

## C H A P . 7 7

An Act to incorporate Montreal Tramways Company.

[Assented to 24th March, 1911]

**W**HEREAS, Edmund Arthur Robert, president of the Preamble.

Montreal Street Railway Company; Frank Howard Wilson, manufacturer; Joseph Marcelin Wilson, merchant; William Copeland Finley, merchant; John Malcolm McIntyre, merchant; George Green Foster, advocate and King's Counsel; John Wilson McConnell, broker; Douglas Lorne McGibbon, manufacturer and Nathaniel Curry, manufacturer, all of the city of Montreal, have, by their petition, represented:

That during past years, the population of the Island of Montreal has increased in considerable and unforeseen proportions, and that particularly the area of the city of Montreal has been doubled by the annexation of several surrounding municipalities ;

That in order to meet the increasing needs of this population and to facilitate as much as possible means of communication, it has become necessary and urgent to improve and develop existing systems of transportation ;

That there are at present within the limits of the city and island of Montreal four electric railway companies controlled by the Montreal Street Railway Company, of which two are governed by federal laws ;

That the agreements governing these various companies are no longer sufficient to meet public needs ;

That neither the Montreal Street Railway Company nor the companies under its control have the necessary powers to make a contract of such a nature as to satisfy actual needs ;

That public interest calls for the facilitating of an understanding between the municipal authorities and the various electric railway companies by the conferring of necessary powers to this end ;

That the best way to meet the situation and achieve the result sought both by the municipal authorities and the electric railway companies, would be to effect the merger of all these companies in a single one which would be placed under the control of the council of the city of Montreal in so far as the railway lines in question are in the city of Montreal as now constituted or as hereafter extended;

That, for this purpose, it is necessary that a charter be granted to a new company authorizing it to acquire, with the consent of the majority of the shareholders and of the Quebec Public Utilities' Commission, the four existing electric railway companies in the city and on the island of Montreal, with the

powers they possess, and to confer upon it the powers required to effect, within the shortest time possible, with the city of Montreal, a new agreement of such a character as to insure for the people a rapid and effective system of transportation and means of transit as well ;

Whereas they have prayed that they may be incorporated under the name of " Montreal Tramways Company ", *Compagnie des Tramways de Montréal* ;

And whereas it is expedient to grant the prayer of said petition ;

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

Persons incorporated.

Name.

Head office.

Directors.  
Provisional  
directors, &c.

Capital  
stock.

Powers of  
directors.

**1.** The said Edmund Arthur Robert, president of The Montreal Street Railway Company; Frank Howard Wilson manufacturer; Joseph Marcellin Wilson, merchant; William Copeland Finley, merchant; John Malcolm McIntyre, merchant; George Green Foster, advocate and King's Counsel; John Wilson McConnell, broker; Douglas Lorne McGibbon, manufacturer, and Nathaniel Curry, manufacturer, all of the city of Montreal, and all other persons who may become shareholders of the corporation hereby created, are constituted a corporation under the name of " Montreal Tramways Company " (*Compagnie des Tramways de Montréal*) hereinafter called " the company ".

**2.** The head office of the company shall be at the city of Montreal.

**3.** The business and affairs of the company shall be administered by a board of not less than five nor more than fifteen directors as may be determined by by-law, and the persons named in section 1 of this act shall be the first or provisional directors of the company, and shall remain in office until the first election of directors. The majority of the provisional directors, shall constitute a quorum of the board, and the quorum of the elected directors shall be fixed by the shareholders at their first meeting.

**4.** The capital stock of the company shall be twenty millions of dollars, divided into two hundred thousand shares of one hundred dollars each.

**5.** The directors shall have full power and authority to make, amend and re-enact all such by-laws, rules and regulations as shall appear to them proper and necessary in reference to any of the affairs of the company; and, without limiting the generality of the foregoing, to make by-laws,

rules and regulations concerning the allotment of shares, the certificates of title to shares, the issuing of new certificates in place of certificates defaced, lost or destroyed, the delivery of certificates in the case of joint holders, the calls to be made on shares subscribed or allotted, the forfeiture of shares for failure to pay calls or other default, the transfer and transmission of shares, the exercise of the borrowing powers of the company, the proceedings at meetings of the company, the votes of shareholders, the rotation of directors, the appointment and powers of executive committees and managing directors, the proceedings of directors, the keeping of minutes, the authentication of deeds and documents, the declaration of dividends, the keeping of accounts and the auditing of the company's books.

But such by-laws shall not have force and effect until they are ratified by the majority of the shareholders present or represented by proxy at a special general meeting called for the purpose, or at a general meeting when the notices calling such meeting include the request for ratification. Ratification of by-laws.

6. The company in respect to fully paid up shares, may issue warrants (hereinafter called "share warrants") stating that the bearer is entitled to the shares therein specified, and may provide by coupons or otherwise for the payment of future dividends on the shares included in such warrants. Share warrants, &c.

7. The directors may determine and from time to time vary the conditions upon which share warrants shall be issued and, in particular, upon which a new share warrant or coupon will be issued in the place of one worn out, defaced, lost or destroyed, upon which the bearer of a share warrant shall be entitled to attend and vote at general meetings and upon which a share warrant may be surrendered and the name of the holder entered in the register in respect of the shares therein specified. Powers of directors as to share warrants.

8. The holder of a share warrant shall be subject to the conditions for the time being in force, whether made before or after the issue of such warrant. Effect of conditions as to share warrants.

9. The annual general meeting of the shareholders shall be held in the city of Montreal at the time and place fixed by the by-laws of the company. Annual shareholders' meeting.

10. The first meeting of shareholders for the election of directors and for the organization of the company shall be held at the city of Montreal, at such time as may be fixed by the provisional directors. First shareholders' meeting.

Acquisition  
of certain  
undertak-  
ings, &c.

**11.** The company is hereby authorized to acquire, in whole or in part, by purchase, lease or otherwise, the undertaking and property of the Montreal Street Railway Company, the Montreal Park & Island Railway Company, the Montreal Terminal Railway Company and the Public Service Corporation or either of them, including their respective charters, contracts, franchises, rights, powers, privileges, immunities and exemptions of every nature and description whatsoever.

Taking the  
place of cer-  
tain com-  
panies.

**12.** On assuming the aforesaid contracts, the company shall take the place of the companies respectively holding such contracts.

Sale to com-  
pany of cer-  
tain under-  
takings, &c.

**13.** The directors of the Montreal Street Railway Company and of the Public Service Corporation are respectively hereby authorized to sell, lease, transfer in whole or in part and convey, their respective undertakings and properties, including their respective charters, contracts, franchises, rights, powers, privileges, immunities and exemptions of every nature and description whatsoever, to the company, on such terms as may be approved by a majority of the holders of the issued shares of said respective companies, present in person or represented by proxy, at a special general meeting of the shareholders of the said respective companies, duly called for considering the same.

Right to  
operate, &c.,  
tramways,  
&c.

**14.** In the event of the undertaking and property of the Montreal Street Railway Company, of the Montreal Park and Island Railway Company, of the Montreal Terminal Railway Company and of the Public Service Corporation being acquired, as provided in this act, the Montreal Tramways Company shall have, during a period not exceeding forty-two years from the sanction of this act, the right and power to acquire, construct, equip, maintain and operate, by means of electric power or any other power than steam, approved by the Quebec Public Utilities Commission, tramways in and across the city of Montreal, as it now exists and as later on extended. This provision shall be subject, however, to a contract to be entered into between the city and the company, to determine the duration of the franchise and the conditions which the said company shall be held to comply with as to the operation, maintenance, equipment, establishment and extension of routes in the different streets and thoroughfares of the city, the rates of fares, the percentage to be paid to the said city on the gross earnings of the said company, the share of the cost of paving and maintaining the streets and of removing the snow to be paid by said company, and such other terms and conditions as the city may deem advisable to impose.

All differences between the city and the company, as regards the interpretation of said contract, shall be submitted to the Quebec Public Utilities Commission for final settlement.

Submission  
of differences  
to Quebec  
Public Utili-  
ties Commis-  
sion.

**15.** The company shall have the right to carry freight and mails over all parts of its system on such terms and conditions as may have been or may be hereafter agreed upon with the municipal authorities by mutual consent.

Carrying of  
freight, &c.

**16.** The city of Montreal is authorized to do all things necessary to give effect to this act.

Powers of  
city of  
Montreal.

**17.** Nothing contained in this act shall be interpreted as in anywise affecting existing contracts between the municipalities and the said companies, unless such contracts be changed or modified with the parties' consent, under the provisions of this act.

Existing con-  
tracts not  
affected, &c.

**18.** Any municipality on the Island of Montreal, or on Isles Jésus and Bizard, shall have the right to grant franchises or privileges to said company for a term not exceeding the period of forty-two years from the date of the sanction of this act.

Municipal  
franchises.

**19.** The company is also authorized and empowered :

Powers of  
company.

1. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which this company is authorized to carry on, or possessed of property suitable for the purposes of this company ; and to enter into any agreement with any such person or company for leasing, hiring or purchasing the franchises, rights, works, plant and rolling stock belonging to any such person or company ;

2. Generally to purchase, take on lease, or in exchange, hire or otherwise acquire, any real and personal property, and any rights, privileges or franchises which the company may think necessary or convenient for the purposes of its business ;

3. To subscribe for, purchase or otherwise acquire and hold, the debentures, bonds, debenture stock, shares or other securities of any other company having objects altogether or in part similar to those of this company ;

4. To guarantee the payment of money secured by or payable under or in respect of debentures, bonds, debenture stock, shares, contracts, mortgages, charges, obligations and securities of any company or undertaking having objects altogether or in part similar to those of this company ;

5. To enter into any arrangements with any authority, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such authority any rights, privileges, franchises and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges, franchises and concessions;

6. To borrow, or raise or secure at a rate of interest not exceeding six per cent. the payment of money in such manner as the company shall think fit, and in particular by the issue of bonds, debentures or debenture stock, charged upon all or any of the company's property or the income thereof (both present and future) including its uncalled capital; and to redeem and pay off any such securities;

7. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, bonds, debentures and other negotiable or transferable instruments;

8. To sell, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property, undertaking, franchises and rights of the company for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this company;

9. To take part in the management, supervision, or control of the business or operations of any company or undertaking having objects altogether or in part similar to those of this company and for that purpose to appoint and remunerate any directors, accountants, or other experts or agents;

10. To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or the dependents or connections of such persons, to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful objects;

11. To acquire and carry on any other business, whether manufacturing, or otherwise, in connection with its undertaking.

12. Nevertheless the company cannot acquire by purchase, lease or otherwise, either directly or indirectly, from any company, under the authority of the foregoing subsections of this section, any share in the capital stock of such company nor any bonds, debentures or other securities

issued by such company, nor the franchises, concessions, control, privileges or rights of such company, or dispose of the same by sale, lease or otherwise, directly or indirectly, nor give the guarantee mentioned in subsection 4, unless the agreement in virtue of which it is proposed to effect such acquisition, disposal or guarantee be previously approved by the Quebec Public Utilities Commission which is authorized to do so.

**20.** All persons claiming any loss or damage from the company, for any cause whatever, shall be bound, within the delay of a month before the institution of any prosecution for such costs or damages, to give notice in writing to the company of such claim, by serving the same upon the secretary of the company, at its chief office in the city of Montreal, with a detailed statement of such costs or damages.

**21.** Articles 5917, 5918, 5919, 6488, 6644, 6645, and 6712 of the Revised Statutes, 1909, shall not apply to the company.

**22.** Article 6510 of the Revised Statutes, 1909, is replaced for the company by the following :

**“ 6510.** The funds of the company shall not be used to acquire any shares of its capital stock.”

**23.** Notwithstanding the provisions of article 6533 of the Revised Statutes, 1909, the Quebec Public Utilities Commission may authorize the company to run its vehicles faster than six miles an hour and may determine the speed.

**24.** Paragraph 26 of article 6474 of the Revised Statutes of Quebec, 1909, is replaced, for the company, by the following :

**“ 26.** The price to be paid by the company in virtue of any agreement mentioned in paragraphs 24 and 25 of this article, shall be reasonable in amount, but such agreement shall not be valid unless confirmed and approved by a resolution passed by the votes of the shareholders present in person or represented by proxy holding the majority in value of the capital stock of the company, at a general meeting specially called for the purpose of considering such agreement.”

**25.** In addition to the provisions of articles 1 and 2 of the act 1 George 5, chapter 40, the company shall put on its cars, in French and in English, the corporate name of the company and the names of the streets in which its cars run.

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