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RULES AND REGULATIONS

OF THE

CIVIL SERVICE

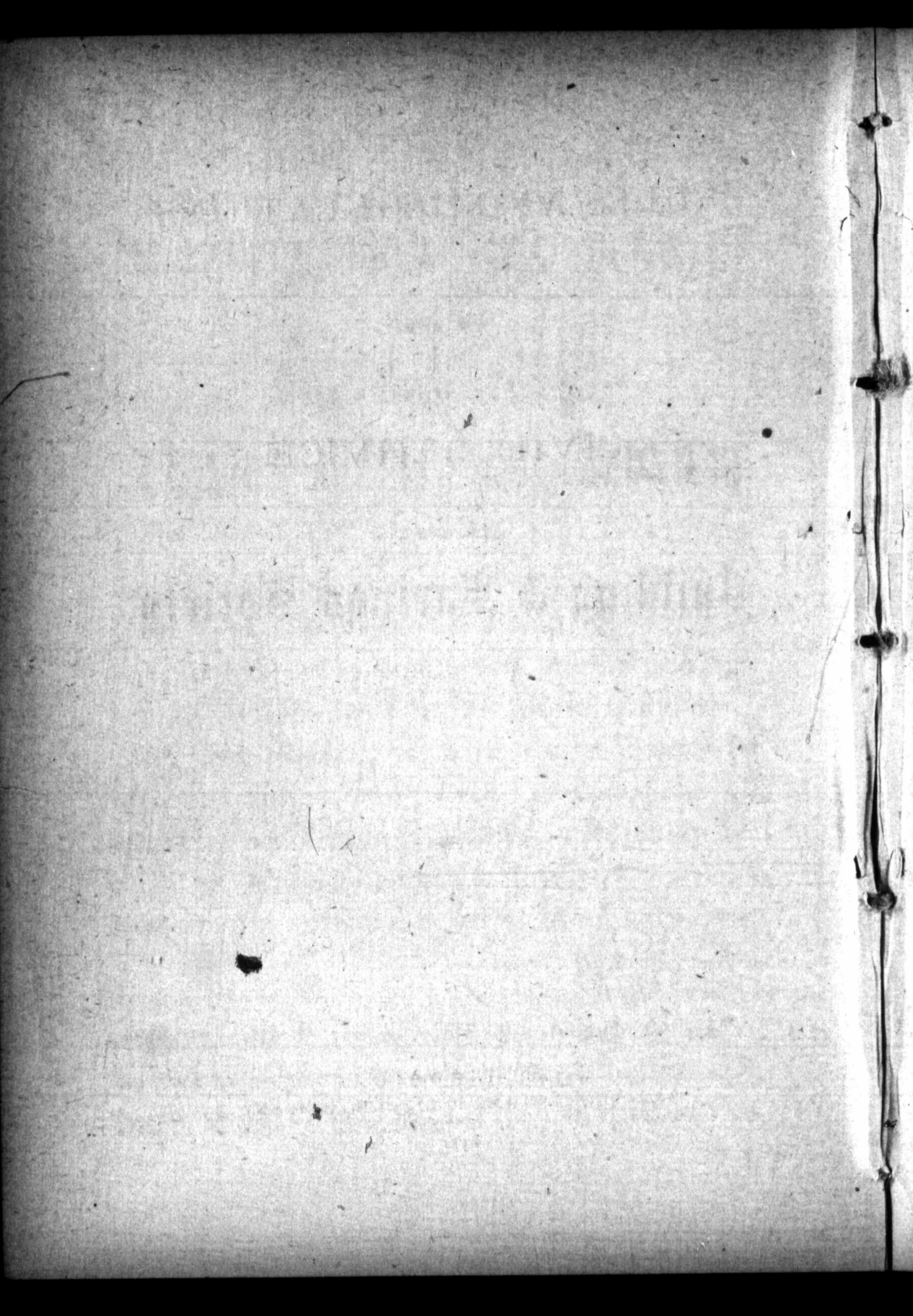
Building & Savings Society



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**RULES AND REGULATIONS**  
**OF THE**  
**CIVIL SERVICE**  
**BUILDING AND SAVINGS SOCIETY.**

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I. This Society shall be called the "CIVIL SERVICE BUILDING AND SAVINGS SOCIETY," and the intents and purposes for which it is established are to afford a convenient means by which members of the Civil Service may, by small monthly payments, accumulate considerable sums, and to enable those who are desirous to purchase houses, lands, or other property, to do so by payments spread over a lengthened term.

All persons on the Staff of the several Executive Departments and Legislative bodies of the Province of Canada, or of such other

Provinces as may hereafter be united with Canada, shall be entitled to become members of the Society, and they and the *bona fide* members of their families, shall be held to be included in the general term Civil Service. But the Directors may admit any person, not a member of the Civil Service, to subscribe for shares, and such persons may purchase shares already issued, and will be entitled to the same privileges as other shareholders.

II. As soon as the necessary amount of capital required by law has been subscribed and paid up, a Savings Branch may be established in connection with the Society, and the Directors shall then have power to borrow money for the use and on the assets of the Society, to receive money on deposit, and to pay such interest therefor and under such regulations as they may from time to time deem advisable, and to loan and invest such money, either on mortgage or real estate or in any other way they may think best for the interest of the Society.

III. The capital Stock of the Society shall consist of the shares of the members thereof, either fully paid up or in course of accumulation. These shares shall be of the amount of fifty dollars each, and may be paid up:—

By the payment of \$50 in full in one or more sums, such share commencing to bear interest from the first day of the month following that in which it is paid in full.

By the payment of four dollars a month for twelve months, in all \$48, which shall entitle the subscriber to a share of \$50, on which interest shall be reckoned from the first day of the month following that in which the last payment is made.

Or by the payment of two dollars a month for twenty-three months, and one dollar in the twenty-fourth, in all \$47, or by the payment of one dollar a month for forty-four months. Interest to be reckoned on Shares thus acquired as in the last preceding clause.

But the Directors, or a general meeting of the Society, may at any time close the stock-list for shares to be paid in full, and may again re-open it, as the interests of the Society may render advisable.

IV. All persons upon taking Shares in the Society shall sign the Rules and Regulations in a book to be kept for that purpose and shall elect the term in which such shares shall be paid up; but a shareholder not having paid up a share in full, may, with the assent of the Directors, alter the term in which such share was intended to have been paid up, to any other term recognized by the rules, upon such equitable conditions as may be determined upon. And upon any share or shares being paid in full, the Shareholder shall receive therefor scrip, no transfer of which will be recognized, unless such transfer has been duly recorded in the books of the Society, whereupon the former scrip shall be surrendered and new scrip issued to the transferee.

V. Any Shareholder not having paid up

his share in full, and not being a borrower from the Society, who wishes to retire, shall be entitled, after the declaration of any dividend, to receive from the first available funds of the Society, the amount which he has actually paid in.

Any Shareholder, not being a borrower from the Society, who has subscribed for a share, and paid nothing thereon, shall forfeit such share, unless he shall within a month, pay it up or commence paying it up by one of the methods prescribed by rule III; and if any Shareholder, not being a borrower, who has subscribed for his share, payable by instalments, shall be as much as six instalments in arrears, he shall be held to have resigned his share, and shall be entitled to receive the amount he has actually paid in, as above provided for.

VI. Any Shareholder not being a borrower from the Society, may transfer his share or shares by causing an entry of such transfer to be made in the books of the Society in such

manner as the Directors may appoint, and thereupon the transferee, after signing the rules, shall be entitled to all the privileges of the original Shareholder.

VII. If a Shareholder wishing to retire or to transfer his shares, is also a borrower from the Society, he must retain at least one share, and if such share is payable by instalments and falls into arrear, all further arrears beyond six instalments shall be charged monthly in his account current.

VIII. In case of the death, insolvency or incapacity of any member, the legal representative of such member shall, before becoming entitled to the privileges of an original Shareholder, procure his place of abode and the particulars of his title to be registered in the books of the Society, and shall at the same time exhibit the will or probate thereof, or grant of letters of administration, or other document as the case may be, for the inspection and satisfaction of the Directors.

IX. In the distribution or investment of the



funds of the Society, a person owning paid up shares shall have the preference. But in the event of all the funds of the Society not being so taken up, or the security offered by such shareholders not being thought sufficient by the Directors, they are at liberty to loan such moneys to other persons, or to invest them in such other securities as they may deem fit.

X. The instalments in which re-payments of loans are to be made shall be determined on the basis of the tables adopted by the Society (*Vide Appendix*) and shall be made payable on the first day of the month; and if such re-payments, or any other sum payable by a borrower, are not paid within three days from the time when they are due, they shall be charged against him in his account current, and any such balances overdue shall be liable to a fine equal to one cent in the dollar for every month or part of a month during which the same shall have remained unpaid, and at the end of each year such fines shall be added to the principal due.

XI. Any person who may wish to receive his loan in instalments, may do so on such equitable terms as may be determined upon in each case by the Directors, and if any person wishes to amalgamate two or more loans, or to make a partial re-payment of a loan, or otherwise to alter the period of its re-payment, he may do so on such equitable terms as may be laid down by the Directors, (*vide Appendix*).

XII. The financial position of the Society shall be ascertained on the 20th of December in each year, and the profits shall then be apportioned equitably and equally between the Shareholders who have paid up in full, in proportion to the value of their shares, after a sufficient reserve shall have been set aside to provide for the interest of the Stockholders who have not paid up in full. But if the Directors shall see fit to declare a dividend at a semi-annual period they may do so. And if the Directors, in declaring such semi-annual dividend, shall consider it for the advantage of the Society to set apart a further

portion of its profits for contingencies or a reserve fund they shall have the power to do so, and the same shall form a part of the general funds of the Society. But the Society at any annual meeting may declare any portion of such reserve fund which may exceed 8 per cent. upon the amount paid in upon the shares which are not paid up in full, to belong to the then actual Shareholders of the Society, and exclude from any participation in the benefits thereof the Shareholders who may thereafter join the Society; or the Society at such annual meeting, after such excess of the reserve fund beyond 8 per cent. on the shares not paid up in full has been ascertained, may declare that all future shares subscribed for shall be at a premium equal to the proportion which such excess of the reserve fund bears to the shares paid up in full. And if any shares are subscribed for at such premium, payable by monthly instalments, the premium must either be paid on subscription, or it will be charged against the share account of the subscriber, and the

first payments shall be held to be payments of the premium ; and the share or shares will not be held to be paid up by the monthly payments provided for in Rule III. until the necessary number of monthly instalments have been paid over and above those applied towards the premium.

And if any Shareholder who has not paid up his shares in full shall wish to retire under the provisions of Rule V., he shall only be entitled to receive the amount paid on the shares, exclusive of any premium.

The Directors may at any time, between two general meetings declare the share list to be closed for any further subscriptions at the rate of premium last declared ; and any shares subsequently subscribed for shall be liable to be charged with the premium declared at the next general meeting.

XIII. Any person desiring the loan of money shall give notice in writing to the Trea-

surer of the situation, tenure, description of the property proposed to be mortgaged to the Society, and shall deposit with the Treasurer all necessary title—deeds and documents relating thereto, and such sum of money as the Treasurer may consider requisite to meet the necessary legal expenses and appraiser's fees (which must be paid by the borrower); and if the papers and valuations prove satisfactory, such application shall be entered in a book to be kept for that purpose, with the date of the acceptance of the security, and the several applicants shall, subject to the provisions of Rule IX, be entitled to receive loans according to the priority of the acceptance of their application: Provided always, that as long as the claims of any other such applicant are unsatisfied, no greater loan than \$1,000 shall be made to any one, but the name of any one wanting more shall be retained in the application book, with the date of his original application, so that at a future distribution he may receive the balance. And when the amount applied for, or any

portion thereof, has been allotted as above, such person shall take up the allotted sum within one calendar month from such allotment, or forfeit his claim to the same and also to the deposit he may have made.

XIV. All mortgage deeds and securities to the Society shall be prepared in such form and contain such clauses, provisoes and agreements as the Solicitor of the Society shall think fit, with the approval of the Directors, and in case the mortgagor shall at any time or times neglect or refuse to pay his repayments, for the space of six months successfully, the Directors may either with or without his concurrence appoint a person or persons with such salary or commisson as they may think proper to collect the rents and profits of the mortgaged premises, with the same power of enforcing payment as the mortgagor himself may possess, and power to sell and dispose of such premises by public auction or private sale when the Directors shall think proper ; and in case the mortgagor

shall be himself the actual occupier of such premises, then the mortgage deed may contain stipulations that he shall become tenant to the Society. But the mortgagor shall be entitled within the said six months to pay the sums he may have neglected or refused to pay with a fine for such non-payment of one cent in the dollar for each month or part of a month the same may have remained unpaid. And the Directors may have the power to make such arrangements for repairing or finishing or putting in order any buildings or property, or for generally managing the mortgaged property as they may deem expedient, and all charges or expenses attending the same shall be paid by the mortgagor and shall be a charge upon the mortgaged property. And when any sale shall take place of any property mortgaged to the Society, the Directors shall have power to retain and apply so much of the purchase money as will be necessary to pay the sum which will be required to redeem the property, pursuant to the provisions contained in these rules,

together with all other payments, moneys and expenses due to the Society, and to pay the surplus thereof to the mortgagor, or whoever shall appear to be entitled to receive the same.

XV. All property secured to the Society consisting of buildings, shall be insured by the mortgagor, if required by the Directors, in such sum and office as they shall think advisable, and the policy or policies shall be in the name of, or shall be assigned over to the Society; and at least three days before the expiration of any such policy the mortgagor shall produce proof to the Treasurer of the renewal thereof, failing which, the Directors may act in that behalf, and insure the same, or keep on foot or renew the policy thereof, to and for the said Society, and may charge the expenses thereof against the mortgagor, as a charge under the said mortgage. And if at any subsequent period any trade shall be commenced or erection made, or any other thing take place which



would effect the validity of the policy of Insurance, a due notice and statement thereof shall be given to the Directors by the person executing the mortgage to the Society, on penalty of one dollar a month for every \$500 for which the policy is made out.

XVI. If any person who shall have executed a mortgage to the Society, shall desire to sell the mortgaged property, subject to the mortgage, he shall be at liberty so to do, with the consent of the Directors, on such terms with respect to legal expenses, the repayment of instalments due, or otherwise, as they may require. And it shall be lawful for any such person, with the consent of the Directors, in like manner to substitute any other property as security to the Society, in lieu of the property originally mortgaged. And if any member shall desire to have his property discharged from a mortgage to the Society, before the expiration of the full term for which it has been taken, he may be allowed to do so, on payment of all repayments, and any other sums due in respect thereof dis-

counted at such rate of interest and on such terms as the Directors may determine, (*vide Appendix*).

XVII. On the redemption of any security, such discharge of the security as he may desire shall be prepared, and all matters relating thereto shall be transacted by the Solicitor of the Society, at the expense of the person desiring such discharge.

XVIII. The Directors may make such arrangements with any of the Chartered Banks for the deposit of moneys and securities, and for conducting other financial matters, as they shall from time to time deem necessary; and no moneys shall be drawn from the Bank without the signature of the President—or in case of his absence or illness, then of a Chairman, who shall be appointed *pro tem.* and of the Treasurer.

XIX. A General Annual Meeting of the members shall be held at the office of the Society, in the City of Ottawa, or such other

place as the Directors may appoint, on the second Monday in January, for the purpose of electing Directors and Auditors to serve for that year, and at each of such General Annual Meetings shall be submitted a general statement of the funds and effects of or belonging to the Society, on the 31st day of the previous December, in terms of the Act respecting Building Societies, Consol. Stat. U. C., cap. 53, sec. 32, attested as provided in sec. 33 of the said Act. Extra General Meetings shall be called by a majority of the Directors, or on the requisition of not less than fifteen Shareholders, for the transaction of such business as may be specified in the call for such meetings.

XX. The number of Directors chosen shall be seven, of whom three shall be a quorum, and they shall be holders of at least five shares each, on their own behalf or as trustees, and after the Society has been in operation one year, they shall have paid in at least two hundred and fifty dollars, and

the voting for their election shall be according to the following scale :

For each paid up share held by a member in his own behalf or as trustee up to five, 1 vote; for each two additional shares up to 15, one vote; for each three additional shares up to 25, one vote; for each four shares above 25, one vote.

Holders of shares not paid up shall have the right to at least one vote, and if the amount they have paid in equals the amount of two or more paid up shares, they shall have the right to more votes, in proportion, according to this scale.

Voting for the election of Directors shall be either in person or by proxy, and the voting shall be by ballot, without oral or written proposition, and the vote for the whole Board shall be given in on one slip of paper; and the Secretary shall deliver to each Shareholder a voting paper marked with the number of votes he is entitled to

cast; but no person shall act as proxy for more than ten other members.

On any other question submitted to a general meeting the votes may be taken by a show of hands; but any member may require the vote to be taken on a division list, when the number of votes any member may give, either for himself, or as a proxy, shall be according to the scale above given.

XXI. The Directors shall meet at least once a month, and at their first meeting after their election, they shall choose among themselves their President and Vice-President, and a Managing Director, who shall have special charge of such portions of the business of the Society as the Directors may entrust to him. No Director shall hold the office of Treasurer or Solicitor of the Society. In the event of the death or resignation or disqualification of any Director, the remainder are to select one from the list of Shareholders, who shall act as Director, with all the rights and privileges as if he had been elected by the

general meeting, until the general annual meeting next following.

XXII. The Directors shall have the appointment of the Solicitor or Solicitors of the Society, and shall prepare a tariff of the fees which he shall be entitled to charge, which are to be paid by the borrowers, and such officers shall not be removed from office, except at a meeting of Directors specially convened for that purpose, and by a majority of at least five of the Board of Directors. The Directors may also appoint Appraisers or Agents or such other officers as the business of the Society may require; and may pay them such remuneration as the Board may think reasonable; but no agent of the Society shall have, or be held to have power to bind the Society in any way beyond what he shall be authorized and instructed by the Directors to do.

XXIII. The Solicitor shall investigate the title to any property offered by any person as security to the Society, and shall, in all cases,

render to the Directors, in writing, a report thereon. He shall prepare or direct and be responsible for the preparation of all necessary mortgage deeds and instruments in favor of the Society, and for this he shall receive such fees as may be determined by the tariff, to be paid by the person on whose account such charges may be incurred.

XXIV. The Treasurer, who shall also perform the duties Secretary, shall be appointed by the Directors, and may be removed as in the case of the Solicitors, and he shall receive such remuneration as may be determined by the Society. He shall receive and pay all moneys for and on behalf of the Society, and his receipt shall, in all other cases, be a sufficient discharge; but the discharge of a mortgage shall be signed by the President and Secretary. The Treasurer shall deposit with the bankers all such moneys as he shall have on hand when they amount to \$50; he shall attend all meetings of the Directors or members of the Society, shall keep the minutes

and the accounts, conduct the correspondence of the Society, and perform all other duties the nature of his office may require.

XXV. These rules may be amended at any General Meeting pursuant to the Consol. Stat. for U. C., ch. 53, sec. 17, but notice of the amendments must be given at a previous meeting, or in the notice calling that meeting.

For the observance and performance of all and every the foregoing Rules and Regulations, and of and every the future By-laws, Rules and Regulations of "THE CIVIL SERVICE BUILDING AND SAVINGS SOCIETY," We, the members of the said Society, who have hereunto subscribed and set our hands and seals do hereby severally, each for himself, his executors and administrators, and not jointly, or the one for the other, covenant and declare, to and with the President and Treasurer of the said Society, and their successors in office, that we and our several and respective executors and administrators shall and will well and truly observe, perform, fulfil



and keep, all and singular the said foregoing and future Rules and Regulations of the said Society, which on our several and respective parts are, or ought to be, observed, performed, fulfilled and kept.

### APPENDIX A.

The terms upon which the Civil Service Building and Savings Society is prepared to make loans to its members. The instalments in this table are calculated for a loan of \$1,000.

	Monthly.	Quarterly.	Half Yearly.	Yearly.
For 2 Years...	46 79	141 70	287 47	591 79
3 " ....	32 92	99 70	202 28	416 35
4 " ....	26 03	78 84	159 96	329 23
5 " ....	21 94	66 43	134 78	277 41
6 " ....	19 23	58 25	118 17	243 23
7 " ...	17 33	52 47	106 46	219 12
8 " ....	15 92	48 21	97 80	201 30

For shorter periods the instalments will be as in the following table, for a loan of \$100.

3 monthly instalments		\$33 97	12 monthly instalments		\$8 86
4	"	26 60	13	"	8 21
5	"	20 88	14	"	7 66
6	"	17 23	15	"	7 19
7	"	14 84	16	"	6 77
8	"	13 04	17	"	6 40
9	"	11 65	18	"	6 07
10	"	10 53	24	"	4 68
11	"	9 62			

The rates for intermediate periods may be ascertained from the Treasurer.

## APPENDIX B.

As it will be a great convenience to borrowers to reduce the amount of their loans otherwise than by the periodical instalments originally contracted for, or to alter the period for which a loan has been contracted and when its instalments fall due, the Directors have adopted the following rules, according to which such modifications of existing contracts may be made.

(1). If a borrower wishes to consolidate two or more loans, or to alter the period or manner of repayment, without paying any sum down to reduce the total amount, the Directors are prepared to entertain the proposition, ascertaining the present value of the existing loan or loans, according to the rate of interest at which the loans were made, and to substitute an altered loan of the same present value.

(2). If a borrower wishes at any time to

pay his loan in full, the Directors are prepared to accept the proposition ascertaining its present value at a rate of discount equal to 8 per cent per annum.

(3). If a borrower wishes to pay a given number of instalments in advance, or by a present payment to reduce either the period of his loan or the amount of his instalments, the Directors are prepared to accept the proposition, allowing a discount equal to 8 per cent per annum.

(4). In any of the above cases a charge not exceeding 2 per cent in the valuation, and not exceeding in the whole \$10, will be made for the alteration in the original conditions of the loan; but if a loan is paid in full in consequence of the property on which the loan was received being destroyed by fire, and the amount recovered from an Insurance Company, the present value will be ascertained as above at a discount equal to 8 per cent per annum, but no charge will be made for the valuation.