

No. 224.

2nd Session, 5th Parliament, 19 Victoria, 1856.

BILL.

An Act to incorporate certain persons under
the name and style of the Lake Huron
Transit Company.

Received and read, first time, Friday, 26th
April, 1856.

Second reading, Monday, 28th April, 1856.

MR. A. MORRISON.

WILLIAM SLADDEN,
Parliamentary Agent.

TORONTO:

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An Act to incorporate the Lake Huron Transit Company.

WHEREAS Benjamin Walker Smith, Sheriff of the County of Simcoe, Preamble,
 William Gibbard, P. L. S., Charles Macdonell, Merchant, George Moberly, Esquire, and others have petitioned the Legislature of this Province, praying that they may be incorporated with such other persons as now are by deed of partnership, and as shall become associated with them as a Company under the style of the "Lake Huron Transit Company" for the purpose, amongst other things, of building, chartering, and purchasing steam and sailing vessels, to run in connection with the Ontario, Simcoe, and Huron Railroad Union Company at the Lake Huron terminus of the said road, and upon Lake Huron and the adjoining Lakes, and for such other purposes of navigation as to the said Company may seem expedient, the said parties at present owning steamers worth pounds, which they propose putting into the said Company as so much paid up stock; and it is proper to grant the prayer of the petitioners as hereinafter provided; Therefore Her Majesty, &c., enacts as follows:

I. The said Benjamin Walker Smith, William Gibbard, Charles Macdonell, George Moberly, Certain persons incorporated.

together with such person or persons as shall be or become stockholders in the said Company and their respective heirs, executors, administrators and assigns shall be a body politic and corporate by the name of the "Lake Huron Transit Company," with all and every, the incidents and privileges to such corporation belonging, for and during the period of twenty-five years from the passing of this Act. Corporate name.

II. It shall be lawful for the said Company to construct, purchase Power to Com-
 acquire, charter, navigate, and maintain steam and sailing vessels for pany to ac-
 the carrying and conveyance of goods, passengers, or other traffic, quire vessels
 between the Lake Huron terminus of the Ontario, Simcoe and Huron for traffic on
 Railroad Union Company and any other ports or places in the said Lake Lake Huron,
 Huron and the lakes adjoining thereto, and between the said ports or &c.
 places and steam or sailing vessels for all business connected therewith, and the profitable prosecution thereof, with power to sell or dispose of the said vessels or any of them, or grant and consent to bottomry or other bonds on the same, or mortgage the stock of the Company or any part thereof, when and as they may deem expedient, and to make contracts and agreements with any person or corporation whatsoever for the purposes aforesaid or otherwise, for the benefit of the said Company.

Company may hold certain real estate for docks, wharves, stores, &c.

III. It shall be lawful for the said Company from time to time to purchase, rent, take, hold, and enjoy to them and their successors in all such places in the said Lake Huron and adjoining lakes or the borders thereof, as may be deemed expedient for the purposes of the said Company, either in the name of the said Company or the name of the Directors for the time being and their successors as such Directors for the Company, such lands, docks, wharves, warehouses, offices and other buildings, as they may find necessary or convenient for the purposes of the said Company, but not for any other purpose, and to collect such reasonable tolls or charges for the use of the said property as may seem fit, and be provided for by the by-laws of the said Company, and to sell, mortgage, or dispose of the same when not wanted for the purposes of the said Company, and to acquire and purchase others in their stead; Provided always, that the value of such lands, wharves, docks, warehouses, offices and other buildings, at the time when the said Company shall enter into possession thereof, shall not exceed at the time of taking possession, in the whole the sum of five thousand pounds currency.

Proviso.

Capital stock, its amount and number of shares.

IV. The capital stock to be raised amongst the shareholders shall be one hundred thousand pounds currency in eight thousand shares of twelve pounds, ten shillings each, with power at any annual meeting to increase the same to sixteen thousand shares or two hundred thousand pounds currency; Provided always, that the said Company shall have paid up the sum of ten thousand pounds currency before receiving any passengers or freight, and that the steamers now held by the said parties and others shall be taken into the said Company as paid up stock to the amount of ten thousand five hundred pounds, and each of the paid up owners of the said Boats shall have his name entered in the Stock Book of the said Company as a Shareholder to the amount held in the said Steamboats, and such stock shall be considered to cover the said sum of ten thousand pounds required to be paid up.

Instalments how and when payable.

V. The Directors of the said Company may call in the Capital Stock of the same in such sums as they may see fit, provided no larger sum than twenty per cent. of the amount subscribed is payable at one time, and that at least three months shall elapse between each payment.

Eight Directors to be appointed.

VI. The business and affairs of the said Company shall be conducted and managed, and its powers exercised by eight Directors, to be annually elected by the Shareholders, and which Directors shall be severally Shareholders to an amount of five hundred pounds currency of the said stock, and who shall be elected at the annual meeting of the Company, by the majority of the Shareholders then present, personally or by proxy as hereinafter provided, and which Board of Directors in the first instance, and until the first general annual meeting of the Company, as hereinafter provided, shall consist of Benjamin Walker Smith, William Gibbard, Charles Macdonell, Joel Underwood, George Moberly, Alfred Thompson, William Miller and William Stephenson; Provided always, that there not be in the said Company a sufficient number of Shareholders holding the requisite amount to become a Director than so many only as shall hold the requisite amount shall be so elected, and such reduced number shall in such case have all the powers of a full Board of Directors; and provided also that the office of the said Company shall be and remain in the Town of Collingwood, in the County of Simcoe.

Proviso.

Proviso.

By-laws, &c. to be made by stockholders.

VII. It shall be lawful for the Stockholders of the said Company, or a majority of them in value, present personally or by proxy, at an annual or

special general meeting, convened for the purpose, to make By-laws, Rules and Regulations, for the conduct and management of the business affairs, real estate, vessels, stock, property and effects of the Company; and the same to amend, alter, repeal and re-enact, as shall be deemed need-
 5 ful and proper; but a majority of the Directors for the time being shall be present and assisting at the same; and the said By-laws, rules and regulations shall among other things, particularly apply to and effect the following matters:

1st. The calling up and payment from time to time of the Capital
 10 Stock of the said Company, and of the increase thereof and the calls thereon, as hereinbefore provided and the conversion of the shares thereof into stock.

2nd. The issue of certificates to the respective Shareholders of the said Company of their shares or stock therein, and the registration thereof,
 15 and of the addresses of the Shareholders for the purposes of the Company.

3rd. The forfeiture or sale of shares or stock for nonpayment of calls or other liability of the Shareholders; Provided always, that such forfeiture shall not be held to be conclusive against such liable Shareholder until after the actual sale of the shares declared to be forfeited, or the
 20 enforcement of the judgment for the payment of the calls in arrear, as the case may be.

4th. The set off of all debts due to the said Company from the Shareholders, against such shares or stock, and dividends or payments to which they may be entitled.

25 5th. The transfer of shares or stock, and the approval and control by the Directors of such transfer and of the proposed transferees, and as to the remedy against transferees.

6th. The declaration and payment of profits of the said Company, and dividends in respect thereof, and the time and place of the payment
 30 of the same.

7th. The formation and maintenance of a Sinking or Reserve Fund.

8th. The removal and remuneration of the Directors, and the appointment, reward and remuneration of all such Managers, Agents, Officers, Clerks or Servants of the Company, as they shall deem necessary for
 35 carrying on the business of the said Company, and the security if any, to be taken from such parties respectively, for the due performance of their respective duties, and also the indemnity of such parties.

9th. The calling of general, special or other meetings of the Share-
 holders of the said Company and Directors, the quorum therefor and the
 40 business to be transacted thereat respectively, and the number of votes which Shareholders shall have in respect of Shares held by them and the mode of taking votes, and the regulating proxies of Directors and Shareholders. Special meet-
ings.

10th. The making and entering into deeds, bills, notes, bonds, agree-
 45 ments, contracts, charter parties and other documents and engagements to bind the Company, and whether under the seal of the Company or not, M. King deeds,
contracts, &c.,

and whether by the Directors or their agents, as may be deemed expedient.

- Borrowing of money.** 11th. The borrowing or advancing of money, for promoting the purposes and interests of the Company and the securities to be given by or to the said Company for the same. 5
- Keeping of accounts.** 12th. The keeping of minutes of the proceedings and the Accounts of the said Company, and making the same conclusive and binding on the shareholders and rectifying any errors which may be made therein.
- Auditors.** 13th. The audit of accounts and appointment of Auditors.
- 14th. The giving notices by or to the Company. 10
- 15th. The recovery of damages or penalties.
- Penalty against officers of Company.** 16th. The imposing of penalties against officers and servants of the Company to an amount not exceeding five pounds for each offence.
- Proviso.** 17. Provided the said by-laws, rules and regulations shall not be contrary to the present Act, nor to the laws of this Province. 15
- Directors to issue certificates of shares.** VIII. The Directors of the said Company shall from time to time, issue to each of the Shareholders respectively, certificates under the seal of the Company, of the number of shares to which he is entitled, and he shall then be the legal owner of such shares and invested with all the rights and subject to all the liabilities of a shareholder, in respect of such shares, 20 and each person to whom any share or shares shall be assigned, shall sign an acknowledgement of his having taken such share or shares which acknowledgment shall be kept by the Board of Directors, and shall be conclusive evidence of such acceptance, and that the person signing it has taken upon himself the liability aforesaid. 25
- Company may sue for unpaid instalments.** IX. If the said Directors shall in any case deem it more expedient to enforce the payment of any unpaid instalment, than to forfeit or sell the said shares therefor, it shall and may be lawful for the Company to sue for and recover from any shareholder owning such instalments the amount thereof, with interest thereon from the time of its being due on 30 any action in any Court having civil jurisdiction to the amount claimed; and in any such action it shall be sufficient to allege that the defendant is the holder of one or more shares (stating the number of shares) and is indebted to the Company in the sum to which the calls in arrear may amount; and to maintain such action it shall be sufficient that the signature of the defendant to such acknowledgment as hereinafter mentioned shall be proved, and that the calls in arrear have been made, and a certificate under the seal of the Company, and signed by any one or more of the Directors, or the Secretary of the said Company shall be sufficient 35 evidence of the calls having been duly made and being in arrear, and 40
- Proviso.** the amount due in respect thereof; Provided that nothing herein contained shall in any way affect the right of the said Company to forfeit the shares of any shareholder for non-payment of calls on subscriptions whether after or before such a judgment for recovery thereof
- Capital how to be laid out.** X. The Capital Stock and increase thereof of the said Company, is 45 hereby directed and appointed to be laid out and applied for and

above the amount already paid as aforesaid to and for the Steamboats hereinbefore mentioned) in the first place, for and towards the payment, discharge and satisfaction of all fees and disbursements for obtaining and passing this Act, and the preliminary expenses attending the establishment of this Company, and all the rest, residue and remainder of such money, for and towards carrying out the objects of this undertaking and the other purposes of the Company and to no other use, intent or purpose whatsoever.

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

Company not bound to execute trusts to which shares may be subject.

XII. When any share shall have become transmitted in consequence of the bankruptcy or insolvency of any Shareholder, the assignee of such Shareholder shall not be entitled, and in case of such transmission in consequence of the death or marriage of a female shareholder, the executors or administrators or husband, as the case may be, of such shareholder shall not, except so far as may be otherwise provided by the by-laws, be entitled to receive any profits of the Company, or to vote in respect of such share or shares as the holders thereof; but nevertheless, after the production of such declaration or other evidence of such transmission as may be required in that behalf by any by-law of the Company, such assignees, executors or administrators or husband, as the case may be, shall have power to transfer the share or shares so transmitted, in the same manner and subject to the same regulations as any other transfer is to be made.

Bankrupt shareholders not entitled to profits.

XIII. At all meetings of the said Directors, and of those hereafter elected by the shareholders, three shall be a quorum and capable of exercising all the powers of the said Directors.

Quorum.

XIV. The annual general meeting of the said Company shall be held in the office of the Company, in the Town of Collingwood, in the County of Simcoe, on the third Wednesday in January in each year, for the purpose of electing Directors, and for transacting the general business of the Company; at this meeting the President of the Company, or in his absence, the Vice-President, and in the absence of both, then one of the Directors, shall take the chair, and the Secretary of the Company shall act as Secretary to such meeting, and shareholders may appear in person or by proxy, provided the holder of such proxy be a shareholder in the Company, and each share in the Company shall give one vote, and if on any question there be an equality of votes, the Chairman shall have the casting vote.

Place of meeting.
Casting vote.

XV. The Directors elected at the annual meeting aforesaid shall assemble within one week of their election, and shall elect amongst themselves, by a majority of the votes of those present either personally or by proxy, a President and a Vice-President; the President, or in his absence the Vice-President, may call meetings of the Directors as often

Election of President, &c.

Proviso.

as occasion may require: Provided always, that the present Board of Directors shall have full authority to exercise all and every the powers vested in the Company under the seventh section of this Act, from the time of passing this Act until the first general meeting of the Company shall take place, and to exercise the same as fully and effectually in every particular as the said Company could or might do. 5

Directors may appoint agents.

XVI. The Directors of the said Company may appoint one or more agents in such place or places as may be by them deemed requisite, and for such term and on such terms as to them shall seem expedient, and the Directors may by any by-law to be made for such purpose, empower and authorize any such agent or agents to do and perform any act or thing, or to exercise any powers which the Directors themselves, or any of them, may lawfully do, perform and exercise, except the power of making by-laws, and all things done by such agent by virtue of the powers in him vested by such by-law shall be valid and effectual to all intents and purposes as if done by such Directors themselves, anything in this Act to the contrary notwithstanding. 10 15

Directors to hold steam vessels, &c.

XVII. The Directors aforesaid shall have power if they think fit, to receive and take into the stock of the said Company such steam or sailing vessels as may have already been built or acquired by individual shareholders, for the purposes of the Company. 20

Arbitrators to value vessels, &c., purchased by the Company.

XVIII. The Directors of the said Company shall take the said steam or sailing vessels at the cost or at such valuation as shall be put upon them by persons mutually chosen to decide the same, and such valuation shall be credited to the shareholder or shareholders as payment made on account of their stock, but no Shareholder or Shareholders shall be entitled to claim from the Directors any money payment for such steam or sailing vessel or vessels so taken into the stock of the Company, unless by special agreement to that effect. 25

All Acts of Directors to be qualified.

XIX. All acts done by any person or persons acting as Directors, shall, notwithstanding there may have been some defects in the appointment of any such person or persons, or that they or any of them were disqualified, be as valid as if every such person or persons had been duly appointed and qualified to be a Director. 30

Manner of serving writs upon Company.

XX. If any writ or process of law whatever shall be served upon the said Company, it shall be lawful for the President, or the Secretary or Treasurer thereof, or any agent to be appointed as hereinbefore provided, in any such case, to appear in obedience to such writ or process, to make the declaration required by law according to the exigency of the case, which said declaration or other paper in any suit whatsoever shall be in the name of the said "Lake Huron Transit Company," and shall be received in all Courts of Justice in Upper Canada as the declaration or other paper of the said Company. 35 40

Contracts made by Directors to be binding upon Company.

XXI. Every contract, agreement, engagement or bargain by the Company, or by any two or more of the Directors on behalf of the Company, or by any agent or agents of the Company, and every promissory note made or endorsed, and every Bill of Exchange drawn, accepted or endorsed by such Directors on behalf of the Company, or by any such agent or agents, in general accordance with the powers to be devolved to and conferred on them respectively under the said by-laws, shall be binding 45 50

upon the said Company; and in no case shall it be necessary to have the Seal of the Company affixed to any such contract, agreement, engagement, bargain, Promissory Note or Bill of Exchange, or to prove that the same was entered into, made or done in strict pursuance of the by-laws, nor shall the parties entering into, making or doing the same as Directors or agents, be thereby subjected individually to any liability whatsoever: Provided always, that nothing in this section shall be construed to authorize the said Company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money or as notes of a Bank. **Proviso.**

XXII. If at any time any Municipal or other Corporation or body politic or community in this Province or elsewhere, shall be desirous of taking shares of the Capital Stock of the said Company, or otherwise promoting the success of their undertaking by loans of money or securities for money at interest, it shall be lawful for them respectively so to do, in like manner and with the same rights and privileges in respect thereof as private individuals may do under or by virtue of this Act, anything in any Ordinance or Act or Instrument of Incorporation of any such body, or in any law or usage to the contrary notwithstanding. **Municipal and other corporations may hold stock in Company.**

XXIII. The Shareholders shall not as such be held liable for any claim, engagement, loss or payment, or for any injury, transaction, matter or thing relating to or connected with the said Company, or the liabilities, acts or defaults of the said Company, beyond the sums, if any, remaining due, to complete the amount of the unpaid up portion of the shares subscribed for or held by them in the stock of the said Company: And provided always, that this Act shall supersede the present Deed of Partnership of the said Company at present entered into between the said parties mentioned in the recital hereto and others, as well as their future liabilities thereunder. **Shareholders not liable for an amount greater than that subscribed by them. Proviso.**

XXIV. The shares in the Capital Stock of the said Company shall be deemed personal estate, and shall be transferable as such. **Shares to be deemed personal estate.**

XXV. Suits at Law and in Equity may be prosecuted and maintained between the said Company and any Shareholder thereof, and no Shareholder of the Company, not being in his private capacity a party to such suit, shall be incompetent as a witness in such suit. **Shareholders to be competent witnesses in Courts of Justice.**

XXVI. This Act shall be a public Act. **Public Act.**