



CHAPTER 70

An Act to amend the Quebec Companies' Act

[Assented to, the 18th of May, 1935]

HIS MAJESTY, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

1. The Quebec Companies' Act (Revised Statutes, 1925, R. S., c. 223, chapter 223) is amended by inserting therein, after section 41a thereof, as enacted by the act 17 George V, chapter 62, section 3, the following section:

41b. 1. Where a compromise or arrangement is proposed between a company and its creditors, or any class of them, a judge of the Superior Court of the district in which the company has its head office or chief place of business may, on application in a summary way of the company or of any creditor who might be affected, order a meeting of the creditors of the company, or of any class of creditors, as the case may be, to be summoned in such manner as the said judge directs.

Ordering of meeting of creditors to consider compromise, etc.

2. If the said creditors, or class of creditors, as the case may be, present in person or by proxy at the meeting, agree, by three-fourths in value of the creditors, or class of creditors, as the case may be, present or represented at the meeting, to the compromise or arrangement either as proposed or as altered or modified at such meeting, such compromise or arrangement may be sanctioned by a judge as aforesaid. Prior to any such sanction, the judge shall require the production before him of a duly certified copy of a resolution of the company, embodying and approving the said compromise or arrangement as agreed to by the creditors.

Sanctioning of compromise, etc., by meeting.

Filing of copy of sanctioning order, etc. Notice.

If so sanctioned, a certified copy of the judgment or order giving such sanction shall be filed in the office of the Provincial Secretary and notice of the sanction shall be given in the *Quebec Official Gazette* by the Provincial Secretary.

Binding effect after publication of sanction.

From and after the date of such publication, the compromise or arrangement shall be binding on the company and the creditors or class of creditors, as the case may be.

"Creditors".

3. The word "creditors" when used in this section shall include only the holders of scrip interest certificates, or scrip dividend certificates, and warrants, and provided the same do not carry any registered claim or registered privilege against the company's property or assets."

R. S., c. 223, s. 131b, added.

2. The said act is amended by inserting therein, after section 131a thereof, as enacted by the act 17 George V, chapter 62, section 4, the following section:

Ordering of meeting of creditors to consider compromise, etc.

"131b. 1. Where a compromise or arrangement is proposed between a company and its creditors, or any class of them, a judge of the Superior Court of the district in which the company has its head office or chief place of business may, on application in a summary way of the company or of any creditor who might be affected, order a meeting of the creditors of the company, or of any class of creditors, as the case may be, to be summoned in such manner as the said judge directs.

Sanctioning of compromise, etc., by meeting.

2. If the said creditors, or class of creditors, as the case may be, present in person or by proxy at the meeting, agree, by three-fourths in value of the creditors, or class of creditors, as the case may be, present or represented at the meeting, to the compromise or arrangement either as proposed or as altered or modified at such meeting, such compromise or arrangement may be sanctioned by a judge as aforesaid. Prior to any such sanction, the judge shall require the production before him of a duly certified copy of a resolution of the company, embodying and approving the said compromise or arrangement as agreed to by the creditors.

Filing of copy of sanctioning order. Notice.

If so sanctioned, a certified copy of the judgment or order giving such sanction shall be filed in the office of the Provincial Secretary and notice of the sanction shall be given in the *Quebec Official Gazette* by the Provincial Secretary.

Binding effect after publication of sanction.

From and after the date of such publication, the compromise or arrangement shall be binding on the company and the creditors or class of creditors, as the case may be.

3. The word "creditors" when used in this section shall "Creditors". include only the holders of scrip interest certificates, or scrip dividend certificates, and warrants, and provided the same do not carry any registered claim or registered privilege against the company's property or assets."

3. This act shall come into force on the day of its ^{Coming into} sanction. _{force.}