



CHAPTER 163

An Act respecting Stanley Bagg Corporation

[Assented to, the 15th of March, 1933]

WHEREAS Stanley Bagg Corporation was incorporated Preamble.
by letters patent of the Province of Quebec, dated the 30th of May, 1919, with head office in the city of Montreal and with an authorized capital of three million dollars divided into thirty thousand shares of one hundred dollars each; and

Whereas, at the city of Montreal, by two deeds of sale, conveyance and transfer before Henry Fry, notary, executed on the 21st of November, 1919, under Nos. 16121 and 16122 of his minutes, and duly registered, said Stanley Bagg Corporation purchased and took over from the executors of the estate of the late Stanley Clark Bagg, in his lifetime of the city of Montreal, and other parties interested in the said estate, all the assets, moveable and immoveable, real and personal, of the said succession and estate, in consideration of the allotment and issue of all said shares of its authorized capital stock; and

Whereas the said deeds of sale, conveyance and transfer were ratified, confirmed and declared legal and valid by act of the Legislature of Quebec, 10 George V, chapter 158, assented to on the 14th of February, 1920; and

Whereas, of the foregoing shares of capital stock so issued in payment of said property and assets of the said estate Stanley C. Bagg, twenty-four thousand shares of a par value of two million, four hundred thousand dollars, are still held by the executors duly appointed and acting under the last will and testament of the said late Stanley C. Bagg, subject to the terms of said will and to the substitution created thereunder, as recited in said act; and

Whereas doubts have arisen as to the true intent and meaning of section 2, paragraph 2, of said act, in reference to the sale of shares of said corporation, and it is expedient to remove said doubts and clarify said provisions; and

Whereas section 4 of the said act, upon such clarification, will become unnecessary and possibly ambiguous and should be repealed; and

Whereas Stanley Bagg Corporation has duly enacted by-law No. XV restricting the investment of its funds, in accordance with Article 981^o of the Civil Code, with the qualifications in said by-law provided, as hereinafter set out; and

Whereas it is expedient to declare that Stanley Bagg Corporation is and has always been authorized to invest its funds and monies according to the terms of its said by-law No. XV, and to confirm the said by-law; and

Whereas, insofar as they may be interested or concerned, the executors of the last will and testament of the said Stanley C. Bagg, and the curator to the substitution created under said will, have consented and agreed to the terms hereof; and

Whereas said Stanley Bagg Corporation has petitioned for an act amending the said statute 10 George V, chapter 158, accordingly, and it is expedient to grant said petition;

Therefore, His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

10 Geo. V, c. 158, s. 2, replaced. **1.** Section 2 of the act 10 George V, chapter 158, is replaced by the following:

Certain rights not to be affected.

"2. The conveyance and transfer aforesaid shall in no way prejudice or affect any of the rights of the institutes or substitutes to the substitution created by the last will and testament of the said late Stanley Clark Bagg, which said institutes and substitutes shall have and preserve all said rights upon the shares of stock in the said Stanley Bagg Corporation so issued and received in payment of the price of said conveyances and transfers, and said shares of stock shall stand in the stead of the said properties, moveable and immoveable, so conveyed and transferred, and shall be subject to all the provisions of the said last will and testament of the said Stanley Clark Bagg accordingly.

Holding and disposal of shares.

The said shares must be held by the testamentary executors, according to the terms of said will, and the proceeds of all sales of said shares of stock must be in-

vested in accordance with the terms of said will, of the acts mentioned in the preamble and of the law relating to substituted property except the shares of stock belonging to substitutes, in respect of whom the substitution has opened under said will." Exception.

2. Section 4 of the said act is repealed.

10 Geo. V, c.
158, s. 4, re-
pealed.

3. Stanley Bagg Corporation is, and has since its incorporation always been, authorized to invest its funds and monies according to the terms of its by-law No. XV, hereunto attached as Schedule A, and which said by-law is hereby confirmed; provided that, in the event of any sale and conveyance by said Stanley Bagg Corporation of its undertaking and assets as a going concern to another corporation, as in said by-law set out, such sale shall be in consideration of all the authorized shares of the capital stock of such purchasing corporation, if ever formed, and all such shares received in payment and consideration of such sale and conveyance shall be subject to all the provisions and restrictions of section 1 hereof. How funds
may be in-
vested.

Proviso.

4. Upon the final opening of the said substitution, created by the last will and testament of the late Stanley Clark Bagg, the restrictions as to the investment of its funds and monies, embodied in said by-law No. XV, shall no longer apply, except insofar as it is considered expedient by the said Stanley Bagg Corporation to maintain the said restrictions in force. Removal of
certain res-
trictions.

5. This act shall come into force on the day of its sanction. Coming into
force.

SCHEDULE A

BY-LAW NO. XV OF STANLEY BAGG CORPORATION

Be it enacted and it is hereby enacted as By-Law No. XV that notwithstanding the provisions of the Letters Patent of the Province of Quebec incorporating Stanley Bagg Corporation, dated the 30th of May, 1919, it is hereby resolved that any funds or monies of the said Corporation available for investment on Capital Account, and including more particularly the proceeds of the sale from time to time of any capital assets thereof, shall be invested only in accordance with the provisions of 981o and following of the Civil Code of Lower Canada respecting the investment of monies belonging to other persons, with the qualification, however, that in the case of investments on first privilege or hypothec upon real estate in the Province, the amount of such investment need not necessarily be restricted to an amount not exceeding three-fifths of the municipal valuation of such real estate, whenever the Directors, by specific resolution, decide that in their opinion the said municipal valuation is below the true value of such real estate and that the real value thereof affords adequate security for the loan proposed to be made thereon; and provided further that the restrictions of this By-law shall in no way impede the right of this Corporation to sell and convey its undertaking and assets, as a going concern, to another Corporation with the same or similar name, and with a larger or smaller capitalization, in consideration of the issue to this Corporation of bonds, debentures and/or shares in the Capital Stock of said proposed new Corporation, if ever formed.

I, the undersigned Secretary-Treasurer of Stanley Bagg Corporation, hereby certify and attest that the foregoing is a true copy of By-law No. XV of Stanley Bagg Corporation, and that said By-law was duly enacted.

R. L. CROMBIE.