
3rd Session, 6th Parliament, 23rd Victoria, 1860

(PRIVATE BILL.)

BILL.

An Act to repeal the Act intituled "An Act to Incorporate the Sherbrooke Manufacturing Company," and to Incorporate "The Sherbrooke Cotton Manufacturing Company."

Received and read, 1st time, Monday, 2nd April,
1860.

Second reading, Wednesday, 4th April, 1860.

Mr. POPE.

QUEBEC :

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An Act to repeal the Act intituled "An Act to Incorporate the Sherbrooke Manufacturing Company." and to incorporate "The Sherbrooke Cotton Manufacturing Company.

WHEREAS Edward Hale, R. W. Heneker and John Moore have, by their petition to the Legislature, represented that the Act passed in the twentieth year of Her Majesty's reign, intituled, "An Act to Incorporate the Sherbrooke Manufacturing Company," granted upon the petition of the above-mentioned persons, with others, hath not been made available for the purposes for which it was enacted, and no Company hath been formed thereunder: And whereas it is expedient to repeal the said Act, and to incorporate the said petitioners, and others, becoming Stockholders, for the purpose of manufacturing cotton at Sherbrooke, therefore Her Majesty by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:—

Preamble.

20 V. c. 176.

I. The Act passed in the twentieth year of Her Majesty's reign, intituled "An Act to Incorporate the Sherbrooke Manufacturing Company" is hereby repealed.

20 V. c. 176
repealed.

II. The said Edward Hale, R. W. Heneker and John Moore, with Benjamin Pomroy, Charles Brooks, William Ritchie, R. D. Morkill and John Henry Pope, or such of them, and all such other persons as shall become Shareholders in the said Company, shall be, and are hereby constituted a body corporate and politic in law, by the style of "The Sherbrooke Cotton Manufacturing Company," and shall by that name be authorized and empowered to carry on at the Town of Sherbrooke the business of manufacturing and working cotton in all its branches, and shall, for such purposes be authorised to purchase or lease, hold and use such land, and water power as may be necessary for properly carrying on such business, and also to erect and maintain the necessary mills and buildings, machinery and appurtenances thereof.

Incorporation
of Company.Name and
purposes.

III. The capital Stock of the Company shall not exceed the amount of two hundred and fifty thousand dollars, unless increased in the manner hereinafter provided, and shall be composed of shares of two hundred and fifty dollars each, and it shall be lawful for the said Company to commence business, and avail themselves of the powers conferred by this Act, when two hundred thousand dollars of the said Stock shall have been subscribed for, and twenty-five per centum thereof paid in.

Capital—
shares.When the
Company
may com-
mence busi-
ness.

IV. The said Edward Hale, R. W. Heneker, John Moore, Charles Brooks, and Benjamin Pomroy, shall be and are hereby constituted Provisional Directors of the said Company, and shall hold office until Directors under the provisions of this Act shall be elected by the Shareholders, as hereinafter provided, and until that time shall constitute the Board of Directors of the said Company, with power to open Stock Books, receive applications for shares, and to allot shares to and amongst the said applicants, and to receive deposits on the shares so allotted.

Provisional
Committee &
their powers.

- First general meeting of Shareholders.** V. So soon as Stock to the extent of two hundred thousand dollars shall be subscribed for, the said Provisional Directors shall call a general meeting of such subscribers, to be held at such time and place as such Provisional Directors shall appoint, and notice of such meeting shall be given by circular letter, specifying the time and place, and addressed to each subscriber at his residence, as entered in the Stock Books of the Company, and forwarded by Post at least forty days before the day appointed for such general meeting. 5
- Notice.**
- Directors. Quorum. Qualification.** VI. The Stock, Property and concerns of the said Company shall be managed by a Board of five Directors, of whom three shall form a Quorum for the transaction of business, who shall be elected at the said first general meeting, and no person shall be qualified to be elected or to sit and act as such Director unless he shall hold at least ten shares in his own name. 10
- Continuance in office.** VII. The first Board of Directors shall remain in office until the next general annual meeting after their election, and thereafter, until their successors are elected in the manner hereinafter provided. 15
- Annual general meetings. Notice.** VIII. A general annual meeting of the Stockholders of the said Company shall be held once in every year, and of the time and place of the holding of every such general annual meeting notice shall be given to the Stockholders, by order of the Directors, by a circular addressed to each Stockholder at his place of residence, as entered in the Stock Books of the said Company, and deposited in Her Majesty's Post Office at least forty days before such general annual meeting, and by such notification in the Newspapers as such Directors shall think advisable. 20
- Election of Directors.** IX. A Board of Directors shall be elected at every general annual meeting of the Stockholders; and if from any cause such election be not effected, it shall be the duty of the Directors to call a special general meeting of the Stockholders, at a day not more than sixty days subsequent to the time when such election ought to have taken place, when it shall be lawful to elect a Board of Directors, to continue in office thereafter till the next annual meeting of Stockholders, and notice of the time and place of holding such special general meeting shall be given by order of the Directors, in the manner provided in the previous section for signifying to the Stockholders the general Annual Meeting. 25
- Special general meetings if election fail at yearly ones.**
- Elections to be by ballot, &c. ;** X. All elections of Directors shall be by ballot, and each Stockholder shall be entitled to as many votes as he owns shares in the said Company, and the persons receiving the greatest number of votes shall be Directors; and when any vacancy shall happen by death, resignation, or incapacity from any cause to act, it shall be filled for the remainder of the year in such manner as may be provided by the By-laws of the Company. 40
- Vacancies.**
- Directors to make By-laws for certain purposes.** XI. The Directors for the time being, or the major part of them, shall from time to time, have power to make such By-laws, Rules and Regulations, as to them shall appear needful and proper for the purposes of this Act, that is to say:— 45
- Conduct of business of the Corporation.** For the direction, conduct and government of the said corporation, for the acquisition, alienation and disposal of the property thereof, as well real as personal, and for regulating and determining the general business of the corporation throughout the year, and for calling any special general meeting of the Stockholders when the exigencies of the Company shall require it. 50

For the appointment, regulation, and removal of a Secretary and Treasurer, Book-keepers, Accountants, and other subordinate officers, operatives, workmen or labourers, as may be necessary for the prosecution of the business of the said Corporation. Officers,

- 5 For determining what and how many Officers (other than Directors) the Corporation shall have—how such Officers shall be chosen—what shall be the respective duties of each, and how long they shall hold office, and what security shall be given for the faithful discharge of the duties of any such office, and how the same shall be taken, and the amount of salaries to be paid to such Officers respectively. Duties and Salaries, &c.

For the imposition of penalties not exceeding twenty dollars, currency, for the breach of any of the By-laws or of the provisions of this Act. Penalties.

For regulating the transfer of shares in the Capital Stock of the said Company. Transfer of Shares.

- 15 For declaring in what manner monies paid upon shares in the Capital Stock of the said Company, which may have been forfeited under the provisions of this Act, shall be applied and disposed of. Forfeited instalments on shares.

- For regulating the mode in which all contracts to be entered into by said Corporation of whatever nature, may be executed on behalf of the said Corporation. Execution of contracts.
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- And, finally, for doing everything necessary to carry out the provisions of this Act according to their intent and spirit: Provided always, that such By-laws shall have no force or effect until sanctioned by a majority of Shareholders present at a Special General Meeting or General Annual Meeting thereof, of which the Stockholders shall have had due notice in the manner hereinbefore provided: And a certificate purporting to be signed by the Secretary of the said Corporation, and under the Seal of the said Corporation, shall be *prima facie* evidence of such By-laws, in all or any Court or Courts of Justice in this Province. General powers.
Proviso: By-laws must be confirmed.
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- 30 XII. The Stockholders at any Special General Meeting, or at any General Annual Meeting, shall have power to adopt any By-laws (not inconsistent with the provisions of this Act) other than those proposed by the Directors for carrying out the objects of this Act; provided that any Stockholder who intends to propose the adoption of any By-law or amendment of existing By-laws, shall leave with the Secretary of the Corporation, a notice of his intended By-law or amendment, at least sixty days before such Special General, or General Annual Meeting, of which notice a copy shall be sent to each Stockholder in the circular letter notifying him of such Special General or General Annual Meeting: And it shall be lawful for the Stockholders at any Special General, or General Annual Meeting, without previous notice thereof, to provide by By-law the means by which a Special General Meeting of the Stockholders may be called, in the event of failure or refusal of the Directors to call such Meeting. Proof of By-laws.

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- As to special general meetings.

- 45 XIII. It shall be lawful for the Directors of the said Company to call in and demand from the Stockholders thereof respectively, all sums of money by them subscribed, at such times and in such payments or instalments as such Directors shall deem proper; and if any Stockholder or Stockholders, after such call or demand shall have been made upon him or them, refuse or neglect to pay to the said Directors or to the Directors may make calls.
How enforced.
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- Secretary of the said Company, the amount of such call upon the share or shares held by him or them, then such share or shares shall or may, if so decided at any Special General, or General Annual Meeting of the Stockholders, become forfeited to the Company, together with the amount or amounts paid thereon: and a circular containing such call or demand addressed to such Stockholders by order of the Directors at their respective places of residence, and deposited in Her Majesty's Post Office, and a publication of such call or demand in a newspaper published at the town of Sherbrooke for six successive weeks, shall, after the expiration of forty days from the depositing of such circular as aforesaid, and the completion of the six weekly publications as aforesaid, be held and considered a sufficient demand to render the shares of any Stockholders: then in default, liable to be forfeited in the manner aforesaid.
- Forfeiture for non-payment.** 5
- Notice of calls.** 10
- What only need be alleged and proved in actions for calls**
- XIV. Any action or suit, to recover any money due upon any call from any Stockholder, may be instituted by the Corporation in its corporate name against such Stockholder: and in such action it shall not be necessary to set forth the special matter, but it shall be sufficient to declare that the defendant is the holder of one share or more, stating the number of shares, and that he is indebted to the Company in the sum of money to which the call or calls in arrear shall amount, in respect of one call or more, stating the number and amount of each of such calls, whereby an action hath accrued to the said Company; and on the trial it shall only be necessary to prove that the defendant is the owner of certain shares, and the call or calls thereon, and the notice required by this Act, and no other fact or thing whatsoever. 15 20 25
- Transfer of shares.**
- XV. The Stock of the said Company shall be deemed personal estate, and shall be transferable in such manner as shall be determined by the By-Laws of the said Company, but no share shall be transferable until all previous calls made thereon shall have been fully paid in. 30
- Directors may vote by Proxy.**
- XVI. The Directors of the said Company may vote by proxy (such proxies being themselves Directors) appointed in the following form, or to the like effect:—
- Form.** "I hereby appoint _____, of _____, one of the Directors of the Sherbrooke Cotton Manufacturing Company, to be my proxy as Director of the said Company, and as such proxy to vote for me at all meetings of the Directors of the said Company, and generally to do all that I could myself do as such Director if personally present at any meeting. 35
- Proviso.** A. B. (*Signature.*) but no Director shall be proxy for more than one other Director. 40
- Shareholders may vote by Proxy.**
- XVII. The Stockholders of the said Company may vote at any General or Annual Meeting of the Stockholders by proxy, such proxies being themselves Shareholders, and appointed in the following form or to the like effect:—
- Form.** "I hereby appoint _____, of _____, one of the Stockholders of the Sherbrooke Cotton Manufacturing Company, to be my proxy, to vote for me at any General or Annual Meeting of Stockholders of the said Company, and generally to do all that I could myself do as such Stockholder if personally present at any such meeting. 45 50
- One vote for each share.** A. B. (*Signature.*) and each Stockholder whether acting in person or by proxy, shall be entitled to as many votes in all matters submitted to the determination

of the Stockholders at any meeting, as he may have shares in the said Company whereon the calls have been fully paid in, according to the requirements of this Act or the By-Laws of the said Company.

5 XVIII. In all actions or suits at law by or against the Company, or to which the said Company may be a party, instituted in Lower Canada, recourse shall be had to the rules of evidence laid down by the laws of England, as recognized by the Courts in Lower Canada in commercial cases, and no Stockholder shall be deemed an incompetent witness either for or against the Company, unless he be incompetent otherwise
10 than as a Stockholder.

Evidence in suits by or against the Company.

XIX. The said Company may become parties to Bills of Exchange or Promissory Notes, in such manner as shall be determined by the By-Laws of the Company; And in conformity with such By-Laws, the Company
15 borrow money in this Province or elsewhere, and mortgage, hypothecate, bind, pledge or affect their estate, real or personal, or any part thereof, for security for the payment of any liabilities incurred by the said Company, and, generally, shall have the powers, rights and incidents of a trading Corporation.

Company may be parties to Bills of Exchange, &c. To have the general powers of a trading Corporation.

20 XX. The place of residence of each Stockholder shall be entered in the Stock Book of the Company, when such Stockholder shall subscribe thereto, and shall be considered the residence of such Stockholder for the purposes of this Act; provided that in the event of transfer of shares or change of residence by Stockholders, the place of residence or description of the holder of any shares in the Capital Stock may be changed
25 from time to time by the Directors, and the Stock Book amended at the request of the Stockholders interested.

Residences of Shareholders to be entered in book.

30 XXI. Each Stockholder shall be liable to the Creditors of the Company, in his individual capacity to the amount remaining unpaid of the Stock held by him, for the debts and contracts made by the Company, but no further or otherwise.

Liability of Shareholders.

35 XXII. It shall be lawful to increase the Capital Stock of the said Corporation to any sum not exceeding Five hundred thousand Dollars in the whole, and the mode of providing for such increase of Capital Stock, allotment of shares in the increased Stock, and all matters connected therewith, shall be determined by By-laws made and ratified under the provisions of this Act, in the same manner as By-Laws respecting other matters are made and sanctioned.

Increase of capital, how provided for.

40 XXIII. The answer of the President or Secretary of the said Company, to any writ of *saisie arret* served upon the Company, shall be received in all Courts of Justice in Lower Canada, as the declaration of the Company, without any special authorization of the Company to that effect. And it shall be lawful for the Directors, by vote or resolution entered among the minutes of their proceedings, to authorize the President or
45 Secretary, or other officer of the said Company, to answer upon *faits et articles* or the *serment decisoire* served upon the Corporation, and the answer on oath of such officer so authorized as aforesaid, shall be held to be the answer of the Company.

President or Secretary may appear and answer to certain writs, &c.

50 XXIV. It shall be lawful for the Municipal authorities of the Town of Sherbrooke, to exempt the said Company from Municipal rates, or any portion of Municipal rates to which they might otherwise be liable,

Corporation of Sherbrooke may exempt

the Company from taxes. in the said town, for any term not exceeding seven years after the first election of Directors under this Act.

Special general meetings may be called by Directors.

XXV. A general meeting of the Stockholders may be called by the Directors at any time when the exigencies of the Company shall require it, by notice to the Stockholders of the day and place of such meeting, given in the manner provided for notifying any general annual meeting. Any business required to be done, and which could be done at a general annual meeting, may be transmitted legally at such a general meeting.

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Cap. 5 of Con. Stat. of Canada to apply.

The Interpretation Act, shall, so far as it can be made applicable, apply to this Act.

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Public Act.

XXVII. This Act shall be deemed a Public Act.