

members
without
examin-
ation.

sity, shall confer on its holder the right to become a member of the association without examination, and after payment of the usual fees and contributions.

Coming
into force.

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

CHAP. 119

An Act respecting *La Société de Construction de Montréal*

[Assented to, 14th of February, 1920]

Preamble.

WHEREAS *La Société de Construction de Montréal*, incorporated under articles 7097 and following of the Revised Statutes, 1909, by a declaration filed in the office of the prothonotary of the Superior Court, at Montreal, on the 5th of June, 1918, has, by its petition, represented that it is in the interest of its shareholders and of the public that its powers be better defined, that some of its by-laws and one of its contracts be ratified, and certain additional powers be granted to it, and 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:

Society
declared to
be legally
incorpor-
ated.

1. *La Société de Construction de Montréal* is declared to have been legally incorporated under articles 7097 and following of the Revised Statutes, 1909, on the 5th of June, 1918, and is authorized to avail itself of the provisions thereof.

By-laws
ratified.

2. The by-laws of the said society adopted on the twenty-sixth day of June, 1918, as ratified at a meeting of its members, held on the 2nd of July, 1919, and annexed to this act as Schedule A, are declared to be valid, with the exception of paragraph 9 of article 7 of the said by-laws, which is hereby repealed.

Amend-
ment, etc.
of by-laws.
Approval of
new by-
laws.

3. Notwithstanding any law to the contrary, the said by-laws may, however, from time to time, be amended or repealed by the directors, and new by-laws may be adopted by them; but they shall not come into force until after they have been approved by a majority of the shareholders present at a general meeting convened for the purpose after a notice given by a printed circular sent by mail to every shareholder at least fifteen days beforehand.

4. The said society may, by resolution of its directors to that effect, acquire, lease or alienate moveable or immoveable property, with or without buildings thereon, and may assume the payment of any hypothecary or privileged claim affecting them; it may also give new hypothecs on the immoveables so acquired or which it already possesses, either for the purpose of renewing existing ones or for any other purpose; but the society shall sell such immoveables or otherwise dispose of the same within seven years from the date when they shall come into its possession.

Acquisition, etc.,
of property.

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

Coming
into force.

SCHEDULE A

BY-LAWS of *La Société de Construction de Montréal*, incorporated under articles 7097 and following of the Revised Statutes of the Province of Quebec, 1909, are established as follows:

1. (1) The words "Society" or Company" used in these presents shall mean *La Société de Construction de Montréal*.

(2) The words "Debtor Members" mean members of the society who have received the amount of their shares under the by-laws hereinafter established; all other members shall be called "Subscribing Members".

2. The society is formed for the purpose of levying, by means of monthly subscriptions, a capital or fund intended for procuring for every member the means of obtaining out of the funds of the society the amount or value of his shares therein, for building or purchasing one or more houses or other immoveable property, either in full ownership or by emphyteutic lease, such advance being guaranteed to the society by hypothec or otherwise until the amount or the value of such member's shares be wholly repaid to the society, with interest and all fines and obligations incurred in connection therewith.

3. The capital stock of *La Société de Construction de Montréal* is ten million dollars, divided into forty thousand shares of two hundred and fifty dollars each. But it is decided that such capital shall be divided into two or more issues, independent of one another; each issue shall be worked separately, with the four funds which are special

to it; namely: retention fund, credit fund, compensation fund and administration fund.

The capital of the first issue shall be three million dollars divided into twelve thousand shares of two hundred and fifty dollars each.

• Upon the directors shall devolve the duty of fixing the amount and the date of the issue or future issues.

4. (1) Whosoever wishes to become a member of the society, must deposit in the hands of the secretary-treasurer an application for admission, accompanied by a subscription, stating the number of shares for which he wishes to subscribe, and he must at the same time pay, as an entry fee, a sum of \$1.25 for every share. And if his application is accepted, he must pay at the office of the secretary-treasurer of the society for each share of \$250.00, the sum of \$1.15 per month, on the first day of each month. Out of this amount the sum of \$1.00 shall be credited to the member in deduction of the amount of his share and that of 15 cents shall be used for the costs of administration.

(2) Every member in arrears in his monthly instalments for more than three months shall be liable to the confiscation of his shares without being put in default, and, in the event of such confiscation, all sums paid by him shall remain the absolute property of the society. Nevertheless, if after the expiration of the delay of three months, the member explains his delay to the satisfaction of the directors, the latter may grant him a further delay, not exceeding nine months, after which the directors shall be bound to pronounce the confiscation for the benefit of the society.

(3) In the event of the death of the subscribing member, it shall be lawful for his heirs or assigns to cancel the contract between the said member and the society and thereby obtain the reimbursement of the capital of the sums paid, provided notice of their intention to that effect is given within thirty days from the death of their auteur.

(4) No certificate of shares shall be issued before at least ten per cent of the amount of such shares have been paid, and such certificate shall bear the signature of the president, or, in his default, of the vice-president or of the secretary-treasurer.

(5) The shares shall be to order and shall be negotiable by endorsement, but no share can be transferred or sold until all the instalments due thereon have been paid, and their negotiation shall not avail as regards the society, except in so far as the transfer has been recorded in the registers of the society.

(6) A fee of twenty-five cents may be exacted by the secretary-treasurer for such registration.

5. (1) The ordinary general meeting of the society shall take place every year on the first juridical day of the month of July, and the first general meeting shall take place on the twenty-sixth of June nineteen hundred and eighteen.

(2) At the first general meeting, the members shall choose and appoint four directors who shall constitute the board of directors of the society. They shall further proceed to approve the by-laws of the society as well as to discuss other matters interesting the society.

(3) The directors shall remain in office for five years.

(4) A general or special meeting of the shareholders may be convened at any time by the president or vice-president, when either the one or the other may deem it necessary or useful to do so, and it shall be the duty of the president or, in his default, of the vice-president or secretary to call a special general meeting of the shareholders whenever he receives a written request to that effect from a number of the shareholders representing at least twenty-five per cent of the subscribed capital stock of the society, for any special purpose mentioned in the request aforesaid and in the notice calling the meeting.

(5) Notice shall be given by a printed circular, at least twenty days beforehand, to each shareholder, of the date and the object of each meeting of the society; such circular shall be sent by mail.

(6) At the meetings of the society, each shareholder shall be entitled to as many votes as he holds shares in the society. And the shareholders may vote personally or by proxy, provided such proxy is himself a shareholder and holds a written power of attorney duly countersigned by the president of the company or in his default by the vice-president.

(7) The questions arising at meetings of the shareholders shall be decided by the majority in value of the shareholders present or represented as aforesaid, and when the votes are equal, the president shall have a casting-vote in addition to his vote as a shareholder.

(8) Until otherwise provided by by-law, the shareholders' special or general meetings shall be held at No. 51 St. James street, Montreal.

6. (1) The affairs of the society shall be managed by a board of four directors, appointed from among the shareholders, and three of them shall be quorum.

(2) The meetings of directors shall take place as often

as the affairs of the society require, and shall be called by the president or vice-president.

(3) The directors shall assemble immediately after the general meeting and shall appoint from among their number a president and a vice-president.

(4) The directors shall also appoint a superintendent or manager and a secretary-treasurer who shall be chosen from among the members of the society.

7. (1) The directors of the society shall have all powers conferred by law upon building societies, except as regards questions which by law must be decided at a general meeting of the society.

They may, amongst other things:

(1) Affix or cause to be affixed the seal of the society to any document or any other paper which in their judgment requires the same;

(2) Exact payments of instalments on all shares held by the shareholders respectively;

(3) Declare the confiscation of shares on which such instalments shall not have been paid; such confiscation cannot, however, be pronounced except as regards shares on which members are in arrears for more than three months, and, even then, the directors may grant a member a further delay, not exceeding nine months, but when this delay is over they shall be bound to declare such confiscation. In the event of the confiscation being pronounced as aforesaid, all the moneys paid by the members whose shares are confiscated, shall remain the absolute property of the society;

(4) Effect loans and lend money as they deem advisable and which may at any time be authorized by the society or in its name;

(5) Enter into all contracts for the fulfilment of the objects of the society and the administration of its affairs.

(6) Negotiate, sell and alienate immoveable property and other property and securities of the society in such manner as they deem most advantageous;

(7) Repurchase the society's shares and even pay for them wholly or in part by means of immoveables belonging to it, and re-issue, sell or cancel the shares so redeemed as they may deem advisable;

(8) Do, authorize and consent to all acts necessary for the proper carrying out of the future powers which may at any time be granted to the society by the Legislature;

(9) Make, change, amend or repeal, from time to time,

any rule or by-law for the working of the society and the investment and employment of its moneys; but the directors' action shall not have any obligatory force until confirmed by a vote of shareholders holding at least two-thirds of the capital stock at a general meeting of the shareholders of the society, the notice calling which shall contain a mention of the rules or by-laws or changes which are proposed;

(10) Suspend, when it deems expedient, by by-law, for any specified time until further order, the right to convert the shares temporarily accumulated into permanent shares, permit such conversion or make it obligatory upon all the shareholders on such conditions as they may determine; provided always that the by-laws shall not take effect until after being confirmed as above stated;

(11) Lend money, at a rate of interest legally agreed upon, to any person or corporation without the borrowers being obliged to become shareholders in the capital stock or members of the society.

The persons borrowing from the society shall be obliged, however, to submit to all the by-laws in force at the date of the loan and not to others.

The loans shall be effected upon the guarantee of the shares of the society, or public securities or hypothecary guarantee;

(12) Purchase municipal and school bonds and federal and provincial bonds, and resell the same when deemed expedient.

To that end they may make and accept all deeds of transfer or other necessary documents.

The capital of the money advanced may be repaid by means of a sinking-fund, which cannot be less than two per cent per annum, in such delay as the society may fix, and it shall be mentioned in the deed of hypothec or transfer;

(13) Lend moneys to the members of the society or other persons on their security of immoveable property sold to the society, with faculty of redemption on such conditions as may be agreed upon;

(14) Advance in the ordinary manner, moneys upon immoveables belonging to a member of the society, both for the purpose of acquiring the same and erecting buildings thereon, and upon the guarantee of all the immoveable property belonging to such member at the time when he borrowed such money. To that effect the directors may take an obligation, hypothec or transfer of any property whatsoever as security for the advances, on the same conditions and with the same privileges in every respect as

any other property may be pledged, hypothecated or transferred by this section.

8. (1) The president shall preside at all the meetings of the shareholders and of the board of directors; he shall sign all deeds and contracts approved either by the board of directors or by the meeting of the shareholders. In the absence of the president, the vice-president shall act in his stead.

(2) The questions submitted to the meetings of the board of directors shall be decided by a majority of the votes of the members present, and, when the votes are equal, the president shall, in addition to such vote as director, have a casting-vote; but no meeting of directors shall be held in the absence of the president or vice-president. In any case the vice-president may act in the place of the president if the latter cannot be present.

9. The superintendent shall have the direction of the staff of the society, and be charged with the duty of recruiting members.

10. (1) The secretary-treasurer shall keep the minutes of all the meetings of shareholders and directors. He shall have the custody of the society's seal; he shall give notice of all meetings according to law as well as to the payment of dividends; he shall keep the deeds, notes, bills receivable and other securities belonging to the society; he shall at all times, during business hours, show his books and statement of accounts to any director requiring the same.

(2) The secretary-treasurer shall have the custody of the moneys of the society, and have charge of all the affairs and financial operations of the society.

(3) The secretary-treasurer shall communicate to the directors, at least once every two months, a statement showing the amount credited to each member in deduction of the amount of their respective shares. Such notice shall be posted up in the offices of the secretary-treasurer and the superintendent, as well as in the meeting room of the general meetings, at the latest on the ninth day preceding each auction, with a mention that the amounts indicated therein shall be at the disposal of the members in the manner hereinafter set forth.

(4) It shall be the duty of the secretary-treasurer to prepare, at least once a year, a general statement of the moneys or securities of the society, specifying in whose custody and possession these moneys or effects then are, together with an account of each sum of money received or spent by the society or in its name, since the publication of the foregoing periodical statement.

Each such periodical statement shall be attested to by two or more auditors, appointed for the purpose, who shall not be directors, and it shall be countersigned by the secretary-treasurer of the society; each member shall have the right to receive from the society a copy of such periodical statement, free of charge.

(5) The secretary-treasurer shall, further, have constantly in his possession a list showing the names and residence of the shareholders, with a statement of the number of shares held by each of them.

On payment of the sum of twenty cents, any shareholder may at any time obtain a copy of the said list.

11. (1) A special fund for defraying the cost of administration shall be formed out of the moneys of the society. Such fund shall be increased:

a. By an amount of fifteen cents levied on all monthly payments exacted from members for every share they hold;

b. By the sums paid on confiscated or cancelled shares when they have been levied or paid into the administration fund, during the month following such confiscation or cancellation;

c. By registration fees;

d. By fees of transfers;

e. By interest on deposits in banks;

f. By all other amounts specially intended for the fund by the following provisions:

12. (1) The monthly instalments of members, after deducting the amount of fifteen cents aforesaid, shall constitute the credit fund.

(2) On the amounts paid into such fund there shall be levied every month a proportion of ten per cent to form a retaining fund, the proceeds whereof shall be loaned out at the discretion of the directors on hypothecs or on guarantee of public securities, and not otherwise.

Nevertheless, such levying shall take place only at the moment when there has been distributed among the members an amount equivalent to the value of one half the shares of each issue, if necessary, and, when such limit is attained, the amount remaining shall be wholly paid into the credit fund.

(3) After levying, if necessary, the proportion intended for constituting the retaining fund, the amounts remaining in the credit fund shall be divided into as many amounts of \$250.00 as it may be possible to form out of the available moneys, and the advantage of receiving these various amounts shall be awarded by auction to the

highest holder of shares on the first Thursday of the months of February, April, June, August, October and December of every year. Nevertheless, the price of adjudication shall be limited to \$88.00 per share. If several members offer the upset-price, the right shall be granted to the members according to the numerical order of their shares, the lowest number having the preference.

(4) If the first Thursday of the month is a non-juridical day, such sale or auction shall take place on the following juridical day.

(5) The only members to whom shares may be adjudged shall be those who have paid at least six monthly instalments, and who also at the moment of adjudication have paid all the monthly instalments on their shares.

(6) To guarantee the payment of the price of adjudication, the directors may exact a deposit, and such deposit shall be confiscated and paid into the administration fund if the member to whom the shares were adjudged fails to pay the price of adjudication at the time fixed.

(7) The price of adjudication shall be paid within a delay of five days into the hands of the secretary-treasurer, failing which the adjudication shall be considered null and void and the right of preference shall be again put up to auction at the next adjudication.

(8) The person to whom one or more amounts of \$250.00 may have been adjudged shall receive the amount only upon a guarantee on immoveable property belonging to him or which he may have acquired with the moneys so advanced. The directors shall finally decide, and without appeal, as to the sufficiency of the guarantees offered.

(9) If the person to whom the amount has been adjudged wishes to defer his investment the secretary-treasurer shall deposit the moneys adjudged to him in a chartered bank, and the interest accrued on such deposit shall be put to the credit of the member who is a debtor.

(10) The purchaser of one or more credits according to the foregoing provision shall be bound to continue his monthly instalments as before, until the total of his shares has been realized, and, if he neglects to do so, the society may compel him by the ordinary means of procedure. It may also, if preferable, acquire by mutual agreement or by suit at law the immoveables constituting the guarantee of its claim, and, in such case, it may lease the said immoveables, collect the rents and make all the necessary repairs with such revenues. The balance of such revenues shall be paid to the credit of the member who is a debtor, after deducting ten per cent, which shall be retained as

management fees and shall be credited to the administration fund. Nevertheless, it shall be the duty of the society to resell the immoveables so acquired after seven years, counting from the day on which they came into its possession and the profits which the society may realize on such resale shall be credited to the administration funds.

(11) In the event of the death of a member who is a debtor, his assigns may repay the society by instalments of sixty-nine cents per month and by shares instead of \$1.15. In such case sixty cents shall be used for repaying the amounts advanced and nine cents shall remain to the society as costs of administration.

(12) When a member who is a debtor has fully repaid what he owes to the society, the latter shall then be bound to grant him a quittance with a discharge of all hypothecary or other charges affecting such immoveables.

(13) If there is no bidder when the right or anticipated credit above described is put up for auction, such right shall be adjudged to the members according to the numbers of their shares.

13. (1) To indemnify the members who have not been adjudged any of the said anticipated credits, a fund called the compensation fund shall be formed, which shall serve for distributing dividends to them.

(2) Such fund shall consist of the accrued interest on the investments made of the moneys of the retaining fund and also of the price of various adjudications as above explained, as well as the interest on such sums.

(3) The first half of those to whom anything has been adjudged out of each issue shall be considered as borrowers, and shall not participate in the dividends.

The second half shall be considered as lenders, and they alone shall have the right to share in the dividends.

This half shall be calculated according to the number of shares contained in the issue in question.

No dividend shall be paid except on shares the amount whereof has not been adjudged to the holder at the moment when the dividends are declared. In other words, the shares the amount whereof has been advanced by the society shall receive no dividend from the date of such advance by the society.

14. All travelling expenses and cost of notarial deeds shall be at the charge of the members who are debtors, and such deeds shall be passed before a notary chosen and approved of by the society.

True copy of the by-laws of the *Société de Construction*

de Montréal in force in November nineteen hundred and nineteen.

La Société de Construction de Montréal.

(Signed) J. B. PELOQUIN,
Secretary-treasurer.

CHAP. 120

An Act to incorporate Kipawa Housing Company

[Assented to, 14th of February, 1920]

Preamble.

WHEREAS by their petition the persons hereinafter named have represented that it is in the public interest of the petitioners and of the public in general that a company be formed and organized as hereinafter described; and

Whereas it is expedient to grant the prayer of said petition;

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

Company
incorpor-
ated.

1. Carl Busch Thorne of Hawkesbury in the Province of Ontario, technical director, and William Laird Ketchen, manager, Allan Keay Grimmer, town engineer, Hilaire Emile Daoust, gentleman, and Sven Arvid Salmonson, superintendent, all residing in the unorganized township of Gendreau in the county of Temiscaming, together with such persons as may become shareholders in the company, are incorporated under the name of Kipawa Housing Company, hereinafter called the company.

Provisional
directors.

2. The persons named in section 1 of this act shall be the provisional directors of the company, and they may forthwith open stock books, procure subscriptions of stock for the undertaking, receive payments on account thereof and carry on the business of the company.

Capital
stock.

3. The capital stock of the company shall be two hundred thousand dollars divided into two thousand shares of one hundred dollars each.

Change of
name, etc.
authorized.

4. The name of such company may be changed, and the amount of such capital may be increased, and such change or increase approved as the case may be by letters patent