



CHAPTER 99

An Act to amend the charter of *La Compagnie de Téléphone Nationale*

[Assented to, the 1st of April, 1927]

WHEREAS *La Compagnie de Téléphone Nationale* has, Preamble.
by its petition, represented:

That its authorized capital is five million dollars divided into twenty thousand preferred shares of one hundred dollars each bearing cumulative dividends at the rate of six per cent per annum, and three hundred thousand ordinary shares of a par value of ten dollars each;

That four thousand two hundred and sixty preferred shares have been issued and the company owes to the holders of such shares cumulated dividends for an amount equal to the par value of such shares;

That the company has never been in a position to pay the cumulated dividends on such preferred stock since its issue, saving three per cent in 1925 and three and one-half per cent in 1926; and such debt is destructive of the credit of the company and prevents its development;

That it is necessary, for the credit of the company, to convert the cumulative preferred shares into non-cumulative preferred shares; to convert the ordinary shares into shares without par value and to discharge the cumulated dividends upon the preferred shares by means of ordinary shares;

Whereas it is expedient to grant the prayer contained in the said petition;

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

1. The act 56 Victoria, chapter 71, is amended by re-56 Vict., c.
placing section 3a thereof, as enacted 9 Edward VII, 71, s. 3a, re-
chapter 113, section 1, by the following: placed.

“**3a.** Holders of preferred stock of the company shall, Rights of

holders of preferred stock.

from and after the 1st of May, 1927, be entitled to receive one or more half-yearly or yearly dividends at the rate of six per cent per annum, out of the company's net profits after payment of the interest on the bonds then issued.

Dividends non-cumulative.

Such dividends shall be non-cumulative, that is to say, that if not realized or paid in any one year, they shall not accrue nor cumulate, and shall not be paid out of the profits of a subsequent year."

56 Viet., c. 71, s. 3i, added.

2. The said act is amended by inserting therein, after section 3*h* thereof, as enacted by the act 8 George V, chapter 112, section 2, the following section.

Putting into effect of certain sections.

3i. The above section 3*a* shall not be put into effect until after the accomplishment of the formalities prescribed by section 131*a* of the Quebec Companies' Act (Revised Statutes, 1925, chapter 223), as enacted by section 4 of the act 17 George V, chapter 62.

Coming into force.

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