

No. 171.

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

BILL.

An Act to extend the provisions of the
Limited Partnership Act to the Building
and Navigating Steamers and Sailing
Vessels.

Received and Read, first time, Monday,
16th April, 1860.

Second Reading, Wednesday, 18th April,
1860.

Mr. McMICKEN.

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An Act to extend the provisions of the Limited Partnership Act to the Building and Navigating Steamers and Sailing Vessels.

WHEREAS it is desirable that the Shipping, Navigation and forwarding interests of this Province should be encouraged through provisions for Partnership of limited liability: Therefore, Her Majesty, &c., enacts as follows:

Preamble.

5 **1.** At any time hereafter, any five or more persons who may desire to form a Company for the purpose of building for their own use, equip-
 10 ping, furnishing, fitting, purchasing, chartering or owning steam, sail, or other boats, ships, vessels, wharves, roads, or other property to be used in lawful business, commerce, trade, or navigation, and for the carriage,
 15 transportation or storing of lading, freight, mails, property or passengers, may make, sign, and acknowledge before a Notary Public, and file in the office of the Registrar of the County in which the principal office for the management of the business of the Company shall be situated, and a duplicate thereof in the office of the Provincial Secretary, a certificate
 20 in writing, in which shall be stated the corporate name of such Company (except that such corporate name shall not be the name of any Company which shall have been before formed under this Act) and the specific objects for which the Company shall be formed, stating particularly the amount of the capital stock of such Company, which shall not be more
 25 than *one million dollars*, nor less than *ten thousand dollars*; the number of shares of which the said stock shall consist; the number of Directors and their names, who shall manage the affairs of such Company for the first year, and the names of the City, Town, or Village, and County in which the principal office for managing the affairs of such Company is to be situated.

Company may be formed for certain purposes.

Certificate to be filed; what it shall contain.

2. When the certificate shall have been filed as aforesaid, and ten per cent. of the capital named paid in, the persons who shall have signed and acknowledged such certificate, and all others who may thereafter be holders of any share or shares of the capital stock, and their successors,
 30 shall be a body politic and corporate, in fact and in name, by the name stated in such certificate, and by that name shall have perpetual succession, and shall be capable of suing and being sued in any Court of law or equity, and they and their successors may have a common seal, and may make and alter the same at pleasure; and they shall, by their corporate name, be capable in law of purchasing, holding, owning, hiring,
 35 leasing, and conveying any real or personal estate or property whatever, which may be necessary to enable such Company to carry on the operations and business mentioned in such certificate, and all other real or personal estate or property which shall have been *bonâ fide* mortgaged
 40 or pledged to such Company by way of security, or conveyed to such Company in satisfaction or part satisfaction of any debt or debts previously contracted in the course of the transaction of the business of such

Company incorporated when such certificate is filed and ten per cent. of the capital paid in.

Corporate powers.

Company not to pledge its property except for certain purposes.

Company, and all other real or personal estate or property which shall be purchased by such Company at sales upon judgments, orders or decrees which shall be obtained for such debts. or in the course of the prosecution thereof.

Directors to be elected.

3. The stock, property, affairs and concerns of such Company, shall be managed by not less than three, or more than thirteen Directors, who shall respectively be stockholders of such Company, and who shall, except those for the first year, be annually elected by the stockholders of such Company, at such times and place as shall be directed by the

Notice of election.

By-laws of such Company: Public notices of the time and place of holding such election shall be published not less than thirty days previous thereto, in a newspaper printed in the city, town or county in which the principal office for the management of the affairs of such Company shall be situated; and, if there be no newspaper published in such city or town, then in the newspaper the principal publication of which is nearest

To be by ballot.

to such principal office of such Company; Such elections shall be made by such of the stockholders as shall attend for that purpose, either in person or by proxy; and such elections shall be by ballot, and each stockholder shall be entitled to as many votes as he owns shares of stock in such Company, and the persons receiving the greatest number of votes shall be Directors; and when any vacancy shall happen among the

Vacancies.

Directors, occasioned by death, incapacity, resignation, the sale of stock or otherwise, it shall be filled for the remainder of the year in such manner as may be provided for by the By-laws of such Company; The Directors named in the certificate aforesaid shall appoint Inspectors of the first election from among stockholders who are not Directors.

Inspectors of elections.

4. In case it shall happen at any time that an election of Directors shall not be made on the day designated by the By-laws of such Company, when it ought to have been made, the Company for that reason shall not be dissolved; but it shall be lawful on any other day to hold an election for Directors in such manner as shall be provided for by the said By-laws; and all acts of Directors shall be valid and binding as against such Company until their successors shall be elected.

Provision in case of failure.

5. The Directors of such Company shall have power to appoint a President, and to appoint or employ such other subordinate officers as the By-laws of such Company may designate, and to require any or all of such President and other officers to give such security for the faithful performance of their respective duties as such Directors may require; and the Directors shall have power to remove such President and other officers respectively, at pleasure: Such officers shall, respectively, have such powers and perform such duties in the management of the property, affairs and concerns of such Company, subject to the control of the Directors as the By-laws of such Company shall prescribe. A majority of the Directors for the time being shall constitute a quorum for the transaction of business.

Directors may appoint and remove a President and other officers, &c.

6. It shall be lawful for the Directors to call in and demand from the stockholders, respectively, all such sums of money by them subscribed, at such times and in such payments or instalments as the Directors deem proper, under the penalty of forfeiting the shares of stock subscribed for, and all previous payments made thereon, if payment shall not be made by the stockholders within sixty days after a demand or notice requiring such payment shall have been published three successive weeks, as is prescribed in section three; but the collection, by action, of any instalment, shall preclude the Company from forfeiting stock by reason of non-payment of such instalment.

Quorum.

Directors may make calls on stock.

7. The stock, property, affairs and concerns of such Company, shall be managed by not less than three, or more than thirteen Directors, who shall, except those for the first year, be annually elected by the stockholders of such Company, at such times and place as shall be directed by the By-laws of such Company: Public notices of the time and place of holding such election shall be published not less than thirty days previous thereto, in a newspaper printed in the city, town or county in which the principal office for the management of the affairs of such Company shall be situated; and, if there be no newspaper published in such city or town, then in the newspaper the principal publication of which is nearest to such principal office of such Company; Such elections shall be made by such of the stockholders as shall attend for that purpose, either in person or by proxy; and such elections shall be by ballot, and each stockholder shall be entitled to as many votes as he owns shares of stock in such Company, and the persons receiving the greatest number of votes shall be Directors; and when any vacancy shall happen among the Directors, occasioned by death, incapacity, resignation, the sale of stock or otherwise, it shall be filled for the remainder of the year in such manner as may be provided for by the By-laws of such Company; The Directors named in the certificate aforesaid shall appoint Inspectors of the first election from among stockholders who are not Directors.

7. The Directors shall have power to make such reasonable By-laws, not inconsistent with the laws of this Province, as they shall deem proper for the management and disposition of the property, affairs and concerns of such Company, for prescribing the powers and duties of the officers of such Company, for the appointment of the officers, and for the transaction of and carrying on all kinds of business within the objects and purposes of such Company.

May make
By-laws.

8. The powers of the Directors under such By-laws shall extend to the opening of Stock-books, and to the raising of money, on such terms as they may deem expedient, either in this Province or without the limits of this Province; and the Company may unite with any Company in England or elsewhere, for the purpose of carrying on their operations: Provided always, that a certificate of any such union, and the terms thereof, shall be fyled in the manner required by the first section of this Act, within two months after such union shall have been effected.

9. The Directors may, by an instrument in writing under the common seal of the Company, empower any person, either generally or in respect of any special matters, as Attorney for the Company, to execute Deeds or Bonds on their behalf, in any place not situate in Canada; and every Deed or Bond signed by such Attorney on behalf of the Company, and under his seal, shall be binding on the Company to the same extent as if it were under the common seal of the Company.

10. The stock of such Company shall be deemed personal estate, and shall be transferable in such manner as shall be prescribed by the By-laws of such Company; but no shares shall be transferable until all previous calls thereon shall have been fully paid in; and it shall not be lawful for any such Company to use any of its funds in purchase of any stock in any other corporation formed under the laws of this Province, or to hold the same, unless the same shall have been *bonâ fide* pledged, hypothecated or transferred to such Company by way of security for, or in satisfaction or part satisfaction of a debt, or of debts previously contracted in the course of transaction of the business of such Company, or unless the same shall be purchased by such Company, at sales upon judgments, orders or decrees which shall be obtained for such debts, or in the course of the prosecution thereof.

Stock to be
personalty.

Company not
to hold stock
in other cor-
porations, ex-
cept, &c.

11. The copy of any certificate of incorporation fyled in pursuance of this Act, certified by the County Registrar in whose office the same is fyled, under his official seal, to be a true copy of, and of the whole of such certificate, shall be received in all courts and places as presumptive legal evidence of the matters therein stated.

Copy of cer-
tificate of in-
corporation to
be evidence,
&c.

12. No Shareholder in any such Company shall be in any manner liable to be charged with the payment of any debt or demand due by such Company, beyond the amount of his, her or their subscribed share or shares in the capital stock of the Company.

13. The President and a majority of the Directors of such Company, within thirty days after payment of the last instalment of the capital stock so fixed and limited by such Company, shall make a certificate stating the amount of the capital stock of such Company so fixed, limited and paid in, which certificate shall be signed and sworn to by the President and a majority of the Directors of such Company, and they shall within the said thirty days procure the same to be recorded in the

Certificate of
payment of
Stock to be
made, sworn
to and re-
corded.

office of the Registrar of the County in which is located the principal office of such Company.

Liability of officers signing false certificates.

14. If any certificate made in pursuance of the provisions of this Act shall be false in any material representation, all the officers who shall have signed the same shall be jointly and severally liable for all the debts and liabilities of the Company contracted or incurred while they are officers or stockholders thereof. 5

Executors, &c., holding Stock not personally liable.

15. No person holding stock in any such Company as executor, administrator, guardian or trustee, and no person holding such stock as collateral security shall be personally subject to any liability as stockholder of such Company; but the person pledging such stock shall be considered as holding the same, and shall be liable as a stockholder accordingly; and the estates and funds in the hands of such executor, administrator, guardian or trustee shall be liable in like manner and to the same extent as the testator, or intestate, or the ward or person interested in such trust fund would have been if he had been living and competent to act and hold the same stock in his own name. 10 15

Voting on stock held for others.

16. Every such executor, administrator, guardian or trustee shall represent the share of stock in his hands at all meetings of the Company, and may vote accordingly as a stockholder; and every person who shall pledge his stock as aforesaid may, nevertheless, represent the same at all such meetings, and may vote accordingly as a stockholder. 20

Company may increase or diminish its capital.

17. Any Company which may be formed under this Act may increase its capital stock by complying with the provisions of this Act; but such increase shall not be to a sum more than the larger sum specified in the first section. 25

Meeting to consider increase or decrease of stock.

18. Whenever any such Company shall desire to call a meeting of its stockholders for the purpose of increasing the amount of its capital stock, it shall be the duty of the Directors to publish a notice signed by at least a majority of them, at least six successive weeks as is prescribed in section *three*, previous to the day fixed upon for holding such meeting, specifying the object of such meeting, the time and place, when and where such meeting shall be held, and the amount to which it shall be proposed to increase the capital stock; a vote of at least two-thirds of all the shares of stock shall be necessary to an increase of the amount of the capital stock. 30 35

Vote of two-thirds required.

Proceedings at a meeting for increasing or diminishing the capital of any Company.

19. If, at any time and place specified in the notice provided for in the last preceding section, stockholders shall appear in person or by proxy, in numbers representing not less than two-thirds of all the shares of stock of the Company, they shall organize by choosing one of the Directors Chairman of the meeting, and also a suitable person for Secretary, and proceed to a vote of those present in person or by proxy; and if on canvassing the votes it shall appear that a sufficient number of votes have been given in favor of increasing the amount of capital, a certificate of the proceeding, showing a compliance with the provisions of this Act, the amount of capital actually paid in, and the amount to which the capital stock shall be increased shall be made out, signed and verified by the affidavit of the Chairman, and be countersigned by the Secretary; and such certificate shall be acknowledged by the Chairman, and filed as required by the first section of this Act, and 40 45 50

when so fyled the capital stock of such Company shall be increased to the amount specified in such certificate.

20. No such Company shall combine with any other Company formed under this Act for any other purpose, or shall purchase, own, hold or be interested in any stock or property of any other such Company, unless the same shall have been *bonâ fide* pledged, hypothecated or transferred to such Company by way of security for, or in satisfaction or part satisfaction of a debt or debts previously contracted in the course of the transaction of the business of such Company, or unless the same shall be purchased by such Company.

Company not to combine with or hold stock of others, unless, &c.

21. It shall be the duty of the Directors of every such Company to cause a book to be kept by the Treasurer or Secretary thereof, containing the names of all persons alphabetically arranged, who are, or shall within six years have been stockholders of such Company, and showing their places of residence, the number of shares of stock held by them respectively, and the time when they respectively became the owners of such shares, and the amount of stock actually paid in, which book shall, during the usual business hours of the day, on every day except Sundays, and obligatory Holidays, be open for the inspection of stockholders and creditors of the Company and their personal representatives, at the principal office of such Company; and any and every such stockholder, creditor or representative shall have a right to make extracts from such book. Every officer or agent of such Company whose duty it shall be to keep such book, who shall neglect any proper entry in such book, shall refuse or neglect to exhibit the same, or allow the same to be inspected, or extracts to be taken therefrom as provided by this section, shall be deemed guilty of a misdemeanor, and the Company shall forfeit and pay to the party injured a penalty of fifty dollars for every such neglect or refusal, and all damages resulting therefrom; and every Company that shall neglect to keep such book open for inspection as aforesaid shall forfeit to the Municipality in which the principal office of such Company is held the sum of fifty dollars for every day it shall be so neglected, to be sued for and recovered in the name of the Municipality by the County Attorney of the County in which the principal office for the transaction of the business of such Company shall be located, and when recovered the amount shall be paid into the treasury of said Municipality for the use thereof.

Lists of Stockholders to be kept, open to stockholders, creditors, &c.

Penalty for neglect, &c.

Forfeiture to Municipality Annual Report to the Legislature.

22. Every Corporation formed under this Act shall make an annual report to the Provincial Secretary of the operations of the year ending December fifteenth, to be laid before Parliament within fifteen days after the opening of each Session, which report shall be verified by the oaths of the Treasurer or President, and filed in the office of the Provincial Secretary by the fifteenth day of January in each year, and shall state:—

Act to extend to Caloric Engine Companies.

1. The amount of Capital by charter.
2. The amount of Stock subscribed.
3. The amount of Stock paid in.
4. The amount of Stock paid at the time of reporting.
6. The number of boats, and the nature of the same, owned by the Company.

23. This Act shall also apply to any Association or Company formed or to be formed for the purpose of manufacturing and vending Caloric Engines, except that the capital of such Company shall not exceed fifty thousand dollars, nor be less than ten thousand dollars; and that such

Conditions.

Company shall have secured to them the exclusive privilege of the manufacture and sale of such engines within this Province, for the term of fourteen years, and no longer; and that such Company shall be in active operation within one year from the passing of this Act, otherwise the privilege hereby granted shall be forfeited.