
1st Session, 4th Parliament, 16 Victoria, 1852.

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An Act to empower any Rail-way Company whose Rail-way forms part of the Main Trunk Line of Rail-way throughout this Province, to unite with any other such Company or to purchase the property and rights of any such Company; and to repeal certain Acts therein mentioned, incorporating Rail-way Companies.

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(450 Copies.)

The Honorable Mr. HINCKS.

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An Act to empower any Rail-way Company whose Rail-way forms part of the Main Trunk Line of Rail-way throughout this Province, to unite with any other such Company or to purchase the property and rights of any such Company; and to repeal certain Acts therein mentioned incorporating Rail-way Companies.

WHEREAS it would be to the advantage of this Province, Preamble.
that the Main Trunk Rail-way throughout the whole length thereof should be under the management and control of one Company, or of as small a number of different Companies as may be practicable: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled, *An Act to re-unite the Provinces of Upper and Lower Canada and for the Government of Canada*, and it is hereby enacted by the authority of the same, That it shall be lawful for any two or more of the Companies formed or to be hereafter formed, for the purpose of constructing any Rail-way, which shall form part of the Main Trunk Line of Rail-way contemplated by the Legislature in passing the Act of the now last Session of the Provincial Parliament, intituled, *An Act to make provision for the construction of a Main Trunk Line of Rail-way throughout the whole length of this Province*, to unite together as one Company, or for any one of such Companies to purchase and acquire the property and rights of any one or more of such Companies: And the provisions of this Act shall apply to and include the St. Lawrence and Atlantic Rail-road Company, and the whole of the Rail-way which that Company are empowered to construct, and shall also apply to and include any Company which may have been formed by the Union of any two or more Companies under this Act.

Power to unite with or purchase the rights of another company. 14 & 15 V. c. 73.
Act to apply to certain companies.

II. And be it enacted, That it shall be lawful for the Directors of any such Company as aforesaid, to agree with the Directors of any other such Company or Companies, that the Companies they respectively represent shall be united as one Company, or that one of such Companies shall purchase and acquire the property and rights, and take upon itself all the liabilities of the other or others; and by such agreement to fix the terms upon which such union or such purchase shall take place, the rights which the Shareholders of each Company shall possess after such union or purchase, the number of Directors of the Company after any such union and who shall be such Directors until the then next Election, the period at which

Directors of two or more companies may agree on terms of such union or purchase.

such next Election shall be held, the number of votes which the Shareholders of either Company shall respectively have thereat, and the Corporate name of the Company after any such union, the time when the agreement shall take effect, the By-laws which shall apply to the united Company, and generally to make all such conditions and stipulations touching the terms upon which such union or purchase shall take place, as may be found necessary for determining the rights of the said Companies respectively and of the Shareholders thereof, after any such union or purchase, and the mode in which the business of the Company shall be managed and conducted after any such union. 5

Special general meeting to be called to ratify or disallow such agreement.

III. And be it enacted, That whenever any such agreement shall have been made as aforesaid, the Directors of each of the Companies which it is to affect, shall call a Special General Meeting of the Shareholders of the Company they represent, in the manner provided by law for calling such General Meetings, stating particularly that such Meeting is called for the purpose of considering the said Agreement, and of ratifying or disallowing the same; and if at such Meeting of the Shareholders of each of the Companies concerned, respectively, three fourths or more of the Shareholders attending the same, either in person or by proxy, be given for ratifying the said Agreement, then the same shall have full effect accordingly, as if all the terms and clauses thereof, not inconsistent with this Act, were enacted in an Act of the Legislature of this Province; and if less than three fourths of the votes of the Shareholders present at such Meeting, in person or by proxy, be not given in favor of ratifying such Agreement, then the same shall be void and of no effect, and no other Meeting shall be called to consider any Agreement for a like purpose within months thereafter: Provided always, that the First Meeting of the Shareholders of any Company for considering any such Agreement shall be held within months of the time when the same shall be made by the Directors thereof, and not afterwards. 35

Proviso.

Effect of ratification of an agreement for a union.

IV. And be it enacted, That from and after the time when any such ratified agreement for the union of two or more Companies shall take effect, the Companies intended to be united shall become one Company and one Corporation by the Corporate name assigned to it in such agreement, and shall be invested with and have all the rights and property and be responsible for all the liabilities of the respective Companies, parties to such agreement, and shall be held to be the same Corporation with each of them, so that any right or claim which could be enforced by or against either of them, may after such union, be enforced by or against the Company formed by their Union, and any suit, action or proceeding pending at the time of such Union by or against either of such Companies, may be continued and completed by or against the Corporation formed by their Union, by the corporate name 50

assigned to it by the Agreement: Provided always, that the ^{Proviso.} rights of the Province or of Her Majesty on behalf of this Province, under any guarantee given to any such Company or otherwise, or of any person or party having any special hypothec or privileged claim upon the lands and buildings, tolls, revenues or other property, real or personal, of either of such Companies, or upon any part thereof, shall not be impaired by such Union, and the Company shall keep separate accounts with respect to each Rail-way, so as to ascertain the property or monies upon which any such hypothec or privilege may attach.

V. And be it enacted, That from and after the time when any such ratified Agreement for the purchase by one such Company as aforesaid, of the Rail-way, property and rights of another such Company shall take effect, such Rail-way, property and rights shall become vested in and shall be exercised by the Company purchasing the same, by the corporate name assigned to it in such Agreement, and such last mentioned Company shall be responsible for all the liabilities of the Company whose Rail-way, property and rights shall have been transferred to them, and shall be held to be the same Corporation with it, so that any right or claim which could be enforced by or against either Company, may, after such purchase, be enforced by or against the purchasing Company, and any suit, action or proceeding pending at the time such Agreement shall take effect, by or against either Company, may be continued and completed by or against the purchasing Company, by the name assigned to it in such Agreement: Provided always, that the rights of the Province, or of Her Majesty on behalf of this Province, under any guarantee given to any such Company or otherwise, or of any person or party having any special hypothec or privileged claim upon the lands, buildings, tolls or other property of either of such Companies, or upon any part thereof, shall not be impaired by such purchase, and the Company shall keep separate accounts with respect to each Rail-way, so as to ascertain the property or monies upon which any such hypothec or privilege shall attach.

^{Effect of ratification of an agreement for purchase.}

^{Proviso.}

VI. Provided always, and be it enacted, That the Company whose property and rights shall have been so purchased, shall continue to have a Corporate existence for the sole purpose of doing such things, and such things only as shall be necessary for the purpose of giving full effect to the ratified Agreement, and to the rights of its Shareholders or others under the same, and so long as there shall remain any thing to be done for that purpose, Directors may be elected for the said Company, and may exercise their powers for such purposes as aforesaid only.

^{Company selling to remain a corporation for certain purposes only.}

VII. And be it enacted, That the rights and obligations of the Company formed by any such Union, or having purchased the Rail-way property and rights of another Company, shall as re-

^{Rights of the company after such purchase}

or union in matters affecting third parties.

gards lands, fences, roads, bridges, tolls and other matters in which others than the Members and Officers of the Company are concerned, be governed by the provisions regulating such matters in the Act or Acts passed with reference to the Railway to which such right or obligations may relate, saving always the rights of the Directors, to modify any such Tolls by By-laws to be passed in the manner and subject to the provisions of such Act or Acts, or to make, amend or repeal By-laws on any matter for which By-laws may be made, amended or repealed under such Act or Acts. 5 10

Capital of united companies.

VIII. And be it enacted, That in the case of any such Union as aforesaid, the Capital of the Company formed thereby, shall be equal to the combined Capitals of the Companies united, and they may raise by Loan or otherwise, any sum not exceeding the total amount which such Companies might raise : And in the case of the purchase by one Company of the property and rights of another Company, the purchasing Company shall have full power to increase their Capital by such sum as may be required to pay the purchase money agreed upon, and may raise the sum required for the said purpose, either among themselves, or by the admission of new Subscribers, in such manner as shall be provided by By-laws to be passed for the purpose, or may raise such sum or any part thereof by loan, and may issue Debentures for the amount so borrowed in the manner and form provided, with regard to other Debentures issued by such Company, by their Act of Incorporation, or any Act amending the same, except that such Debentures may be made to bear any rate of interest not exceeding per cent per annum. 15 20 25

Increase of capital of company purchasing.

Further provision may be made for giving effect to such agreement.

IX. And be it declared and enacted, That the Legislature of this Province will make any further legislative provision which may be required for the purpose of giving full effect to this Act and to any Agreement made under it, and ratified as aforesaid, according to the true intent and purport thereof, notwithstanding any merely technical or formal objection thereto. 30 35

Recital.

X. And whereas the several parties who have subscribed for Stock in *The Montreal and Kingston Rail-way Company*, and in *The Kingston and Toronto Rail-way Company*, and have incurred certain preliminary expenses for surveys and otherwise, with a view to the organization of the said Companies, have respectively expressed their willingness that the Acts providing for their incorporation should be repealed on condition that *The Grand Trunk Rail-way Company of Canada*, incorporated by an Act of this Session, should repay them the expenses so incurred ; Be it therefore enacted, that the Act passed in the Session held in the fourteenth and fifteenth years of Her Majesty's Reign, and intituled, *An Act to incorporate the Montreal and Kingston Rail-way Company*, and the Act passed in the same Session, and intituled, *An Act to incorpo-* 40 45

Acts 14 & 15 V. c. 143 and 14 & 15 V. c. 146 repealed.

rate the Kingston and Toronto Rail-way Company, shall be and the said Acts are hereby repealed ; Provided always, that the said Grand Trunk Rail-way Company of Canada, shall repay to the persons hereinbefore referred to, the sums by them
5 expended in the preliminary expenses aforesaid.