



No. 91.

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1st Session, 2nd Parliament, 36 Victoria, 1873.

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**BILL.**

An Act to incorporate the Farmers' Land  
Discount and Improvement Company.

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**PRIVATE BILL.**

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Mr. Ross (Wellington, C. R.)

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OTTAWA :

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1873.

An Act to incorporate the "Farmers' Land Discount and Investment Company."

**W**HEREAS it is desirable that facilities should be afforded to the agricultural classes for obtaining temporary financial accommodation, and whereas Hugh Roberts, Walter Perkins Newman, Edward Herbert Newman, Edward Burns, George Strangway, David Foote and George Allan, have petitioned the Parliament of Canada that a Company may be incorporated under the name of "The Farmers' Land Discount and Investment Company," for the purpose of lending money to farmers and others on security of real estate and otherwise, as hereinafter set forth, and it is expedient to grant the prayer of the said petition; Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Preamble

1. The persons hereinafter mentioned, after having complied with the requirements of this Act, as to subscriptions of stock, and such persons as now are or hereafter shall become shareholders of such Company shall be and they are hereby created, constituted and declared to be a body corporate and politic by the name of "The Farmers' Land Discount and Investment Company," and by that name shall have perpetual succession and a common seal, with power to alter and change the same at pleasure, and may sue and be sued, contract and be contracted with in the corporate name aforesaid.

Incorporation.

2. The stock of the said Company shall be the sum of one hundred thousand dollars, divided into one thousand shares of one hundred dollars each; which said shares shall be and are hereby vested in the persons who shall subscribe for the same, their legal representatives and assigns, subject to the provisions of this Act: Provided that the amount of the said capital stock may be increased at any time, or from time to time, to any amount not exceeding five hundred thousand dollars, upon a vote of the majority of the shareholders of the said Company, who shall be present at any meeting specially called for the purpose of taking into consideration such increase of capital. But no subscription of stock shall be valid to entitle the subscriber to any benefit or advantage as a shareholder of the Company unless and until ten per centum of such subscribed stock shall have been paid, nor shall the Company be authorized to commence or transact business (except so far as shall be necessary for the subscription and payment of capital stock) until the said stock shall have been actually subscribed to the extent of one-fourth thereof, and twenty per centum of the stock so subscribed shall have been paid and deposited to the credit of the Company, in one or more of the chartered banks of Canada, and not to be withdrawn therefrom except for the legitimate purposes of the said Company.

Capital.

Stock subscriptions not valid until ten per cent. paid.

When business may be commenced.

- Liability.** 3. No shareholder shall be liable for any further sum than the amount unpaid upon the stock subscribed or owned by him.
- Provisional Directors.** 4. Until the first annual election hereinafter provided for, the provisional board of directors shall consist of the following persons, namely, Charles Clarke, of Elora, in the county of Wellington, Ontario, Esquire; Hugh Roberts, of Pilkington, in the said county, yeoman; William Reid, of Maryborough, in said county, yeoman; John Brockie, of Nichol, in the said county, yeoman; James Reynolds, of Nichol, aforesaid, yeoman; Robert Dalby, of Elora, aforesaid, tanner; and Walter B. Newman, of Elora, aforesaid, financial agent; and a majority of whom shall be a quorum, and such provisional directors shall hold office until their successors shall be chosen. 5
- Meeting for election of Directors.** 5. When a one-fourth part of the capital stock has been subscribed, and ten per centum thereon paid, it shall be the duty of the provisional Directors to call a meeting of the shareholders for the purpose of electing a board of not less than five nor more than nine Directors, of whom a majority shall be a quorum. Such meeting shall be called by letter addressed to each shareholder at his usual post office address, and posted at least six days before such meeting, and such Board of Directors shall manage all the affairs of the said Company, and shall hold office for one year and until their successors shall be elected, and all retiring Directors shall be eligible for re-election if otherwise qualified. 20 25
- Members and quorum.**
- Meeting for election.**
- Calls.** 6. The board shall have power to make calls for such sums and at such times upon the shares of the respective shareholders as they may deem requisite; Provided that (except as hereinafter mentioned) calls shall not be made oftener than twice in one year at intervals of not less than three months, nor shall any call exceed ten per cent.; Provided further, that the Directors shall make such further and other calls as shall at any time be required to meet liabilities of the Company, and at least one month's notice of each call shall be given by mailing the same to each shareholder, and by publishing an advertisement of such call in some newspaper published in the place where the Company's head office shall be located, but no more than ten per cent. shall be called in during the first year in addition to the ten per cent. required to make the subscription of stock valid. The Board may sue for and enforce payment of all calls with interest and may declare to be forfeited all shares on which such calls have not been duly paid, and may allot or sell the same shares, or any part thereof; they shall also have power to fill vacancies in the Board from time to time as they occur; to appoint and remove officers and agents; to fix their remuneration and term of office; to approve of and regulate their duties, obligations and securities, and generally to transact all necessary matters and things connected with the business of the Company. 30 35 40 45
- Notice.**
- Enforcement of calls.**
- Forfeiture for non-payment.**
- Officers and agents.**
- Powers of Directors.**
- By-laws and rules.** 7. The Board of Directors shall have power to compile and settle by-laws and rules for the transaction of the Company's business, and such by-laws and rules not being inconsistent with this Act, shall be binding on all parties whom they may concern, and such by-laws and rules may from time to time be altered or amended as to the Board may seem necessary or expedient. 50 55

8. At all meetings of the Board questions shall be decided by a Board meeting majority of votes, and in case of an equality of votes, the presiding Director shall have an additional or casting vote.

9. No person shall be eligible to hold office as a Director who shall not hold at least ten shares of stock, whereon all calls have been duly paid, and the manager or secretary of the Company, if a holder of at least ten shares, may be elected and serve as a Director. Qualification of Directors.

10. The shares of the Company shall be transferable by the parties holding the same according to the by-laws and rules of the Company, but not until all calls shall have been duly paid, and the transmission of interest otherwise than by the ordinary transfer shall be proved and regulated in such form as the Board may from time to time, by any rule or by-law direct, and in any action for the recovery of calls or arrears of calls it shall be sufficient for the Company to allege and prove that the defendant appears by the Company's books to be the owner of a share or shares in respect whereof a call or calls duly made has or have not been paid. Transfer of shares.  
Recovery of calls.

11. The head office of the Company shall be at the village of Elora, in the county of Wellington, in the Province of Ontario, and the Company may establish branches or agencies at such places as the Board of Directors shall from time to time determine. Head Office branches and agencies.

12. Until otherwise determined by the Board of Directors; the books of the Company shall be balanced annually, on the thirty-first day of December; and once in each year, and within three months from the date of such annual balancing, a general meeting of the shareholders, to be called the annual meeting, shall be called by the Board of Directors, and at such annual meeting a full statement of the Company's affairs shall be submitted; one week's notice of such annual meeting shall be given by advertisement in at least one newspaper published in the said County of Wellington, and also by letter addressed to each shareholder and mailed at least six days before the day of meeting. Annual balance.  
Annual meeting.

13. At such annual meeting shareholders shall have one vote for each share on which all calls shall have been paid. Votes may be cast either in person or by proxy but every person voting as a proxy must be a qualified shareholder. At such annual meeting the Directors shall be elected by ballot, but all other proceedings shall be determined by open vote; and the Company shall not cease or be dissolved by failure to elect Directors as above. Voting.

14. Special meetings may be called by the Board or on requisition of stockholders holding not less than one-third of subscribed stock, and one week's notice of such special meetings, stating the objects for which they are called, shall be sent to each stockholder by mail, and a list of shareholders shall at all times be accessible to any of them, at the head office of the Company. Special meetings.

15. The said Company shall have power to receive money on deposit, repayable with or without notice, and on such terms as to interest and otherwise as they shall deem expedient; to act as agents for shareholders and others in the purchasing, receiving and collecting of securities or the interest thereof; to make advances of money on security of real and personal estate, or upon Powers.  
To receive deposits.  
To act as financial agent  
To lend money

To buy or sell securities. deposit of title deeds, or other property, and to discount or purchase, sell, hypothecate or dispose of notes, bills, mortgages, and other securities for money.

Mortgage liens may be made to cover future advances. 16. It shall be lawful for the Company, either at the time of making any advances, or at any time thereafter, to receive from 5 borrowers as a security, or collateral security, a mortgage or mortgages of any real estate in the Province of Ontario; and to take and receive assignment of any existing mortgages or mortgage by way of security, or collateral security, and any such mortgages or assignments may be made so as to cover and be 10 security for future or intended advances, and may be made under and in pursuance of the Act intituled: "*An Act respecting short forms of mortgages in Upper Canada*," or any amendment thereof. Every such mortgage shall be discharged or reassigned 15 at the request and cost of the party entitled, upon payment of all indebtedness to the Company, but the Company shall not be compelled to receive payment of any debt before maturity thereof.

Mortgage liens may be left standing without discharge. 17. It shall be lawful for the Company, with the consent of the mortgagor or assignor, to have any mortgage made or 20 assigned to the Company, standing without discharge or reassignment, and every such mortgage shall from time to time be and remain as a security for any existing or future advances to or indebtedness by such mortgagor or assignor, and the continued possession by the Company of such mortgage shall be *prima facie* evidence of such consent. 25

Shares may be paid in advance. 18. The Company may receive from shareholders payment wholly or partially in advance of their capital stock, and allow interest on such advance payments, and to the extent of such payments beyond the proportion called in, the Company may at any time, or from time to time, on such terms as they shall see 30 fit, permit the whole or any part of such advance payments to be withdrawn, or may refund the same at any time on giving to the person entitled thereto fifteen days' notice by mail of their intention to repay the same, and interest thereon shall cease at the expiration of such fifteen days' notice. 35

Company may be wound up. 19. The Company may be wound up whenever, at any annual meeting, or at any special meeting called to consider the propriety of winding up and determining the Company, two-thirds in number and value of the stockholders shall resolve to do so. 40

Proof of by-laws and rules. 20. A copy of any by-law or rule of the Company, if under their seal and purporting to be signed by any officer of the Company, shall be received as *prima facie* evidence of such by-law or rule in all courts of law or equity.

Shareholders and officers competent witnesses. 21. No shareholder or officer, by reason of his being such 45 shareholder or officer, shall be incompetent as a witness to any instrument or in any suit to which the Company may be a party.

Stock subscriptions and payments before act valid. 22. All subscriptions of shares of stock, and all payments on account thereof, made in anticipation and before the passing of 50 this Act, shall be as valid and binding upon the Company and upon the subscribers as if made subsequent to the passing of the said Act.

**23.** The Company shall make and furnish to the Government <sup>Returns to</sup> of Ontario, during the first fifteen days of the session of Parlia- <sup>Government.</sup> ment in each year, a full and unreserved statement verified by the oath of the Secretary or Manager of the Company, of the assets and liabilities of the said Company.