage enure to private persons in towing and saving and taking care of wrecks and wrecked and damaged property; and the Company shall be entitled to, and shall have the usual liens on such property, with the right to hold and pursue the same in the like manner and with the like effect as such rights and remedies are and may be held and enforced by private persons

May hold lands, &c., for such business.

Compensation for services.

Liens for the same.

Capital stock and shares.

3. The capital stock of the Company shall be three hundred thousand dollars, and shall be divided into three thousand shares of one hundred dollars each; which shares shall be and are hereby vested in the several persons who shall subscribe for the same: Provided always, that it shall and may be lawful for the Company, from time to time, to increase its capital stock to a sum not exceeding one million dollars, as a majority of the shareholders, at a special general meeting to be expressly convened for that purpose, shall agree upon.

Provision for increase.

4. For the purpose of organizing the Company, James G. Ross, John Merritt, Hezekiah Herriman, Frederick W. Henshaw, Alfred Brown, Alfred Masson, Thomas Workman, John Harvey, Honorable Thomas McGreevy, Sylvester Neelon, S. E. Gregory, John Donnelly, Thomas Robertson, J. H. G. Haggarty and Robert Henry shall be provisional Directors thereof; and they, or a majority of them, may cause a stock book or books to be opened, upon which stock book or books shall be recorded the subscription of such persons as desire to become shareholders in the Company; and such book or books shall be opened in the City of Montreal, and elsewhere, at the discretion of the said provisional Directors, and shall remain open so long as they deem necessary.

Provisional directors.

Stock books may be opened.

5. When and so soon as one hundred thousand dollars of the said capital stock shall have been subscribed as aforesaid, and thirty per cent. thereon shall have been paid in to some chartered bank to the credit of the Company, such subscription and payment being made within six months after the passing of this Act, the said provisional Directors may call a general meeting of shareholders, at some place to be named in the City of Montreal, giving at least fifteen days' continuous notice thereof in two daily newspapers published in the said city, at which general meeting the shareholders present in person, or represented by proxy, shall elect seven Directors in the manner and qualified as hereinafter provided who shall constitute a Board of Directors and shall hold office as hereinafter provided: Provided always, that no person shall be eligible to be or continue a Director unless he shall hold in his own name, and for his own use, at least ten shares of the capital stock of the Company, and shall have paid all calls thereon and all liabilities incurred by him to the Company: and the shareholders shall have power to increase the number of Directors at any general meeting to any number not exceeding nine, or to reduce them to any number not less than five.

First meeting of shareholders for election of directors.

Notice.

Qualification of directors.

Number of directors.

6. The Company shall have power to purchase, acquire and hold such real estate, warehouses and wharves, either by lease or otherwise, as it may require for the purposes of its business, within the Dominion of Canada or elsewhere, and to sell and dispose of the same and acquire other property in its place, as may be deemed expedient, and to take, hold and acquire all such lands and tenements, real and immovable estate, as shall have been *bonâ fide* mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or otherwise obtained; and the Company may invest its funds, or any part thereof, in the public securities of the Dominion of Canada, or any of the Provinces thereof, or in the stocks of

Powers as to real estate.

Investment of funds.

of any bank or building or loan society, or in the bonds or debentures of any incorporated city, town or municipality, authorized to issue bonds or debentures, or in mortgages on real estate.

32, 33 V. c.
12 to apply.

7. The provisions of the "*Canada Joint Stock Companies Clauses Act, 1869*," shall apply to the Company so far as they are applicable to the undertaking, except in so far as they may be inconsistent with this Act.

Liability of
shareholders
limited.

8. The shareholders and Directors of the Company shall not be held responsible for any claim beyond the amount of their respective shares, notwithstanding the provisions contained in section thirty-nine of the said "*Canada Joint Stock Companies Clauses Act, 1869*."

CHAP. 62

An Act to incorporate The Wrecking and Salvage Company of Canada.

[Assented to 21st March, 1881.]

Preamble.

WHEREAS the persons whose names are hereinafter mentioned have, by their petition, prayed that they may be incorporated for the purpose of establishing a Company to carry on the business of towage, and of assisting and saving vessels wrecked or in distress, or the freight or cargoes thereof, upon the high seas and throughout the various arms of the sea, and the inland waters, lakes and rivers of Canada, and have represented that such Company would be a public benefit; and whereas 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:—

Certain persons incorporated.

1. Andrew Allan, George A. Drummond, Gilbert Scott, John Torrance, John Hope, John G. Sidey, William M. Ramsay, William R. Oswald, D. Lorne McDougall, David Law, Robert Reford, Thomas Workman, Edward Murphy, Honorable John Hamilton, John Cassie Hatton, Charles H. Gould, James K. Oswald, Charles Stinson, of Montreal; William B. Scarth, Honorable Alexander Morris, John Ginty, Henry J. Scott and Alfred Boulton, M.P., of Toronto, and such other persons as may become shareholders in the Company to be by this Act created, shall be and they are hereby created, constituted and declared to be a corporation, body politic and corporate under the name of "*The Wrecking and Salvage Company of Canada*," (hereinafter called the Company), having the head office of the Company at the City of Montreal, with power to open branches at Quebec, Gaspé, Halifax, St. John, New Brunswick, Sydney, Pictou and Toronto, and other places in the Dominion of Canada, and

Corporate name and general powers.

and shall have perpetual succession and a corporate seal, with power to alter and change the same at pleasure; and may, by such name, sue and be sued, implead and be impleaded, in all courts of law and equity.

2. The Company shall have power and authority to build, purchase, charter, hire and own a vessel or vessels, to be propelled by sails, steam or other motive power, to be employed in towing vessels; also, in aiding, protecting and saving vessels and their cargoes, and in transporting freight and passengers upon the high seas, and throughout the various arms of the sea, and the inland waters, lakes and rivers of Canada, with power to take charge and control of abandoned vessels or the cargoes thereof; also, to acquire and hold such lands, appliances, machinery, and apparatus as may be necessary for the business of the Company; also, to fix and determine upon rates of compensation by parol agreements or by instruments in writing, either with or without seal; and to take and receive all compensations for freight, towages and salvages which are customary and usual, and which by law and usage enure to private persons in towing and saving and taking care of wrecks and wrecked and damaged property; and the Company shall be entitled to, and shall have the usual liens on such property, with the right to hold and pursue the same in the like manner and with the like effect as such rights and remedies are and may be held and enforced by private persons.

Business of the company and powers in respect thereof.

Compensation for services, and liens therefor.

3. The capital stock of the Company shall be three hundred thousand dollars, and shall be divided into three thousand shares of one hundred dollars each; which shares shall be and are hereby vested in the several persons who shall subscribe for the same: Provided always, that it shall and may be lawful for the Company, from time to time, to increase its capital stock to a sum not exceeding one million dollars, as a majority of the shareholders, at a special general meeting to be expressly convened for that purpose, shall agree upon.

Capital stock and shares.

Provision for increase.

4. For the purpose of organizing the Company, Andrew Allan, George A Drummond, Gilbert Scott, John Torrance, John G. Sidey, William R. Oswald, D. Lorne McDougall, Honorable John Hamilton, John Cassie Hatton, Charles H. Gould, William B. Scarth, Honorable Alexander Morris, John Hope and James K. Oswald, shall be provisional Directors thereof; and they, or a majority of them, may cause a stock book or books to be opened, upon which stock book or books shall be recorded the subscription of such persons as desire to become shareholders in the Company; and such book or books shall be opened in the City of Montreal, and elsewhere, at the discretion of the said provisional Directors, and shall remain open so long as they deem necessary.

Provisional directors.

Stock books may be opened.

- 5.** When and so soon as one hundred thousand dollars of the said capital stock shall have been subscribed as aforesaid, and thirty per cent. thereon shall have been paid in to some chartered bank to the credit of the Company, such subscription and payment being made within six months after the passing of this Act,—the said provisional Directors may call a general meeting of shareholders, at some place to be named in the City of Montreal, giving at least fifteen days' continuous notice thereof in two daily newspapers published in the said city,—at which general meeting the shareholders present in person, or represented by proxy, shall elect seven directors, in the manner and qualified as hereinafter provided, who shall constitute a Board of Directors, and shall hold office as hereinafter provided: Provided always, that no person shall be eligible to be or continue a Director unless he shall hold in his own name, and for his own use, at least ten shares of the capital stock of the Company, and shall have paid all calls thereon and all liabilities incurred by him to the Company; and the shareholders shall have power to increase the number of Directors at any general meeting to any number not exceeding nine, or to reduce them to any number not less than five.
- 6.** The shares of the capital stock subscribed for shall be paid in and by such instalments, and at such times and places, as the said Directors shall appoint.
- 7.** The stock, property and affairs of the Company shall be managed and conducted by the said Directors, who shall hold office for one year, but who shall be eligible for re-election, one of whom shall be chosen President, and another Vice-President. If any vacancy should at any time happen amongst the said Directors during the term of office of any Director, such vacancy may be filled for the remainder of the term by the remaining Directors, or the majority of them, electing in such place or places a shareholder or shareholders eligible for such office. All elections of Directors shall be made and take place at the annual general meeting of the shareholders, to be holden at the head office of the Company or elsewhere in Montreal, on the second Wednesday in January in each year, or such other day as may be appointed by by-law,—not less than fifteen days' notice of such meeting being given, as provided in section five; and the said election shall be held and made by such of the shareholders present in person, or represented by proxy, as shall have paid all calls made by the Directors and then due; and all such elections shall be by ballot, and the persons who shall have the greatest number of votes shall be Directors; and if two or more persons have an equal number of votes in such manner that a greater number of persons shall appear to be chosen as Directors than should have been chosen, then a second vote on the names of such persons shall
- First meeting of shareholders for election of directors.
- Qualification of directors.
- Number of directors.
- Payment of shares.
- Board of directors.
- Vacancies therein, how filled.
- Election of directors, when and where to be held.
- Ballot.
- Majority.
- Ties.

shall be taken, and so on until the proper number of persons shall be elected; and the said Directors, as soon as may be after the said election, shall proceed in like manner to elect by ballot one of their number to be President and one other to be Vice-President.

President and Vice-President.

8. In case it should at any time happen that an election of Directors of the Company should not be made on any day when, pursuant to this Act, it should have been made, the Company shall not, for that cause, be deemed to be dissolved, but it shall be lawful, on any other day, to hold and make an election in such manner as may be regulated, directed and appointed by the Directors for the time being; and the Directors in office shall so continue until a new election is made.

Provision in case of failure of election.

9. At all general meetings of the Company, each shareholder shall be entitled to give one vote for every share held by him for not less than fourteen days prior to the time of voting, upon which all calls then due shall have been paid; such votes may be given either in person or by proxy, the holder of such proxy being himself a shareholder; and all questions proposed for the consideration of the shareholders shall be determined by the majority of votes, the chairman presiding at such meeting having the casting vote in case of an equality of votes.

One vote on each share.

Proxies.

Casting vote.

10. If any shareholder shall refuse or neglect to pay the instalments due upon any share or shares held by him, the Directors may declare such share or shares forfeited, together with the amount paid thereon, in such manner as may be provided by the by-laws; and such forfeited share or shares may be sold at public sale by the Directors, after such notice as they may direct, and the moneys arising therefrom shall be applied for the purposes of this Act: Provided always, that if the money realized by any sale of shares be more than sufficient to pay all arrears and interest, together with the expenses of such sale, the surplus of such money shall be paid on demand to the owner; and no more shares shall be sold than shall be deemed necessary to pay such arrears, interest and expenses.

Forfeiture and sale of shares for non-payment of calls.

Proviso: for application of proceeds.

11. If payment of such arrears of calls, interest and expenses be made before any share so forfeited shall have been sold, such share shall revert to the owner as if the same had been duly paid before forfeiture thereof; and in all actions or suits for the recovery of such arrears or calls, it shall be sufficient for the Company to allege that the defendant, being the owner of such shares, is indebted to the Company in such sum of money as the calls in arrear amount to, for such and so many shares, whereby an action hath accrued to the Company by virtue of this Act; and on the trial it shall not

On payment before sale, share to revert to owner.

What only it shall be necessary to allege and prove in suits for calls.

Proof of by-laws, regulations, &c.

be necessary to prove the appointment of the Directors who made such calls, or any other matter whatsoever, other than what is hereinbefore mentioned. A copy of any by-law, rule, regulation or minute, or of any entry in any book of the Company certified to be a true copy or extract under the hand of the President or Vice-President, Managing Director or Secretary of the Company, and sealed with the corporate seal, shall be received in all courts and proceedings as *prima facie* evidence of such by-law, rule, regulation, minute or entry, without further proof thereof, and without proof of the official character or signature of the officer signing the same, or of the corporate seal.

Quorum at meetings of directors.

12. At all meetings of the Directors five, or such number as may be, by by-law, from time to time fixed, shall constitute a quorum for the transaction of business, of whom the President or Vice-President shall be one, and shall preside at such meetings, except in case of illness or absence, when the Directors present may choose one of their number to be chairman of such meeting.

Chairman.

Proceedings at annual meetings.

13. At the annual meeting of the shareholders, the election of Directors shall be held and all business transacted, and a general balance sheet and statement of the affairs of the Company, with a list of all the shareholders thereof, and all such further information as shall be required by the by-laws, shall be laid before the shareholders. Special meetings of shareholders may be called in such manner as may be provided for by the by-laws; and at all meetings of the shareholders, the President, or in his absence, the Vice-President, or in the absence of both of them, a Director chosen by the shareholders, shall preside, and in case of an equality of votes, shall give the casting vote in addition to his vote as a shareholder.

Special meetings.

All meetings.

Directors may make and alter by-laws for certain purposes.

14. The Directors shall have full power and authority to make and, from time to time, to alter such by-laws, rules, regulations and ordinances, as shall appear to them proper and needful, touching the well ordering of the Company, and the management and disposition of its stock, property, estate and effects, the calling of special general meetings, the regulation of the meetings of the Board of Directors, the appointment of one of themselves as Managing Director, and of other officers, and of sub-boards to facilitate the details of business and the definition of the duties and powers of such sub-boards, the making of calls upon the subscribed capital, the appointment and removal of officers and agents of the Company, the regulation of their powers and duties and the salaries and allowances to be paid to them, the regulation of the transfer of stock and the form thereof, the compensation of Directors, and the establishment and regulation of agencies: Provided, that such by-laws do not contravene the

Proviso.

the provisions of this Act, and are not contrary to law :
 Provided also, that such by-laws shall have force until the Proviso.
 next general meeting of shareholders, but no longer, unless
 approved at such meeting.

15. The Company shall have power to purchase, acquire Powers as to
 and hold such real estate, warehouses and wharves, either by real estate.
 lease or otherwise, as it may require for the purposes of its
 business, within the Dominion of Canada or elsewhere, and
 to sell and dispose of the same and acquire other property in
 its place, as may be deemed expedient, and to take, hold and
 acquire all such lands and tenements, real and immovable
 estate, as shall have been *bonâ fide* mortgaged to it by way
 of security, or conveyed to it in satisfaction of debts previ-
 ously contracted in the course of its dealings, or otherwise
 obtained; and the Company may invest its funds, or any Investment
 part thereof, in the public securities of the Dominion of of funds.
 Canada, or any of the Provinces thereof, or in the stocks of
 any bank or building or loan society, or in the bonds or
 debentures of any incorporated city, town or municipality,
 authorized to issue bonds or debentures, or in mortgages on
 real estate.

16. No transfer of any share of the Company shall be Transfers of
 valid until entered on the books of the Company according stock.
 to such form as may, from time to time, be fixed by the by-
 laws; and until the whole of such share is paid up, it shall Conditions.
 be necessary to obtain the consent of the Directors to such
 transfer being made: Provided always, that no shareholder Proviso: if
 indebted to the Company shall be permitted to make a holder is
 transfer or receive a dividend until such debt is paid or indebted to
 secured to the satisfaction of the Board of Directors evidenced the company.
 by a vote which shall not be less in number than that of the
 majority of the whole number of the said Directors; and no
 transfer of stock shall at any time be made until all calls
 thereon have been paid in.

17. In the event of the property and assets of the Com- Liability of
 pany being insufficient to liquidate its debts, liabilities and shareholders
 engagements, the shareholders shall be liable for the defici- limited.
 ency, but to no greater extent than the amount of the
 balance remaining unpaid upon their respective shares in
 the capital stock.

CHAP. 63.

An Act to incorporate the Association known as "J. Winslow Jones and Company, Limited."

[Assented to 21st March, 1881.]

Preamble.
Incorporation
under
Imperial Act.

WHEREAS the Company formed and registered in England on the fourth day of February, one thousand eight hundred and eighty, as "J. Winslow Jones and Company, Limited," under "The Companies Acts, 1862, 1867 and 1877" of the Imperial Parliament, for the purposes hereinafter mentioned, have, by their petition, prayed to be incorporated in Canada for the like purposes and with the powers necessary for carrying on their business within the Dominion, and it is expedient to grant their prayer: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Incorporation
in
Canada.

1. The Company mentioned in the preamble shall, by the name therein assigned to it, be a corporation, body politic and corporate, and shall, within the Dominion of Canada, have a common seal, and have power to sue and be sued, contract and be contracted with, by their said corporate name, with power to hold personal property for the purposes of their business, and the real property necessary for like purposes to the extent hereinafter limited, and such other powers as may be necessary for the said purposes.

Objects of the
corporation.

2. The purposes for which the Company is established and the said powers are given, are—

Purchase of
business of
J. W. Jones.

1. To purchase of John Winslow Jones the business of preserving corn, meat, lobsters, fish and other produce, carried on by him at Portland, Maine, in the United States of America or elsewhere, as a going concern, with the factories, lands, buildings, plant, fixtures, stock in trade, materials and other effects connected with or used and appropriated for the said business or otherwise comprised in the registered agreement in that behalf between the said J. Winslow Jones, Walter Rathbone Bacon, and the said Company, and referred to in their memorandum of Association;

According to
agreement.

To carry on
certain bus-
iness in
Canada and
elsewhere.

2. To continue and carry on the said business, or a similar business, both in America, and if thought desirable, in England, Europe, Australia or elsewhere, and also, if thought desirable, to carry on in addition to or in connection with the same, the business of producing, manufacturing, drying, curing, preserving or preparing corn, meat, game, fish, fruit, vegetables and other articles of food or provisions, and of dealing

dealing in any such articles, (whether dried, cured, preserved, or prepared or not,) wholesale or retail, and of producing, manufacturing or dealing in such articles as are required for, or are usually or may be conveniently manufactured or dealt in by companies or persons carrying on a business of a similar nature, and the business of agents for the purchasing or dealing in articles of food or provisions, or such other articles as aforesaid ;

Agency
business.

3. To improve or lay out for building purposes any of the lands comprised in the agreement above mentioned, or which may be acquired by or leased to the Company for the purposes aforesaid ; and for such purpose to construct, execute, and do such buildings, works and things as may be thought desirable for the purposes for which the Company is hereby incorporated : Provided that the total value of the real property which the Company shall hold in Canada at any one time shall not exceed two hundred thousand dollars :

Improvement
and laying
out of lands.

Proviso.

4. To purchase, take upon lease, or otherwise acquire (subject to the limitation in the next preceding sub-section as to real estate) all such lands, buildings, ships or other property real or personal, or such estates or interests, rights or privileges in or over any lands, buildings or property, and any patents or like privileges, inventions or secrets or secret processes, or licenses to use the same, as may be considered necessary or expedient for the purposes of the business of the Company ; and to construct and maintain any buildings, works, ships, boats, machinery, plant, apparatus and things which may be considered necessary or expedient for the purposes of the business of the Company ;

Acquisition
of real and
personal
property.

5. To sell, grant, let, exchange, surrender or otherwise dispose of absolutely or conditionally, or for any limited estate or interest, all or any part of the property, rights or privileges of the Company, or any rights or privileges in or over such property, or any licenses to use or exercise any patent or other rights or privileges ;

Sale, ex-
change, &c.
of property.

6. To do all such things as are incidental or conducive to any of the purposes aforesaid.

General
powers.

3. The personal liability of the several members of the Company for its debts and obligations, is limited to the amount unpaid on their respective shares in the capital of the Company.

Liability of
members
limited.

4. The capital stock of the Company shall be one hundred thousand pounds sterling, divided into ten thousand shares of ten pounds sterling each : the capital may be increased, and any of the original or new shares may be issued as preference shares, with preferential rights as to dividends

Capital stock
and shares.

Provision
for increase.

Certain matters to be governed by articles of Association.

Copy to be deposited with Secretary of State.

Certified copies to be evidence.

What shall be deemed a domicile of the company.

Head office, officers and agencies.

dividends or otherwise, as may be resolved upon by the Company from time to time in accordance with the provisions contained in their Articles of Association, registered under the Imperial Acts hereinbefore mentioned, on the fourth day of February, one thousand eight hundred and eighty, which shall apply to and govern the internal organization, management and affairs of the Company, the distribution of its capital and the shares thereof, and matters relating thereto, the general meetings of the Company and the proceedings thereat, the Directors and other officers thereof, the dividends, accounts, seal and audit, notices to members, and generally all matters provided for by the said Articles of Association, a copy whereof certified by the President or two of the Directors of the Company shall be deposited in the office of the Secretary of State of Canada; and any copy whereof purporting to be certified under the hand of the said Secretary of State or his deputy, to be a true copy of that so deposited, shall be received in all courts of law or equity in Canada as *prima facie* evidence of such Articles of Association and of the contents thereof without proof of the signatures of such Secretary or deputy, as shall also any deed or instrument purporting to be under the seal of the Company and executed as required by the said articles.

5 Every office or building in Canada, at or in which the said Company transacts its business or any portion thereof, shall be deemed to be a domicile of the Company; so that if any cause of action or suit shall arise against the Company within the Province or territory in which such domicile is situate, service of any writ or process in such action or suit may be validly made upon the Company at such domicile, by delivering the same to the person then in charge of such place of business.

6. The chief office of the Company shall be their registered office for the time being in England; but the Company may appoint and have officers, agents and servants in Canada, for such purposes and with such powers as the Company may assign to them respectively.

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