

C H A P. 118

An Act to amend the charter of the St. Maurice Lumber Company

[Assented to, the 3rd of April, 1925]

Preamble.

WHEREAS the St. Maurice Lumber Company has, by its petition, represented:

That it was incorporated by the act 7 George V, chapter 93; and

That, in order to enable the company to extend its undertaking, it is necessary that its objects, purposes and powers be modified and amplified, and that its authority to exercise such powers in certain places be extended to include other places; and

Whereas it is expedient that the prayer of the said petitioner be granted;

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

7 Geo. V, c. 93, s. 1a, added.

Change of name.

1. The following section is inserted in the act 7 George V, chapter 93, after section 1 thereof:

“**1a.** If at any time the company desires to adopt another name, the Lieutenant-Governor, upon being satisfied that the change desired is not for any improper purpose, may sanction the same and direct the issue of letters patent amending the charter and changing the name of the company to some other name, which shall be set forth in the letters patent. No such alteration of its name shall affect the rights or obligations of the company; and all proceedings may be commenced or continued by or against the company under its new name that might have been commenced or continued by or against the company under its former name; every change of name shall be published in the *Quebec Official Gazette*.”

7 Geo. V, c. 93, s. 3, replaced.

Capital stock.

2. Section 3 of the act 7 George V, chapter 93, is replaced by the following:

“**3.** The capital stock of the company shall be six thousand shares without nominal or par value, the six thousand shares of a par value of one hundred dollars each presently issued and outstanding being hereby converted into a like number of shares of no par value; provided, however, that the capital stock of the company may from time to time be increased, reduced or otherwise changed as elsewhere in this act specified. The shares without nominal or par

Conversion into shares without par value.

value may be issued and allotted for such consideration as may from time to time be fixed by resolution of the directors. Every share of the capital stock without nominal or par value issued as permitted by this section shall be deemed fully paid and non-assessable and the holder of any such share shall not be liable to the company or to its creditors in respect thereof. Each share of the capital stock without nominal or par value shall be equal to every other share of the capital stock, subject to any preferences, restrictions or other conditions attached to any class of shares which may hereafter be created. Every certificate of shares without nominal or par value shall have plainly written or printed upon its face the number of such shares which it represents, and the number of such shares which the company is authorized to issue, and no such certificate shall express any nominal or par value of such shares."

3. Section 4 of the act 7 George V, chapter 93, is repealed. 7 Geo. V, c. 93, s. 4, repealed.

4. Section 5 of the act 7 George V, chapter 93, is replaced by the following: 7 Geo. V, c. 93, s. 5, replaced.

5. Article 6056f of the Revised Statutes, 1909, as enacted by the Quebec Companies' Act, 1920, is replaced, for the company, by the following: R. S., 6056f, replaced for company.

6056f. 1. If authorized by by-law, sanctioned by a Powers: vote of not less than two-thirds of the votes cast, in respect of stock entitled to vote thereon, at a general meeting called for considering the by-law, the directors may, from time to time:

a. borrow money upon the credit of the company; Borrowing;
 b. issue debentures or other securities of the company and pledge or sell the same for such sums and at such prices as may be deemed expedient; Issue of debentures, etc.;

c. notwithstanding article 2017 of the Civil Code, hypothecate, mortgage or pledge the moveable or immoveable, personal or real property, present or future, of the company, to secure any such debentures or other securities, or give part only of such guarantee for such purposes; and constitute the hypothec, mortgage or pledge mentioned in this sub-paragraph, by trust deed, in accordance with articles 6119b and 6119c, or in any other manner; Hypothecate, mortgage, or pledge to secure debentures, etc.

d. besides hypothecating, mortgaging and pledging for any of the foregoing purposes, cede and transfer for the same purposes the moveable and immoveable, personal and real property, present and future, of the company to a trustee, with power, in the event of the failure of the company to fulfil the conditions of the trust deed, to take pos- Cede and transfer, etc.

session of the properties ceded and transferred, to administer them and to sell them for the benefit of the bondholders; and

Hypothecate or pledge to secure other loans.

e. hypothecate or mortgage the immoveable and real property of the company, or pledge or otherwise affect the moveable and personal property, or give all such guarantees to secure the payment of loans made otherwise than by the issue of debentures, or other securities, as well as the payment or performance of any other debt, contract or obligation of the company.

Loans on notes.

2. The limitations and restrictions contained in this article shall not apply to the borrowing of money by the company on bills of exchange or promissory notes, made, drawn, accepted or endorsed by or on behalf of the company."

7 Geo. V, c. 93, s. 6, replaced.

5. Section 6 of the act 7 George V, chapter 93, is replaced by the following:

Provisions applicable.

"**6.** Part II of the Quebec Companies' Act, 1920, with the exception of articles 6044*a* and 6046 of the Revised Statutes, 1909, as enacted by the Quebec Companies' Act, 1920, shall apply to the company when not inconsistent with the provisions of this act."

7 Geo. V, c. 93, s. 7, replaced.

6. Section 7 of the act 7 George V, chapter 93, is replaced by the following:

Powers of the company.

"**7.** The company is authorized and empowered:

a. To produce, manufacture, purchase or otherwise acquire, sell, store, transport, use and otherwise deal in and with any and all kinds of pulp, paper, timber, logs, pulp-wood and other forest products, lumber and other wood products, and ingredients and component parts of, substitutes for, and products, by-products and compounds of any or all of the foregoing and of or for anything used in connection therewith; and for such purposes to purchase, lease or otherwise acquire, construct, hold, own, develop, maintain, cultivate, improve, operate, sell, lease or otherwise dispose of timber lands and limits, timber licenses, mills, plants, river and lake improvements and other works, and all properties and rights incidental to any of the foregoing and all accessories thereof;

b. To produce, generate, manufacture, purchase or otherwise acquire, sell, lease, store, transport, transmit, distribute, use and otherwise deal in and with electricity, water and all other kinds of power, energy, light and heat, and all products and by-products of any or all thereof, for any and all purposes, public or private; and for such purposes to purchase, lease or otherwise acquire, construct, hold, own, develop, maintain, improve, operate, sell, lease

or otherwise dispose of water powers and water power developments and all properties and rights incidental to any of the foregoing and all accessories thereof, including dams, plants, pipe lines, transmission lines, river and lake improvements and other works; provided, however, that any such sale of electricity in the Province of Quebec shall be limited to the counties of Champlain, St. Maurice, Three Rivers, Portneuf, Saguenay, Temiscamingue, Pontiac, Hull, Labelle, Argenteuil, Terrebonne, Montcalm and Joliette;

c. To manufacture, purchase, or otherwise acquire, sell, handle and otherwise deal in and with all kinds of goods, wares, supplies and merchandise;

d. To act as covekeeper, keeper of wharves, yards, harbors, and other places, warehouseman and miller, and in such capacities or otherwise to give receipts, bills of lading and other acknowledgments and certificates;

e. To purchase, lease or otherwise acquire, hold, own, cultivate, develop, build upon, improve, operate, utilize, sell, lease or otherwise dispose of and otherwise deal with immoveable property and real estate of all kinds, and servitudes, easements, licenses and other rights, interests and claims of all kinds therein or thereto or connected therewith;

f. To purchase, lease or otherwise acquire, produce, manufacture, construct, erect, equip, hold, own, maintain, manage, control, improve, alter, operate, subsidize or otherwise assist, store, transport, use and otherwise deal in and with all kinds of factories, shops, structures, erections, buildings, works, roads, ways, branches or sidings, bridges, reservoirs, wharves, improvements, dwelling houses, boarding houses, hotels, restaurants, stores, schools, churches, theatres, clubs and other places of instruction, worship and recreation, all kinds of operating, transportation, transmission, office and other equipment, machinery, plant, tugs and other vessels, ships, boats, aeroplanes, stock-in-trade, stores, materials and supplies, and all other property necessary or useful in carrying on the undertaking of the company;

g. To apply for, purchase or otherwise acquire, exercise, enjoy, develop, use, grant licenses in respect of, sell, lease or otherwise turn to account or dispose of, and otherwise deal in and with, trademarks, trade-names, patents, licenses, inventions, improvements, formulæ, improved and unimproved secret processes, concessions and the like conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to, any invention;

h. To enter into and make use of and operate under any arrangements with any government or public authority that may seem to the board of directors conducive to the

company's objects, or any of them, and to apply for and obtain from any such government or authority, and to make use of and operate under any statutes, ordinances, orders, franchises, licenses, grants, concessions, powers, rights or privileges, to purchase, lease or otherwise acquire, hold, own, operate, sell or otherwise dispose of the whole or any part of the works, stock, property, franchises, licenses, grants, concessions, powers, rights, privileges, assets and business of any person or of any company having objects altogether or in part similar to those of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being conducted, so as directly or indirectly to benefit the company, or of any city, town, village or municipality authorized to carry on any business comprised in the objects of this act, or to enter into any arrangements for such purpose or in connection therewith; and to assume all or any part of the obligations and liabilities of any such person, company, city, town, village or municipality;

i. To purchase, subscribe or apply for or otherwise acquire, register, hold, own, sell, transfer, assign, lease, mortgage, pledge, charge or otherwise dispose of or turn to account the stock, shares, debentures and other securities of and other interests in and claims against any company having objects altogether or in part similar to those of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, so as directly or indirectly to benefit the company, or the debentures and other securities of any city, town, village or other municipality with which the company has or may have business relations, and while the owner or holder of any such stock, shares or securities of any such company to exercise, directly or through agents, all the rights, powers and privileges of ownership, including the right to vote thereon, in the same manner and to the same extent that an individual might do; and to exercise the franchises, licenses, grants, concessions, powers, rights or privileges of any company substantially all of whose capital stock is owned or controlled by the company, and to do so either in the name of such company or in the name of the company;

j. To sell, lease, exchange or otherwise dispose of the undertaking, property, franchises, licenses, grants, concessions, powers, rights and privileges of the company, or any part thereof, as a going concern or in the ordinary course of business or otherwise, for such consideration as the board of directors may resolve, and in particular for shares, debentures or other securities of any company

having objects altogether or in part similar to those of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, so as directly or indirectly to benefit the company or the debentures and other securities of any city, town, village or municipality with which the company has or may have business relations;

k. To distribute in kind or otherwise any property or assets of the company among its shareholders, subject, however, to the provisions of article 6057*a* of the Revised Statutes, 1909, as replaced for the company by this act;

l. To consolidate or amalgamate with any company having objects altogether or in part similar to those of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, so as directly or indirectly to benefit the company, and to promote any company for any necessary or useful purpose;

m. To enter into partnership or any agreement or arrangement for sharing profits, union of interests, coöperation, joint adventure, reciprocal concession or the like with any company having objects altogether or in part similar to those of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, so as directly or indirectly to benefit the company, or with any city, town, village or municipality;

n. To issue and allot fully or partly paid up shares to the company's capital stock or its debentures or other securities in payment or part payment for any undertaking, property, franchises, licenses, grants, concessions, powers, rights, or privileges, or for the shares, debentures or other securities of any company having objects altogether or in part similar to those of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, so as directly or indirectly to benefit the company; and to remunerate, either in cash, or in fully paid up shares of the company's capital stock or in its debentures or other securities, any person, company or syndicate for expenses incurred and services rendered or to be rendered to the company in placing or assisting to place or guaranteeing the placing of any shares of the company's capital stock or any debentures or other securities of the company, or in connection with the conduct of its business;

o. To lend money or credit to, and to take or otherwise acquire, and to assume or guarantee the payment of principal of, or interest or dividends on, the shares, debentures and other securities of, and to aid in any other manner any company, city, town, village or municipality with which the company has or may have business relations, or in the affairs, property or prosperity of which the company has in the opinion of the board of directors, or may wish to acquire, an interest, or any company which owns or controls a substantial interest in the company's capital stock, and to do all acts and things designed to protect, preserve, improve or enhance the value of any such shares, debentures or other securities or interest, and to mortgage, hypothecate, pledge or otherwise charge its undertaking, property, un-called share capital, franchises, licenses, grants, concessions, powers, rights and privileges, present or future or both, or any part thereof, to secure any such obligation by way of assumption or guaranty;

p. To act as agent, receiver, manager or otherwise in carrying on such business of any company as is similar in whole or in part to that of the company, either by direct appointment by any such company or under appointment by any holders of, or by any trustee for holders of, securities of, or by any mortgagee, pledgee or hypothecary creditor of, any such company, and in pursuance of such appointment, to enter into and remain in possession of and to charge, sell or otherwise dispose of the whole or any part of the undertaking, property, franchises, licenses, grants, concessions, powers, rights and privileges of any such company;

q. To aid by way of bonus, advances of money or otherwise, with or without security, settlers and intending settlers upon any lands belonging to or controlled or sold by the company or in the neighborhood of such lands and generally to permit the settlement of such lands;

r. To develop, sell, turn to account and otherwise deal with any immoveable or real property or lands belonging to or controlled by the company, or in which it is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up and improving houses, buildings, works, roads, streets, sidewalks, water, light, heat, power and refrigeration systems, sewers, and other improvements and conveniences, and by planting, paving, draining, farming and cultivating the same, letting the same on building lease or building agreement and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others having dealings with the company in connection therewith;

s. To establish and support or aid in the establishment

and support of associations, clubs, institutions, funds, trusts and conveniences which are or may seem to the board of directors calculated to benefit employees or ex-employees of the company or its predecessors in business or the dependents or connections of such persons, and to grant pensions and allowances to, and to make payments towards the insurance of any such persons; and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object;

t. To procure the company to be registered, licensed or otherwise recognized in any Canadian or foreign jurisdiction, province, territory, state or country, and to designate and appoint persons therein as attorneys or representatives of the company with power to represent the company in any and all matters and to accept service for and on behalf of the company of any process or suit;

u. To obtain or assist in obtaining any necessary or useful act, resolution or order of any parliament, legislature, congress or other governmental body for enabling the company to carry any of its objects into effect, or for effecting any modification of the company's constitution, or for any other purpose, whether relating to the company's constitution or to the profitable carrying on of its undertaking or otherwise; and to oppose any proceedings or application which are or may seem to the board of directors calculated directly or indirectly to prejudice the company's interests;

v. To locate, construct and operate a branch or branches of railway or tramway for the purpose of connecting the mills and industrial establishments of the company with the Canadian Pacific Railway and Canadian National Railway, or any other railway which passes or may pass through the said counties of Champlain, Three Rivers, St. Maurice, Saguenay and Portneuf; and the provisions of the railway law of this Province shall apply to the company for the purpose of this section;

w. To pursue, exercise and carry on the objects and powers hereinbefore set forth and all other necessary or useful objects and powers, and either as or by and through principals, agents, attorneys, trustees, contractors, factors, lessors, lessees or otherwise, and either alone or in conjunction with others; and to pursue, exercise or carry on any one or more of such objects and powers without regard to the others, such objects and powers being deemed to be several and not dependent on each other—and no clause shall be limited in its generality, or otherwise construed as having regard to any other clause of such objects and powers.”

7 Geo. V, c. 93, s. 9, replaced. **7.** Section 9 of the act 7 George V, chapter 93, is replaced by the following:

Right to enter upon highways, etc.

“9. With the consent of the municipal council or other authority having jurisdiction over any highway or public place, the company may enter thereon for the purpose of constructing and maintaining lines for the conveyance of electric power within the counties of Champlain, Three Rivers, Portneuf, St. Maurice and Saguenay; and, when deemed necessary by the company for the purpose of its system for supplying electric power, may erect, equip, and maintain poles and other works and devices, and place wires and other electrical contrivances thereon, and may supply electricity to any municipal corporation, or to any unincorporated town or village; and, as often as the company thinks proper, it may enter upon, use, break up and open any highway or public place, subject however to the provisions of article 741 of the Revised Statutes, 1909.

Idem.

The company shall also have all the foregoing powers within the counties of Temiscamingue, Pontiac, Hull, Labelle, Argenteuil, Terrebonne, Montcalm and Joliette.”

7 Geo. V, c. 93, s. 14, replaced. **8.** Section 14 of the act 7 George V, chapter 93, is replaced by the following:

Provisions applicable.

“14. The company may avail itself of the provisions of articles 7287 to 7294, inclusive, of the Revised Statutes, 1909, as well for the water powers belonging to it as for those leased from either this Province or the Dominion of Canada.”

7 Geo. V, c. 93, s. 15a, added. **9.** The following section is inserted in the act 7 George V, chapter 93, after section 15 thereof:

Amalgamation.

“15a. 1. The company may, in the manner below provided, amalgamate with any one or more companies having objects similar in whole or in part to the objects of the company or owning or holding any property, franchises, licenses, grants, concessions, powers, rights or privileges capable of being used, or carrying on any business capable of being conducted, so as directly or indirectly to benefit the company.

Joint agreement for such amalgamation.

2. The company and any such company or companies with which it proposes to amalgamate may enter into a joint agreement for such amalgamation, prescribing the terms and conditions thereof, the mode of carrying the same into effect and stating the name of the amalgamated company and the names, callings and places of residence of the directors who shall continue as directors of the amalgamated company, and how and when the subsequent directors shall be elected, with such other details as may be

necessary to perfect the amalgamation and to provide for the subsequent management and working of the amalgamated company, and the number of shares of the capital, whether the shares shall have a par value or shall be without nominal or par value, the par value of shares which are to have a par value, and the manner of converting the share capital of each of the companies into that of the amalgamated company.

3. The agreement shall be submitted to the shareholders of each of the companies at a general meeting thereof called for the purpose of taking the same into consideration. Submission to shareholders.

4. At such meetings of shareholders the agreement shall be considered and if two-thirds of the votes cast, in respect of stock entitled to vote thereon, of each of such companies are for the adoption of the agreement, that fact shall be certified upon the agreement by the secretary of each of such companies under the corporate seal thereof. Idem.

5. Thereupon the company and the company or companies with which it proposes to amalgamate, by their joint petition, may apply to the Lieutenant-Governor for letters patent confirming the agreement; if such application is granted, notice thereof shall be given by the Provincial Secretary by one insertion in the *Quebec Official Gazette*; and, subject to such notice, but counting from the date of the letters patent, the companies shall be deemed to be amalgamated and to all intents and purposes, and, particularly as respects the property, rights, privileges, franchises, liabilities, contracts, disabilities and duties of each of the amalgamated companies, to be such companies continuing as one company under the name in the letters patent provided and not a new company, and shall be governed by the provisions of Part II of the Quebec Companies' Act, 1920, to the extent that this company was so governed before such amalgamation. Confirmation of agreement.

6. All rights of creditors against the property, rights and assets of the company and of the company or companies with which the company shall have amalgamated and all liens upon their property, rights and assets, respectively, shall be unimpaired by such amalgamation and all debts, contracts, liabilities and duties of the company and of such other company or companies shall continue against the amalgamated company and may be enforced against it to the same extent as if such debts, contracts, liabilities and duties had been incurred or contracted by it." Rights reserved.

10. Article 6052 of the Revised Statutes, 1909, as enacted by the Quebec Companies' Act, 1920, is replaced, for the company, by the following: R. S., 6052, replaced for company.

“6052. Every such executor, administrator, tutor, Voting by

trustees,
pledgers,
etc.

curator, guardian, or trustee shall represent the stock held by him at all meetings of the company and may vote thereon as a shareholder; and every person who pledges his stock may represent the same at all such meetings and, notwithstanding such pledge, vote thereon as a shareholder unless the pledgee thereof is the shareholder of record thereof."

R. S., 6054c,
replaced for
company.

11. Article 6054c of the Revised Statutes, 1909, as enacted by the Quebec Companies' Act, 1920, is replaced, for the company, by the following:

By-laws for
preferred or
deferred
stock.

"**6054c.** 1. The directors of the company may make by-laws (a) for creating and issuing any part of the capital stock as preferred stock or deferred stock, provided, however, that any such stock having a preference as to principal shall be of a stated par value, which shall be five dollars or some multiple of five dollars, but not more than one hundred dollars; and (b) for the conversion of preference shares into common shares or any class of shares into any other class.

Id., for con-
version.

What by-
law may
contain.

2. Any such by-law may give such stock such preference and priority as respects principal, dividends or in any other respect over common stock or other classes of preferred stock or deferred stock as in such by-law declared; or may limit the right of holders thereof to specific dividends, profits or repayments; or may provide that the holders of such shares shall have the right to select a certain stated proportion of the board of directors or that they shall have greater or less control over the affairs of the company than the holders of other classes of stock, which control shall be stated in the by-law; or may restrict or extend the rights of holders of such shares as respects voting on any other matters and in any other way not contrary to law or to these provisions; or may provide for the purchase or redemption of such shares by the company in the manner set forth in the by-law.

Contents of
certificate.

The provisions of any by-law granting rights or privileges to the holders of such shares, or restricting those conferred upon them by law, shall be set out at length on the certificate of such shares, and, if not so set out, such rights, privileges and restrictions shall be deemed non-existent.

Conditions
precedent to
effect of by-
law.

3. No such by-law shall have any force or effect until after it has been approved by two-thirds of the votes cast, in respect of stock entitled to vote thereon, at a general meeting of the company duly called for considering the same and sanctioned by the Lieutenant-Governor.

Rights, etc.,
of holders.

4. Holders of shares of such preferred or deferred stock shall be shareholders, and shall in all respects possess the

rights and be subject to the liabilities of shareholders within the meaning of this Part; subject, however, to the provisions of the by-law respecting the rights, privileges and restrictions therein mentioned.

5. No preference or priority given to the holders of preferred stock or deferred stock under this article shall in any way affect the rights of creditors of the company.”

12. Articles 6054*h*, 6054*i*, 6054*j* and 6054*k* of the Revised Statutes, 1909, as enacted by the Quebec Companies' Act, 1920, are replaced, for the company, by the following:

“**6054*h*.** 1. The directors of the company may from time to time make by-laws for:

a. increasing the capital stock of the company, and any such increased capital stock may be without nominal or par value or may have a par value or, in the case of more than one class of shares, different par values for each class, or may be partly one and partly the other;

b. subdividing the existing shares of any class, in the case of shares without nominal or par value, into a greater number of shares without nominal or par value, and, in the case of any shares having a par value, into shares of a smaller amount;

c. consolidating the existing shares of any class, in the case of shares without nominal or par value, into a smaller number of shares without nominal or par value, and, in the case of any shares having a par value of less than one hundred dollars each, into shares of a greater par value not in excess of one hundred dollars each;

d. changing the shares of any class without nominal or par value into shares having a par value; provided, however, that in no case shall the aggregate par value given all the shares without nominal or par value so changed exceed the aggregate amount of the consideration for which such shares were originally issued or the par value given any such share exceed one hundred dollars;

e. changing the existing shares of any class having a par value into the same number or a greater number or a lesser number of shares without nominal or par value; provided, however, that any liability in respect of share capital not paid up on any such shares having a par value shall not by such change be extinguished or reduced; and

f. reducing the capital stock of the company in any way, and in particular, without prejudice to the generality of the foregoing power, in any of the manners specified in article 5994 of the Revised Statutes, 1909, as enacted by the Quebec Companies' Act, 1920; and the provisions of articles 5994*a*, 5994*b*, 5994*c*, and 5994*d* of the Revised Statutes,

Creditors
not affected.

R. S., 6054*h*,
6054*i*, 6054*j*,
6054*k*, re-
placed for
company.

By-laws
respecting:

Increase of
capital;

Subdivision
of shares;

Consolida-
tion of
shares;

Conversion
of shares;

Idem;

Reduction
of capital.

1909, as enacted by the Quebec Companies' Act, 1920, shall apply to the company insofar as applicable to any such reduction.

Fee on increase of capital.

2. In case of any such increase of capital stock the company shall pay to the government the additional fee which would be payable for the incorporation of a company with a capital stock of the amount of such increase.

Number of shares and allotment.

3. Any such by-law for increasing the capital stock of the company shall declare the number of the shares of such new stock and may prescribe the manner in which the same shall be allotted; and, in default of its so doing, the control of such allotment shall vest absolutely in the directors.

Fractional shares.

4. For the purpose of any such consolidation of shares the company may purchase fractions of shares and the company shall sell any such shares held by it within a delay of two years.

Approval and confirmation of by-law.

"**6054i.** No by-law for increasing or reducing the capital stock of the company or for subdividing or consolidating the shares or for changing the shares from shares without nominal or par value to shares having par value or from shares having par value to shares without nominal or par value shall have any force or effect until after it is approved by two-thirds of the votes cast, in respect of stock entitled to vote thereon, at a general meeting of the company duly called for that purpose, and afterwards confirmed by the Lieutenant-Governor.

Application for confirmation.

"**6054j.** 1. The application for confirmation of the by-law by the Lieutenant-Governor must be made by the directors not more than six months after the approval of the by-law by the shareholders.

Production of by-law.

2. The directors shall, with such application, produce a copy of such by-law, under the seal of the company, and signed by the president or vice-president and the secretary, and establish, to the satisfaction of the Provincial Secretary, the due passage and approval of such by-law, and the expediency and *bona fide* character of the increase or reduction, of capital or subdivision or consolidation or change of shares, as the case may be, thereby provided for.

Evidence.

3. The Provincial Secretary shall, for that purpose, take and keep of record any requisite evidence in writing, by oath or affirmation.

Grant of confirmation.

"**6054k.** Upon proof of the passing and approval of the by-law, the Lieutenant-Governor may grant such confirmation and notice thereof shall be forthwith given by the Provincial Secretary in the *Quebec Official Gazette*; and thereupon, from the date of the letters patent, the capital stock of the company shall be and remain increased or re-

Notice.

Effect.

duced, or the shares of the company shall be and remain subdivided or consolidated or changed, as the case may be, to the amount, in the manner, and subject to the conditions set forth by such by-law; and the whole of the stock, ^{Provisions} as so increased or reduced or subdivided or consolidated or ^{applicable.} changed shall become subject to the provisions of this Part in like manner as if every part thereof had been or formed part of the stock of the company originally subscribed."

13. Article 6057a of the Revised Statutes, 1909, as R. S., 6057a, enacted by the Quebec Companies' Act, 1920, is replaced for ^{replaced for} the company, by the following: ^{company.}

"**6057a.** 1. No dividend shall be declared which will ^{Impairment} impair the amount paid in as capital on the outstanding ^{of capital.} shares of the company.

2. The annual dividend may, however, be supplemented ^{Dividends} or paid entirely out of the reserve fund."<sup>out of re-
serve fund.</sup>

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

C H A P. 119

An Act respecting Anglo-Canadian Pulp and Paper Mills, Limited

[Assented to, the 4th of March, 1925]

WHEREAS Quebec Paper Mills Limited (hereinafter ^{Preamble.} called "the company") has, by its petition, represented:

That by letters patent under the Great Seal of the Province of Quebec, granted on the 20th day of November, 1924, it was constituted a body politic and corporate under the name of "Quebec Paper Mills Limited" having its principal place of business in the city of Quebec;

That the company would be materially assisted in raising money in England to finance its undertaking in the Province of Quebec by the enactment of a statute continuing it as and declaring it to be a company to which Part II of The Quebec Companies Act, 1920, shall apply, granting power to increase the authorized capital stock of the company, granting to the company additional powers, confirming the letters patent and organization of the company, and confirming a certain agreement and lease granted by His Majesty the King, bearing date the 7th day of De-