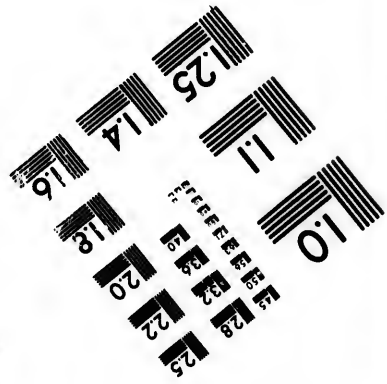
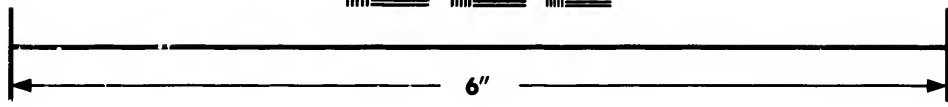
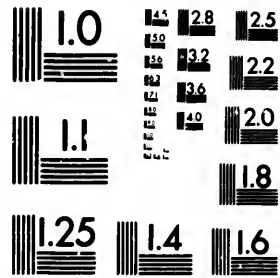


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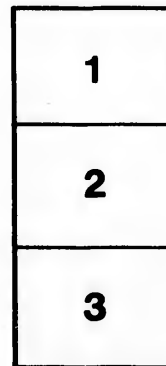
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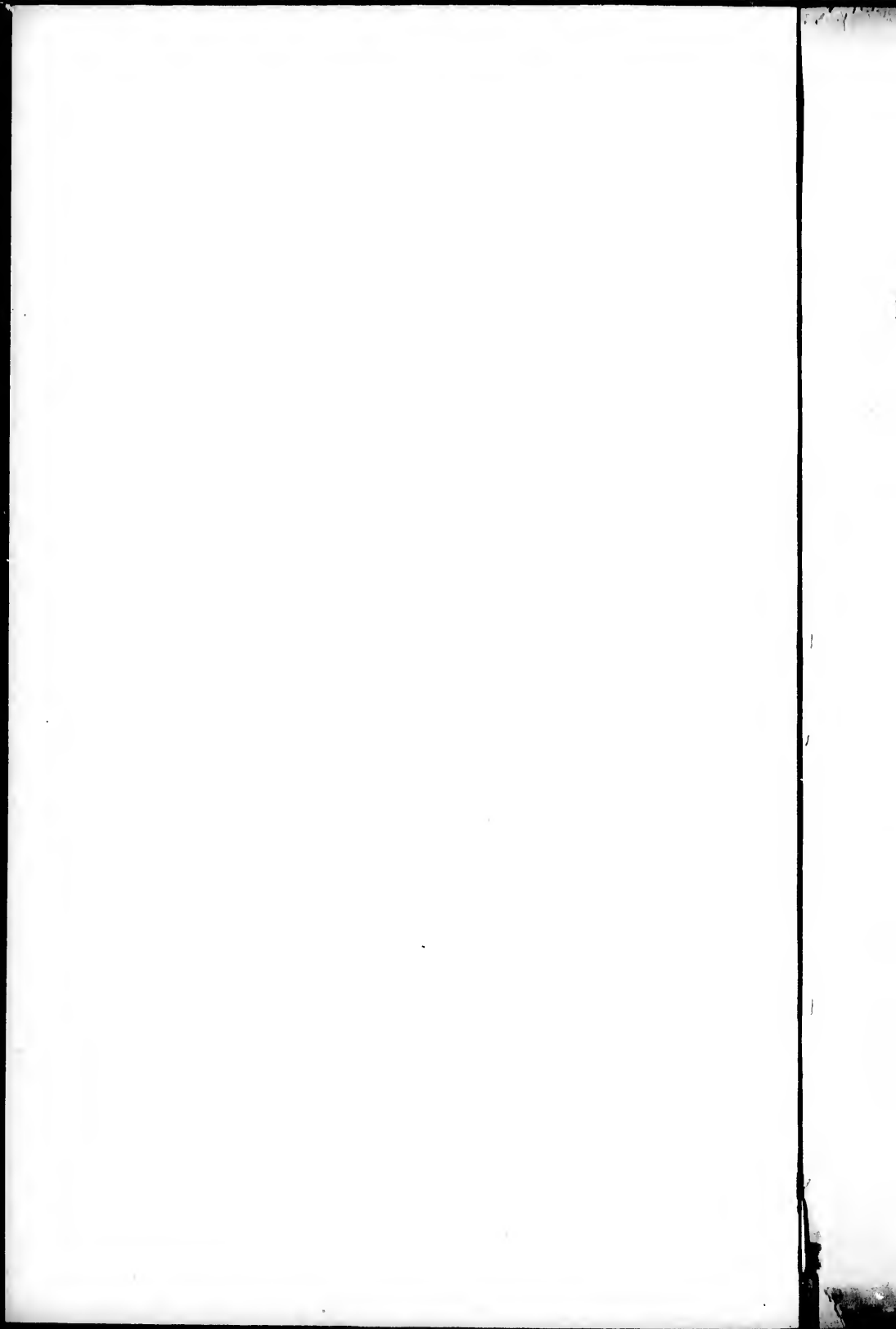
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**AN ACT**

TO

**INCORPORATE SUNDRY PERSONS**

**UNDER THE STYLE AND TITLE**

OF

**The President, Directors, and Company**

OF THE

**'FREEHOLDERS' BANK**

OF

**UPPER CANADA.**

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**Toronto:**

Printed at the Patriot Office.

1837

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**SYNOPSIS**  
OF  
**ACT TO INCORPORATE**  
**THE FREEHOLDERS' BANK.**

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**SECTION I.**—Contains a List of all the Clauses relating to the Stock.

**SECTION II.**—All affecting Stock taken by Mortgage of Property in lieu of being paid for in money, with those affecting the Appraisers to be appointed in order to ascertain the value of the Property.

**SECTION III.**—All affecting Commissioners, their appointment and duties.

**SECTION IV.**—All affecting the Directors, the management of the Bank, the Sinking Fund, and District Banks.

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*Section I.—STOCK.*

- Clause 2.**—The number of Shares to be 40,000; the amount of each share, £25.
- Clause 3.**—No person to subscribe for less than four shares, to be payable either in money or secured by Mortgage.
- Clause 4.**—A deposit of five shillings per share to be paid on subscription, to be repaid on payment of the residue, or on completion of the security of shares taken on Mortgages.
- Clause 5.**—Subscribers to give notice, immediately after subscription, of intention to take Stock in Mortgage or in money, and to state the description of security.
- Clause 7.**—Subscribers taking Stock in money to receive interest in addition to dividends.
- Clause 36.**—Shareholders to receive interest, beyond the dividend, on all monies arising from sale or redemption of mortgaged property.
- Clause 12.**—Ratio of votes allowed to stockholders.
- Clause 18.**—Shares to be transferable.

*Section II. MORTGAGES AND APPRAISERS.*

MORTGAGES

- Clause 3.**—May be taken as security for and in payment of stock.
- Clause 6.**—To consist of real Estate of appraised value of double the amount of Stock subscribed for, to be free from incumbrances and held in fee simple.
- Clause 21.**—Property offered for, insufficient; other may be substituted.
- Clause 22.**—Form of Mortgage.
- Clause 23.**—The costs of Registration only to be paid by the owner of the property.
- Clause 29.**—Mortgaged property may be sold on request of the owner.
- Clause 31.**—May be redeemed on payment of the amount of stock subscribed for.
- Clause 38.**—May be redeemed at any time before sale by Commissioners, and in no case to be charged beyond the amount of stock for which it is given as security.



## APPRAISERS.

- Clause 24.—To be appointed in every District to ascertain the real value of property proposed to be mortgaged.  
 Clause 25.—To take the oath prescribed.  
 Clause 26.—To be paid only such fees as Commissioners shall fix.

*Section III—COMMISSIONERS—THEIR APPOINTMENT,  
 DUTIES, AND POWERS.*

- Clause 2.—To arrange the opening of Subscription-books.  
 Clause 9.—When £500,000 subscribed, to call a Meeting of Stockholders for election of Directors.  
 Clause 19.—John Simcoe Macaulay, William Botsford Jarvis, Charles Coxwell Small, William Cayley, and John Ewart, appointed. No Commissioner to hold stock in the Bank.  
 Clause 20.—Dissatisfied with security offered for stock, to give notice to Subscribers, and fix time for substitution of other security.  
 Clause 22.—To take Mortgage in form prescribed.  
 Clause 24.—To appoint Appraisers in every district to value property proposed to be mortgaged.  
 Clause 27.—To appoint Clerks, &c. and make By-laws for the management of their department of business.  
 Clause 28.—To see that buildings be insured in their name; in event of accident, money to be laid out in rebuilding or payment of Mortgage money, as the owner of the property shall direct.  
 Clause 30.—To pay taxes on default of payment by owner of property mortgaged.  
 Clause 32.—To be Auditors of Bank.  
 Clause 33.—To attend once a week, and to receive a salary at the discretion of Directors.  
 Clause 34.—To appoint their successors. Never to be more than five.  
 Clause 35.—As soon as half the capital subscribed and securities given, to contract Loan for Capital.  
 Clause 37.—To hold securities in trust to redeem the capital borrowed; and if that be unpaid for one year after time appointed for payment, Securities to be sold and conveyed by Commissioners to purchasers.

*Section IV.—1. DIRECTORS. — THEIR APPOINTMENT AND  
 DUTIES. — 2. GENERAL MANAGEMENT OF THE  
 BANK. — 3. SINKING FUND. — 4. DISTRICT BANKS.*

## I. DIRECTORS,

- Clause 4.—When elected, to receive Deposits on Subscription.  
 Clauses 9 & 10.—To be elected on subscription of £500,000, and successively on the first Monday in January by ballot, and general directions for election of President, &c.  
 Clause 11.—Charter not void because Election does not take place on first Monday in January.  
 Clause 13.—To make half-yearly Dividends, and once in three years or oftener if required, to make particular statement of debts due to the Bank.  
 Clause 14.—Power to make by-laws, and appoint officers, clerks, &c.  
 Clause 20.—When shares ascertained, Directors to give notice to Shareholders to pay up subscription.

## II.—GENERAL MANAGEMENT OF THE BANK.

- Clause 8.—Public notice to be given of all Meetings in the U. C. Gazette.  
 Clause 15.—Debts at no time to exceed three times the amount of capital subscribed.



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**AN ACT**  
TO INCORPORATE SUNDRY PERSONS  
Under the Style and Title  
OF  
**The President, Directors, and Company**  
OF THE  
**FREEHOLDERS BANK**  
OF UPPER CANADA.

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**Whereas**, the establishment of a Bank in this Province with a Capital to be borrowed upon the security of freehold property, and a sinking fund adequate to the redemption thereof, will be highly conducive to the welfare and prosperity of the agricultural and commercial interests of this Province, and afford a certain and profitable investment for domestic and foreign capital. *And Whereas*, James M. Strachan, Alexander Dixon, William Stennett, Robert Hawke, James Newbigging, James Trotter, Francis Logan, James Saxon, Thomas D. Harris, David M. Patterson, J. W. Brent, (George Gurnett and others, by their Petition to the Legislature have prayed for the privilege of being incorporated.

1. *Be it therefore enacted*, by the King's Most Excellent Majesty, by, and with the advice and consent of the Legislative Council and Assembly of the Province of Upper Canada, constituted and assembled by virtue of, and under the authority of an Act passed in the Parliament of Great Britain, entitled "An Act to repeal certain parts of an Act passed in the fourteenth year of His Majesty's reign, entitled an Act for making more effectual provision for the Government of the Province of Quebec, in North America, and to make further provision for the Government of the said Province, and by the authority of the same, that the said James M. Strachan, Alexander Dixon, William Stennett, Robert Hawke, James Newbigging, James Trotter, Francis Logan, James Saxon, Thomas D. Harris, David M. Patterson, J. W. Brent, George Gurnett and all such persons as shall hereafter become Stockholders of the said Bank, shall be, and are hereby ordained, constituted and declared, to be a body corporate and polite, in fact and in name of the President, Directors and Company of the Freeholders' Bank of Upper Canada, and that by that name, they and their Successors shall, and may, have continued succession, and shall be capable of suing and being sued; pleading and being impleaded; answering and being answered unto; defending and being defended, in all Courts and places whatsoever, in all manner of actions, suits, complaints, matters and causes whatsoever; and that they and their Successors may have a common Seal, and may change and alter the same at their pleasure; and also that they and their successors, by the same name of "the President, Directors and Company of the Freeholders' Bank of Upper Canada," shall be in law capable of purchasing, holding and conveying any estate, real or personal, for the use of the said Company.

2. *And be it further enacted by the authority aforesaid*, that a Share in the Stock of the said Bank, shall be twenty-five Pounds, and the number of Shares shall not exceed forty thousand, and that books of subscription shall be opened at the same time at the City of Toronto, and at the District Towns in each and every District of the Province, within two months after the passing of this Act, by such person or persons, and under such regulations as the Commissioners hereinafter named shall direct.

3. *And be it further enacted by the authority aforesaid*, that it shall be lawful for any person or persons to subscribe for such, and so many shares but not less than four, as he, she, or they shall or may think proper, and that the shares so subscribed, shall be payable at the option of the subscribers, either in money, or shall be secured to be paid by Mortgage of freehold and unincumbered property in this Province, in the manner hereinafter expressly provided.

4. *And be it further enacted by the authority aforesaid*, that every such subscriber, at the time of subscribing, shall pay down a deposit of one per cent. on the amount of the Shares subscribed for; and the deposit money so paid, shall be held by the person or persons having the care of the subscription books, and shall be paid over by such person or persons receiving the same, to the Directors immediately after their election, to be made as hereinafter directed, and to be repaid previously to the declaration of any dividend upon the profits of the said Bank, to such of the Stockholders who shall give security for their shares as aforesaid, and to be allowed in account to such of them as shall pay in money for the same.—But in case of non-payment or non-completion of security for shares pursuant to the provisions of this Act and the by-laws of the said Company hereinafter provided, to be made, then such deposit money shall be forfeited to, and for the benefit of the said Company.

5. *And be it further enacted by the authority aforesaid*, that each & every subscriber shall signify in writing, at the time of subscribing for Stock, or within thirty days afterwards, his or her intention to pay the amount subscribed for, either in money or to give security for the same, as by this Act is required, and shall at the same time, state in writing, the nature and description of such proposed security, and whether it consist of buildings of lands, or both, and where situate, and the probable value thereof.

6. *And be it further enacted by the authority aforesaid*, that in case any such subscriber shall elect to give security for the stock so subscribed, such security shall consist of houses, building, lands or tenements within this Province, and the same shall be of the appraised value of at least double the amount of Stock subscribed for by such subscriber, and shall be free from all incumbrances, except the reservations contained in the original grant from the Crown; and such subscriber shall have a pure and indefeasible estate of inheritance therein, in fee simple, in possession and not in reversion, remainder or expectancy.

7. *And be it further enacted by the authority aforesaid*, that in case any such subscriber or subscribers instead of giving such securities, shall pay down the whole amount of his, her or their share or shares in money, such subscriber or subscribers shall be entitled to receive over and above his, her, or their dividend or dividends of the profits of the said Bank, interest on the amount so paid at the same rate of interest as the Company shall contract to pay for any borrowed Capital of the said Bank.

8. *And be it further enacted by the authority aforesaid*, that public notice by advertisement shall be given, of the meeting next hereinafter mentioned, and of all subsequent meetings whether general or special, to be holden under, or by virtue of this Act, in the Gazette of Upper Canada, and in such, and so many newspapers which shall from time to time be published in the said Province, as to the Commissioners hereinafter mentioned, as to such first meeting, and as to all other meetings, as a majority of the said Directors for the time being shall appoint, such advertisements

to be published at least thirty days, and not more than sixty days previous to the time of holding the same, and all such meetings shall be held at the seat of Government, at such time of the day, and at such place as shall be appointed by the said Commissioners, and Directors respectively as aforesaid.

9. *And be it further enacted by the authority aforesaid,* that as soon as the sum of five hundred thousand pounds shall have been subscribed, it shall and may be lawful for the Commissioners to be appointed pursuant to the provisions of this Act, to call a meeting at some place to be named at the seat of the government of this Province, for the purpose of proceeding to the election of the number of Directors hereinafter mentioned, and such election shall be then and there made by a majority of Shareholders in the manner hereinafter prescribed, in respect of the manner of election of such Directors, and the persons then and there chosen, shall be the first Directors, and be capable of serving until the first Monday of January, in the year following, and the Directors so chosen, may, as soon as the deposit money amounting to fifty thousand pounds, on the Stock so subscribed as aforesaid, shall be paid to the said Directors, commence the business and operations of the said Bank.

10. *And be it further enacted by the authority aforesaid,* that the Stock property, affairs, and concerns of the said Company, shall be managed and conducted by five Directors, one of whom shall be the President, who excepting as hereinafter provided for, shall hold their offices for one year, which Directors shall be Stockholders, and shall be subjects of His Majesty, residing in this Province, and be elected at a meeting of the Stockholders, to be holden on the first Monday in January in every year, and the said election shall be held and made by such of the said Stockholders of the said Bank, as shall attend for that purpose, in their own proper persons, and not by proxy, and all elections for Directors, shall be by ballot, and the persons who shall have the greatest number of votes at any election, shall be the Directors except as hereinafter directed; and if it should happen at any election, that any two or more persons have an equal number of votes in such manner, that a greater number of persons than five shall, by plurality of votes appear to be chosen as Directors, then the said Stockholders shall proceed to ballot a second time, and by plurality of votes determine which of the said persons so having an equal number of votes shall be the Director or Directors, so as to complete that whole number of five, and the said Directors, so soon as may be after the said election, shall proceed in like manner to elect by ballot, one of their number to be their President, and three of the Directors which shall be chosen at any year (excepting the President) shall not be re-elected to the office of Director for one year after the expiration of the time for which they shall be chosen Directors; and the President of the preceding year shall, without election, be a Director for the year ensuing, and in case more than one of the Directors (exclusive of the President who served for the last year) shall appear to be elected, then the election of Director or Directors above one, and who shall have the fewest votes, shall be considered void, and such other of the Stockholders as shall be eligible and shall have the next greatest number of votes, shall be considered as elected in the room of such last mentioned Director or Directors, and who are hereby declared incapable of serving as aforesaid; and if any Director should move out of the Province his office shall be considered as vacant; and if any vacancy or vacancies should at any time happen among the Directors by death, resignation or removal from the said Province, such vacancy or vacancies shall be filled for the remainder of the year in which they may happen, by a special election for that purpose, to be held in the same manner as hereinafter directed respecting annual elections: Provided always, that no person shall be eligible to be a Director who shall not be a Stockholder to the amount of at least twenty shares.

11. *And be it further enacted by the authority aforesaid, that in case it should at any time happen that an election of Directors should not be made on any day when pursuant to this Act, it ought to have been made, the said Corporation shall not for that cause be deemed to be dissolved; but that it shall and may be lawful on any other day, to hold and make an election of Directors in such manner as shall be regulated by the by-laws and ordinances of the said Company.*

12. *And be it further enacted by the authority aforesaid, that each Stockholder shall be entitled to a number of votes proportioned to the number of shares which he or she shall have held, and shall then continue to hold in his or her own name at least thirty days prior to the time of voting according to the following ratios, that is to say:—for four shares, one vote; for ten shares, two votes; for twenty shares, three votes; for forty shares, four votes; for eighty shares and upwards, five votes and no more: Provided always, that no person, copartnership, or body politic, shall be entitled to more than five votes at any such election, nor shall any person, not being a subject of His Majesty, be entitled to vote at any such election.*

13. *And be it further enacted by the authority aforesaid, that it shall be the duty of the Directors to make half yearly dividends of so much of the profits of the said Bank as to them, or the majority of them shall appear advisable, and that once in every three years, and oftener if thereunto required, by a majority of the votes of the Stockholders, to be given agreeably to the ratio hereinbefore established, there shall be produced at a general meeting to be called for that purpose, an exact and particular statement of the debts which shall have remained unpaid at the expiration of the original credit, for a period of treble the term of that credit, and of the surplus of profits (if any) after deducting losses and dividends.*

14. *And be it further enacted by the authority aforesaid, that the Directors for the time being, or a majority of them, shall have power to make and subscribe such rules and regulations as to them shall appear useful and proper touching the salaries to be paid to the said Directors; the security to be taken from the Cashier, Clerks, and other officers of the said Company, and their duties and conduct, and all such other matters as appertain to the business of a Bank, and shall also have power to appoint as many officers, clerks and servants for carrying on the said business, and with such salaries and allowances as to them shall seem meet; and also touching the regulation and management of all District Branches to be established under the provisions hereinafter contained, provided that such rules and regulations be not repugnant to the laws of this Province, and the provisions of this Act.*

15. *And be it further enacted by the authority aforesaid, that the total amount of the debts which the said Company shall at any time owe, whether by Bond, Bill, Note or other contract over and above the monies then actually deposited in the Bank, and the borrowed Capital of the said Company shall not exceed three times the amount of the Capital Stock subscribed and actually paid into the Bank or secured upon Mortgage according to the provisions of this Act; and in case of such excess, the Directors under whose administration it shall happen, shall be liable for the same in their natural and private capacities; but this shall not be construed to exempt the said Company or any estate, real or personal, which they may hold as a body corporate from being also liable for, and chargeable with, the said excess; but such of the said Directors who may have been absent when the said excess was contracted, or who may have dissented from the Resolution or Act whereby the same was so contracted, may respectively exonerate themselves from being so liable in their individual capacities, by giving immediate notice of the fact, and of their absence or dissent, to the Stockholders at a general meeting which they shall have power to call for that purpose.*

16. *And be it further enacted by the authority aforesaid, that it shall not*

be lawful for the said company to issue any note or bill under the value of five shillings of lawful money of the Province of Upper Canada.

17. *And be it further enacted by the authority aforesaid*, that the lands tenements and hereditaments, which it shall be lawful for the said company to hold, shall be only such as shall be requisite for its immediate accommodation in relation to the convenient transaction of its business; or such as shall have been bona 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; and further the said company shall not directly or indirectly deal or trade in buying or selling any goods, wares, or merchandise, or commodities whatsoever: Provided that nothing herein contained shall in any wise be construed to hinder the said company from dealing in bonds, bills of exchange, or promissory notes, or in buying or selling bullion, gold or silver, or any other security for money usually traded in by bankers.

18. *And be it further enacted by the authority aforesaid*, that the shares of the said company shall be transferable and may be from time to time transferred by the respective persons so subscribing the same, provided that such transfer be entered or registered in a book or books to be kept for that purpose by the directors. Provided always that the security originally given be retained by the Commissioners unless the full amount of the stock be paid.

19. *And be it further enacted by the authority aforesaid*, that John Simcoe Macaulay, William Botsford Jarvis, Charles Coxwell Small, William Caley and John Ewart, be Commissioners for the purposes hereinafter mentioned, which said Commissioners and their successors to be appointed as hereinafter provided, shall be and are hereby declared and ordained to be a body corporate and politic in fact and in name but for the purposes of this act only, and shall be designated and known by the name or style of the Commissioners of the Freeholders Bank of Upper Canada, and that by that name they and their successors shall and may have continual succession, and shall be persons in law capable of suing and being sued; pleading and being impleaded; answering and being answered unto; defending and being defended in all courts and places whatsoever in all manner of actions, suits, complaints, matters and causes whatsoever; and that they and their successors may have a common Seal and may change and may alter the same at their pleasure—and also that they and their successors by this same name of the Commissioners of the Freeholders Bank of Upper Canada, shall be in law capable of holding, conveying and releasing, any estate real or personal, conveyed or intended to be conveyed to them for the purposes in this act expressed, provided that no person being a Commissioner shall be a Stockholder or otherwise interested in the said Company.

20. *And be it further enacted by the authority aforesaid*, that so soon as the number of shares to which any subscriber or subscribers aforesaid, shall become entitled under the provisions of this act shall have been definitively ascertained, it shall be the duty of the board of Directors to cause every such subscriber to be duly notified of the amount and number thereof, and thereupon, to require such subscriber or subscribers forthwith to pay up the residue of his subscription, or to give the security for the full amount of the share or shares by him, her or them subscribed for and as by this act is required, and in case such subscriber or subscribers shall elect to give the security required it shall and may be lawful for him, her and them, so to do upon the terms and conditions and subject to the regulations to be imposed and directed from time to time by the said Commissioners, in the name or names of such subscriber or subscribers, together, also with a certificate in writing under the hands of two sworn appraisers of the said Company to be appointed and sworn as by this act is provided of the present marketable value or price of the said security so offered.

*And be it further enacted by the authority aforesaid*, that in case the



said board of Commissioners shall not be satisfied with the security offered by any such subscriber or subscribers, it shall be the duty of the said board of Commissioners forthwith to cause notice in writing to be given to such subscriber or subscribers of the same, and such subscriber or subscribers shall thereupon have the privilege, within such reasonable time as the board of Commissioners shall appoint to substitute and offer other freehold security for the consideration of the said board of Commissioners in the room of the security so rejected, at the same time affording such satisfactory evidence and proof of the sufficiency of such security as heretofore is required to be given in relation generally to such securities.

22. And be it further enacted by the authority aforesaid, that when and so soon as the security offered by any such subscriber or subscribers shall have been approved and accepted by the said board of Commissioners it shall be the duty of the said Commissioners, to require such subscriber or subscribers, to execute to them and their successors a mortgage in fee simple of the real estate comprised in such proposed security—which said mortgage shall be duly executed by such subscriber or subscribers, as well as by his or their wife or wives where dower shall be required to be barged, so as to convey a clear unincumbered estate in fee simple to such Commissioners and their successors, and such mortgage shall be executed by the respective parties in the presence of and shall be attested by at least two Witnesses one of whom shall be a Justice of the peace, or an attorney at law, and shall be in the following form, or as near thereto as circumstances will admit.

KNOW ALL MEN by these presents that  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
in the Province of Upper Canada  
being a Subscriber for \_\_\_\_\_  
shares in the capital Stock of the Freeholder's Bank of Upper Canada,  
amounting to the sum of \_\_\_\_\_ pounds,  
in pursuance of the provisions contained in the act of incorporation of the  
said Company, passed in the seventh year of the reign of his Majesty King  
William the fourth, entitled an act &c.

doth by these presents grant bargain, sell, convey, alien, release and assure  
unto the Commissioners of the Freeholder's Bank of Upper Canada, and  
their successors, all and singular the parcels or tracts of land, messuages,  
tenements, buildings, hereditaments, and premises, mentioned and de-  
scribed in the schedule thereof hereunto annexed, together with all their rights  
members and appurtenances, and the reversion and reversions remainder and  
remainders rent issues and profits thereof, and all the estate right title and  
interest of him (or her) the said \_\_\_\_\_ both at  
law and in equity therein, To have and to hold the said parcels or tracts of  
land, hereditaments and premises aforesaid with their appurtenances, unto  
and to the use and behoof of the said Commissioners and their successors  
but nevertheless upon the several trusts and for the purposes mentioned and  
expressed in the said act of incorporation, and (as the case may be)  
the wife of the said \_\_\_\_\_ in con-  
sideration of five shillings of lawful money to her paid by the said Commis-  
sioners, hath remised, released, and for ever relinquished and by these pre-  
sents doth remise release and for ever relinquish unto the said Commis-  
sioners and their successors, all, and all manner of dower and right or title to  
dower whatsoever, which she the said \_\_\_\_\_ in the event  
of surviving the said \_\_\_\_\_ her husband might or  
ought to have a claim into or out of the said hereditaments, and all manner  
of action and actions, writ and writs of dower whatsoever. In Witness &c.

## FORM OF THE SCHEDULE TO BE ANNEXED TO THE MORTGAGE.

Number of lot	Conce-sion	Township	District	number of acres	appraised value

23. And be it further enacted by the authority aforesaid, that the costs of registration only of every such mortgage shall be defrayed by the Shareholder or Shareholders executing the same, and shall be charged to his or her account with the Bank

24. And be it further enacted by the authority aforesaid, that it shall be the duty of the said Commissioners to nominate and appoint from time to time, such, and so many fit and proper persons, and at their free will and pleasure to remove and others to appoint, as to the said Commissioners or a majority of them shall seem meet in each and every District in this Province, to act as appraisers of real estate intended to be offered as security under the provisions of this act, and it shall be the duty of the said appraisers or any two of them, upon request made by any Subscriber or Subscribers, Shareholder or Shareholders, to attend inspect and survey the lands, tenements, buildings, and other hereditaments proposed as such security, and thereupon to declare and certify in writing to the said Commissioners what in their opinion is the fair and real value of such property and describing also any peculiar advantages or privileges that such property may possess, and be calculated in the opinion of such appraisers to enhance the value of the same; and in case the said appraisers shall see reason to expect that any property which they may be so called upon to value, shall or may be reasonably expected to diminish in value, it shall also be the duty of such appraisers to declare and certify in writing to the said Commissioners their opinion thereon fully and impartially, and the grounds thereof.

25. And be it further enacted by the authority aforesaid, that every such appraiser before he shall enter upon his said office, shall take the following oath before any one of His Majesty's Justices of the Peace, who is hereby fully authorized and empowered to administer such oath.

I, A. B. do swear, that I will faithfully and impartially appraise and value all such lands, tenements, buildings and property, which I may be from time to time required to value by or on behalf of the Commissioners of the Freeholders Bank of Upper Canada, and that I will declare and certify my judgment and opinion thereon truly and impartially according to the requisitions and provisions contained in a certain act of Parliament of this Province, made and passed in the seventh year of His Majesty's reign, entitled "an Act &c. So help me God.

26. And be it further enacted by the authority aforesaid, that every such Surveyor making such appraisement on actual Survey as aforesaid, shall be entitled to charge and receive from the person or persons to whom such appraised property shall belong, such fees and charges as by the said Commissioners, shall be fixed and appointed, and that every such appraiser shall hold his office during pleasure only of the said Commissioners, and shall and may be removed by them and another or others appointed in their room and stead at the discretion of the said Commissioners.

27. And be it further enacted by the authority aforesaid, that the said Commissioners shall have power to appoint such and so many officers, clerks, and servants for carrying on their department of the said business, and with such salaries and allowances to be paid out of the profits of the

said Bank as to them shall seem meet, and to make such rules and regulations for the conduct and management of such officers, clerks and servants, and of the business in their department as to them shall appear necessary.

28. *And be it further enacted by the authority aforesaid,* that all houses buildings, and erections, which shall or may form any part of the security, in mortgage to the said Commissioners as aforesaid, shall be annually insured at the expense of the party or parties making or executing such mortgage in the names of the said Commissioners, and for such amount as the said Commissioners shall think proper, and in such Office or Offices of Insurance against loss or damage by fire, either in this Province or in the United Kingdom of Great Britain and Ireland, or elsewhere, as the said Commissioners shall think proper; and in case of loss or damage by fire the amount due and payable by virtue of such insurance shall upon receipt thereof by the said Commissioners and at the option of the mortgagor or mortgagors be laid out and expended under the direction of the said Commissioners either in rebuilding or repairing the said premises, buildings, and erections, or in or towards the payment of so much of the Capital Stock of the said Company as such mortgagor or mortgagors shall have subscribed for and shall still be standing in his, her, or their name or names, and in respect of the said premises which shall be so destroyed or damaged by fire and the surplus of such amount (if any) shall be paid to the mortgagor or mortgagors, his, her, or their executors, administrators or assigns.

29. *And be it further enacted by the authority aforesaid,* that in case any shareholder or shareholders shall be desirous at any time after having executed any mortgage or mortgages under the provisions of this Act to sell and dispose of any part of the property so mortgaged, it shall and may be lawful for the said Commissioners for the time being, upon every reasonable application to be made for this purpose, to release and convey to the purchaser or purchasers any part or portion of the said mortgaged premises, not being less than one whole lot, if consisting of land in any Township and not within the precincts of any Town or City; or of a town lot and dwelling house thereon if situated within any town or city: provided that the purchase money be not less than the actual amount of Stock held in respect of such premises, and of any accumulated charge thereon by way of insurance or otherwise, and provided also that the purchaser or purchasers of the same do pay so much of such purchase money or purchase monies into the hands of the said Commissioners as shall redeem the Stock and such accumulated charges held due in respect of such premises to be applied and accounted for by the said Commissioners in the manner provided by this Act.

30. *And be it further enacted by the authority aforesaid,* that every such shareholder or shareholders in the said Stock of the said Bank shall annually at his or their own costs and charges pay up and discharge all arrears of taxes, charges rates or assessments which now are or at any time hereafter shall be taxed, charged, rated, assessed or imposed upon the lands and premises expressed in any mortgage or mortgages executed under the provisions of this Act by virtue of any law now or hereafter to be in force, imposing upon and charging or rendering liable to be charged such mortgaged premises or any part thereof with the payment of such taxes, charges, rates or assessments aforesaid so as to keep the same free from incumbrances and prevent the liability of such mortgaged premises or any part thereof to be sold under any law in force in relation thereto. And in case of his, her or their neglect or refusal so to do, it shall be the duty of the Board of Commissioners to direct the payment of such taxes, charges, rates or assessments by and out of the profits of the said Bank and the <sup>or</sup> <sup>of</sup> <sup>respon-</sup> <sup>and</sup> <sup>may</sup> thereof so paid shall be charged to the account of such shareholder or shareholders who shall neglect or refuse to pay the same.

31. *And be it further enacted by the authority aforesaid*, that in case any shareholder or shareholders shall be desirous of redeeming his, her or their mortgaged Estate in the hands of the said Commissioners or any part thereof (not being less than a whole lot or a Town lot as aforesaid) it shall and may be lawful for him, her or them so to do at any time upon paying the full amount of the Stock by him subscribed for, or the balance thereof due and owing by him and for which such Estate, or in case of redemption of a part of such Estate only, then upon paying the amount of the Stock or the balance thereof due and owing by him in respect of such part as shall have been so mortgaged into the hands of the said Commissioners and upon payment of such money the said Commissioners shall give a certificate thereof in writing specifying the lands and premises which have been so redeemed, and which certificate shall be in the following form or to the following effect.

**FORM OF THE COMMISSIONERS' CERTIFICATE OF  
REDEMPTION.**

*To all to whom these presents shall come Greeting :*

These are to certify that the Lands and premises comprised in the Schedule hereunto annexed have been fully redeemed, and are now released and discharged from all claims and demands whatsoever in respect of any mortgage, debt, or security, given to the Commissioners of the Freeholders' Bank of Upper Canada. In testimony whereof the said Commissioners have caused their common Seal to be hereunto affixed this            day

One Thousand Eight Hundred and  
(Schedule referred to in this certificate the same form as the Schedule to  
the Mortgage.)

Which certificate of redemption under the common Seal of the said Commissioners shall at law as well as in equity operate as a reconveyance from the said Commissioners of the said mortgaged premises or such part thereof as shall be specified in such certificate to such shareholder or shareholders or other person or persons entitled to redeem and actually redeeming the same and to his, her or their heirs and assigns as fully and effectually as if an actual reconveyance of the same had been made or executed by the said Commissioners to him, her or them accordingly.

32. *And be it further enacted by the authority aforesaid*, that the affairs of the Bank shall be at all times open to the inspection of the Commissioners who shall have full power to require the production before them of the books and papers of the said Company and the said Commissioners shall also be auditors of the accounts of the said Company and subscribe together with the other principal officers of the said establishment an annual statement of its affairs to be laid before Parliament as hereinafter is provided.

33. *And be it further enacted by the authority aforesaid*, that the said Commissioners shall attend once a week at the least at the office of the Banking establishment at the Seat of Government and shall be paid by and out of the profits of the said Bank an annual salary or stipend at the discretion of the Directors for their services and (except in case of death, resignation, absence from the Province or incapacity) shall be removable from office only by some manifest, wilful, or fraudulent abuse or neglect of office.

34. *And be it further enacted by the authority aforesaid*, that in case of the death, resignation or absence from the Province for the space of Six months at any one time; or in case of the neglect or refusal to act, or the incapacity or removal from office of any of the Commissioners to be <sup>under</sup> the provisions of this Act, it shall be lawful for <sup>any</sup> <sup>other</sup> <sup>existing</sup> <sup>or</sup> <sup>continuing</sup> Commissioner or Commissioners from time to time as often as occasion may require, to nominate and appoint one or more

Commissioner or Commissioners in the room and stead of the Commissioner or Commissioners so dying or resigning, or being absent from the Province, or neglecting or refusing to act, or being incapable to act, or being removed from office as aforesaid; provided always that nothing in this Act contained shall be construed to authorise the appointment and continuance in office of more than five Commissioners at any one time.

35. And be it further enacted by the authority aforesaid, that so soon as a moiety of the capital Stock of the said Company shall have been subscribed for, and mortgage securities given to the said Commissioners in the manner hereinbefore provided, it shall and may be lawful for the said Commissioners to contract with any person or persons who shall be willing to advance the same for the advance and loan of so much of the said capital Stock of the said Company as shall remain unpaid and be required by the said company, and the capital so to be lent and advanced shall be repaid by the said Company at the time to be agreed on, and shall bear interest in the meantime, payable half-yearly, at the rate or respective rates which the said Commissioners shall contract to pay for the same, Provided always that such interest shall not exceed the rate of Six per cent per annum, and the capital so borrowed by the said Company shall be secured to the person or persons advancing the same, together with the interest thereon payable at the rate and in manner aforesaid, as well by the mortgaged real estate in the hands of the said Commissioners, as also by such other obligations and securities binding upon the said Company, their property and effects as shall be reasonably required by or on behalf of the said person or persons.

36. And be it further enacted by the authority aforesaid, that in case of any sale or redemption of any part of the premises in mortgage to the said Commissioners as aforesaid under any of the provisions of this Act the shareholder or shareholders whose property shall be so sold or redeemed shall be entitled to receive in his, her or their account with the Bank over and above his, her or their dividend or dividends interest upon all monies arising from such sale or redemption from the time of payment to the said Commissioners at the same rate the Company shall be liable to pay upon their borrowed capital.

37. And be it further enacted by the authority aforesaid, that the said Commissioners and their successors shall hold the said mortgage securities and premises and all monies that shall come into their hands under any of the provisions contained in this Act in trust to secure the repayment of the capital to be so borrowed by the said Company at the time and in manner aforesaid, together with interest thereon, at the rate and in the manner aforesaid, and in case the said Company shall fail to pay the interest for the time being due and owing upon such borrowed capital and such interest or any part thereof shall happen to be in arrear and unpaid for the space of one whole year; or in case the said Company shall fail to pay the principal of the said capital so borrowed and remaining due; in either of such cases it shall be the duty of the said Commissioners and their successors, and they are hereby required after any such default from time to time to sell and dispose of all or any part or parts of the premises so remaining in mortgage as aforesaid either by public sale or private contract and in such lots, parts, shares and proportions, and upon such terms and conditions and for such price or prices as the said Commissioners for the time being shall think proper; and upon receipt of the purchase money or purchase monies arising from any such sale or sales the said Commissioners shall convey by an instrument or instruments in writing under their common Seal to such purchaser or purchasers the premises by him, her or them respectively purchased, and to his, her or their heirs and assigns, and such purchaser or purchasers shall not afterwards be held liable, responsible for the purchase money or the application thereof, but shall and may hold the premises so conveyed to him, her or them free from all trust,

responsibility, power, and equity of redemption, any law, statute, or rule of law or equity to the contrary notwithstanding.

38. Provided always nevertheless, and be it further enacted by the authority aforesaid, that the mortgagor or mortgagors of any such mortgaged premises shall be entitled to redeem the same at any time before such sale upon tendering the full amount of the share or shares mentioned or expressed in the mortgage deed. And provided also that the premises comprised in any such mortgage or mortgages shall be charged and chargeable only with the particular amount of Stock intended to be thereby secured and not with or for the Stock mentioned or expressed in any other mortgage.

39. And be it further enacted by the authority aforesaid, that in order to the redemption of the capital to be borrowed by the said Company in the manner aforesaid, and for payment of the interest thereon no dividend of profits of the said Banking business shall be made among the Stockholders until the interest upon the borrowed capital shall be first provided for and paid, and a sum equal to one-fifth part of the clear net gains and profits of the said Company after payment of all expences shall be appropriated on account of a deposit fund to be called the sinking fund which shall be under the management of the said Directors, but the funds thereof shall not be abstracted from the capital of the said Bank, but shall be united therewith and shall participate in the profits thereof, and the principal of the said fund shall bear interest at the rate of Six pounds per centum.

40. And be it further enacted by the authority aforesaid, that a separate account shall be kept by the said Company to shew distinctly the operation of the sinking fund, and the amount and increase thereof from time to time, as well by the additions thereto at one-fifth part of the profits of the said Bank, as also by the addition of interest on the principal at the rate aforesaid, to be taken by half-yearly rests up to the same time that the dividend become due, and the interest so from time to time due on account of the sinking fund, shall at each half-yearly rest, be added to the principal of such sinking fund, so that the same shall accumulate by the way or in the nature of compound interest, and shall thenceforward bear interest at the rate aforesaid, until by the operation of the same a capital shall have been created sufficient to pay off and discharge the whole of the remaining borrowed capital of the said Bank.

41. Provided always: And be it further enacted by the authority aforesaid, that if at any time before such borrowed capital shall become due and payable, it shall so happen and be found that the amount of capital created by the operation of the sinking fund by the ways and means aforesaid shall be equal to the borrowed Capital so due and owing as aforesaid; that then and from thenceforward, no further increase or addition shall be made to the capital of such sinking fund either of principal or interest, but the interest and profits thereof shall fall into and form part of the general profits of the said Bank.

42. And be it further enacted by the authority aforesaid, that when, and so soon as the capital of the sinking fund shall have amounted to the capital borrowed and due, or owing by the Bank, if it shall so happen that the sinking fund cannot, from an excess of capital, be profitably employed in the business of the said Bank, it shall be the duty of the Directors to purchase Government debentures therewith, or with so much thereof as it may be deemed advisable so to expend, such debentures, bearing an interest not less than the interest payable on the borrowed capital of the said Bank, and every purchase of Government debentures so made shall be duly credited and accounted for on the debit side of the sinking fund account, and otherwise appear plainly and explicitly expressed in the Bank accounts.

43. And be it further enacted by the authority aforesaid, that it shall not be lawful for the Directors of the said Bank to credit any Stockholder

with any open cash account beyond half the amount of his Stock, without taking the same security as would be exacted from any other individual.

44. And be it further enacted by the authority aforesaid, that the Bills obligatory, and of credit under the Seal of the Company, which shall be made to any person or persons shall be assignable by indorsement thereupon, under the hand or hands of such person or persons, and of his, her, or their Assignee or Assignees, and so as absolutely to transfer and vest the property thereof in each and every Assignee or Assignees successively, and to enable such Assignee or Assignees to bring and maintain an action thereupon, in his, her, or their own name or names, and bills or notes which may be issued by order of the said Company, signed by the President and countersigned by the principal Cashier or Treasurer, promising the payment of money to any person or persons, his, her, or their order, or to bearer, though not under the Seal of the said Company, shall be binding and obligatory upon the same in like manner, and with the like force and effect as upon any private person or persons if issued by him, her, or them, in his, her or their private or natural capacity or capacities, and shall be assignable or negotiable in like manner as if they were so issued by such private person or persons.

45. And be it further enacted by the authority aforesaid, that the said Company shall not demand any greater interest on any loan or discount than at the rate of six per cent. per annum.

46. And be it further enacted by the authority aforesaid, that the said Bank shall be established, and the buildings necessary for the accommodation thereof erected, purchased or leased, and the business thereof at all times hereafter transacted at such place at the seat of Government of this Province, as the Directors or a majority of them may appoint: Provided always, that so soon as the shares subscribed for in any one District shall amount to the sum of one hundred thousand pounds and such amount shall be either paid or secured by Mortgage of real estate in that District, pursuant to the provisions of this Act, such District shall be entitled to have a branch bank, which shall be under the management of three Directors, to be chosen and nominated annually by the Board of Directors at the seat of Government, and shall be subject in all respects to the control and direction of the Board of Directors of the parent Bank, and shall be managed under such by-laws as they shall from time to time make for the conducting and regulating of District Banks.

47. And be it further enacted by the authority aforesaid, that the capital of every such branch bank shall be limited to, and shall not exceed the sum of one hundred thousand pounds, and the precise amount thereof, shall be determined by the Board of Directors of the Parent Bank, and the Commissioners aforesaid, and shall consist of the notes or obligations of the said Company, and be issued from, and supplied by the Parent Bank.

48. And be it further enacted by the authority aforesaid, that if at any time after the passing of this Act, the said President, Directors and Company should refuse on demand being made at their Banking House at the seat of Government during the regular hours of doing business, to redeem in specie or other lawful money of this Province, their said Bills, Notes or other evidences of debt issued by the said Company, the same being actually due and liable to be demanded, the said President, Directors, and Company shall, in pain of forfeiture of their Charter, wholly discontinue and close their said banking operations either by way of discount or otherwise, until such time as the President, Directors, and Company shall resume the redemption of their Bills, Notes or other evidences of debt in specie or other lawful money of this Province.

49. And be it further enacted by the authority aforesaid, that the President and Cashier of the said Bank for the time being shall make a return under oath to the Provincial Parliament, once in each year if required, either by the Legislative Council or House of Assembly, which return shall contain a full and true account of the funds and property of the said Bank,

the amount of its capital Stock subscribed and paid, the amount of debts due to and from the said Bank, the amount of Bills and Notes issued by the said Bank in circulation, the state and condition of the sinking fund, and the amount of Specie in the said Bank at the time of making such return; and the said return having been first submitted to and approved of by the said Commissioners, shall likewise be subscribed by them before the same shall be presented to Parliament.

50. And be it further enacted by the authority aforesaid, that this present act of incorporation shall in no wise be forfeited by any non-user at any time before the first Monday of January one Thousand Eight Hundred and Forty-one.

ARCH'D. McLEAN,  
*Speaker.*

Commons House of Assembly, |  
9th day of February, 1837. |

JNO. B. ROBINSON,  
*Speaker.*

Legislative Council Chamber, |  
23rd day of February, 1837. |



