

street and Pine Avenue, remove such overhead wires and cables, poles, and transmission lines, and replace them by transmission wires installed in the said underground conduits, the whole without indemnity if such conduits have been begun within five years from the coming into force of this act ;

b. In every other part of the city the company shall remove such overhead wires and cables, poles and transmission lines, and replace them by transmission wires, installed in the said underground conduits, at the same time that the wires of all other companies, persons or corporations, carrying on an electrical business in the city of Montreal, are put underground, but in such case in consideration of a previous indemnity and upon like terms and conditions to those imposed upon all other persons, companies or corporations. Nevertheless, no indemnity shall be paid for the said wires, overhead cables, poles and transmission lines placed or installed since at least two years.

Elsewhere in Montreal, certain wires, &c., to be placed underground, upon compensation, &c.

14. The provisions of the Joint Stock Companies' General Clauses Act shall apply to this company, except in so far as the provisions thereof are inconsistent with the provisions of this act.

Joint Stock Com. Gen. Clauses' Act, to apply.

15. Nothing herein contained shall affect any vested rights conferred on or acquired by any person or company.

Vested rights not affected, &c.

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

Coming into force.

CHAP. 113

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

[Assented to 7th May, 1909]

WHEREAS *La Compagnie de Téléphone Nationale* has, by its petition, represented that, on the 29th January, 1909, the shareholders assembled in a special general meeting, unanimously adopted resolutions to increase the capital stock to five million dollars, divided into two million dollars of preferred shares, bearing interest limited to six per cent per annum, and three million dollars of ordinary shares; to exchange the shares then held for an equal number of preferred shares, with the right to obtain a bonus of one ordinary share for every four shares held by the same shareholder; to authorize an issue of bonds to the amount of five hundred thousand dollars

Preamble.

with the right to dispose at the same time of ordinary shares ; that more than four-fifths of the shareholders agreed to such resolution which is in the interest of the company, and whereas the company has asked that its charter be further amended and its powers increased, and whereas it is expedient to grant the prayer to that effect 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 :

56 V., c. 71, s. 3, replaced. **1.** Section 3 of the act 56 Victoria, chapter 71, as replaced by section 1 of the act 5 Edward VII, chapter 65, and by section 2 of the act 7 Edward VII, chapter 107, is again replaced by the following :

Capital stock. **" 3.** The capital stock of the company shall be five million dollars divided into shares of one hundred dollars each, two million dollars of which shall be in preferred stock and three million dollars in ordinary stock, the directors to have the right to sell or otherwise dispose of the said shares for the company's benefit.

Payment of cumulative dividends on preferred stock.

" 3a. Holders of preferred stock of the company shall, from and after the issue of such shares respectively, 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. Such dividends shall be cumulative, that is to say, that if not realized or paid in any one year, they shall accrue and cumulate as an interest debt, and shall be paid out of the net profits only. In effecting the payment of such dividends, nothing shall be added in the shape of interest on accrued dividends.

Dividend on common stock.

" 3b. No dividend shall be declared or paid on ordinary shares before all dividends due or cumulated on the preferred shares have been fully paid up, but, so soon as the company has a surplus, in the directors' opinion, after payment of all half-yearly or yearly dividends accrued or cumulated on the preferred shares, the board may declare one or more dividends on ordinary shares payable out of such surplus.

Rights of preferred shareholders on winding up.

" 3c. In the event of the company ceasing to do business or of its liquidation, the holders of preferred shares shall be entitled, after payment of the company's debts and obligations, to be paid in full at par, and, at the same time, to receive the dividends that have been realized and have not been paid, before the payment or distribution of anything whatever on ordinary shares. The preferred shares shall not be entitled to any share in the distribution of the assets. The whole of the

Distribution of remaining assets.

balance thereof remaining after the said privileged claims have been satisfied, shall belong wholly to the holders of ordinary shares and shall be proportionately distributed among them.

“ **3d.** No privileged share shall, in any case, have preference Preferred or priority over one or more other shares of that class on account shares to of priority at the date of issue or for any other reason, but all rank equally. preferred shares shall be equal among themselves.

“ **3e.** Subject to the above provisions, the holders of privileged Voting on shares shall remain on an equal footing with the holders of preferred ordinary shares and shall have an equal right to vote, that is stock. to say, one vote for every share held, no matter what class it may belong to.

“ **3f.** The directors may, at any time after the first of March, Redemption 1914, redeem the preferred stock, wholly or partially, by of preferred paying a premium of twenty per cent over the par value.” stock.

2. Section 4 of the act 56 Victoria, chapter 71, as replaced Id., s. 4, by section 2 of the act 5 Edward VII, chapter 65, and by replaced. section 3 of the act 7 Edward VII, chapter 107, is again replaced by the following :

“ **4.** The company may manufacture all apparatus con-Manufacture, nected with telephones and telegraphs, purchase, sell or lease &c., of tele- the same with all the rights connected therewith. It may also phone appa- acquire, sell or lease, manufacture and operate all patents, ratus, &c. apparatus or franchises connected with telephoning and elec- tricity, necessary for the purposes and requirements of the company. It may dispose of the whole or part of its line, and Alienation of all the accessories thereof, including the powers and privi- of whole or leges for continuing the operations of the same, or, for the part of line, purposes of its operations, amalgamate with any telephone or amalga- tion, &c. telegraph company, acquire and hold shares or debentures thereof, acquire or lease, in whole or in part, the property, rights, privileges and franchises thereof, and for such purpose, issue paid up stock in payment of the obligations so assumed, or receive the same from other companies. The company is Leasing of further authorized to lease apparatus, to transmit messages part of line. for remuneration over its lines, and to enter into agreements with any company or person for the transmission of its messages over other lines, or the transmission over its lines of messages coming from similar lines, and to place electric wires, cables or tubes belonging to other persons or companies on its poles, or in its conduits or to obtain similar permission for the same purposes from any one whomsoever.”

3. Section 8 of the act 56 Victoria, chapter 71, as replaced Id., s. 8, replaced.

by section 3 of the act 5 Edward VII, chapter 65, and by section 5 of the act 7 Edward VII, chapter 107, is again replaced by the following :

- Borrowing.** “ 8. The company may borrow, from time to time, at such rate of interest as may be determined by the directors, a sum of five hundred thousand dollars or one or more sums of money, not exceeding an amount equal to that of the paid up capital, either on mortgage, pledge or security of the property of the company, or on debentures.
- Security for loans.** For such purpose, the directors, by a resolution approved by the majority of the shareholders present or represented at a general or special meeting duly convened, are authorized, as security for such loans, to consent to all hypothecs upon the immoveable property of the company including all its telephonic apparatus, which is hereby declared immoveable, and to any pledges of and security upon the goods, property, assets, rents and receipts of the company, present or future or present and future as they may deem expedient, or issue debentures to which coupons for the amount of the half-yearly interest may be attached, bearing the lithographed or engraved signatures of the president and secretary, and which shall be payable at the periods and places, by means of annuities, of a sinking fund or otherwise, as the directors shall determine : which debentures and coupons shall constitute a first lien and privilege on all the goods, property and assets of the company, present or future, or present and future.
- Debentures, &c.** The company may, however, withdraw any assets, property, rents or receipts of the company from the effect of such hypothec, pledge or security, and it may declare or stipulate in such hypothec, pledge or security that the latter shall apply only to certain sections or parts of its system or of the property, assets or receipts of the company.
- Their privilege.** But in all cases of such exemption, the company shall expressly specify and describe, in the hypothec, pledge or security, with sufficient details to enable them to be recognized, the company's property, assets, rents or receipts or the section or parts of the system it does not wish to include in or affect by the said hypothec, pledge or security.
- Withdrawal of assets from hypothec, &c.** Such hypothec or pledge may be given to one or more trustees in favor of the holders of such bonds which shall bear the signatures of the president and secretary as well as the company's seal.
- Property not included in hypothec, &c., to be described.** To facilitate any loan, the company is authorized to dispose of ordinary shares with the sale of the debentures ; but, in such case, it shall offer the said debentures with all the privileges attached thereto to the shareholders who are entitled to subscribe for the same, proportionately to the number of shares they hold, in preference to all other persons.
- Hypothec, &c., to trustees.**
- Disposal of ordinary shares with debentures, &c.**

The debentures shall all have the same rank and be issued in amounts of not less than one hundred dollars each." Rank of debentures, &c.

4. The following sections are added to the act 56 Victoria, Id., ss. 18 and chapter 71, after section 17, as enacted by the act 7 Edward VII, chapter 107, section 9 : 19, enacted.

"18. The council of every municipal corporation is authorized to pass any resolutions in favor of the company to permit or facilitate the putting up or operation of a telephone system within the territorial limits of such municipality. Arrangements with municipalities, &c.

"19. The shares issued to the twenty-ninth January, 1909, inclusively, are declared to be preferred shares for the future, and every shareholder whose name was then registered in the company's books, shall have the right to obtain a certificate for a preferred share in exchange for the certificate for every share, to the number of shares then held, with, in addition as a bonus, an ordinary share for every four shares held by the same shareholder. Certain shares declared preferred shares, &c.

Nevertheless, if, at the expiration of two months from the sending to every shareholder of a written notice and a copy of this act by registered letter, a shareholder does not get his certificates for shares exchanged as above mentioned, the shares held by him shall be looked upon as ordinary shares and he shall no longer be entitled to have them exchanged or to claim the aforesaid bonus unless the board of directors should, for reasons considered sufficient, deem it expedient to extend such delay in special cases." Delay within which such privilege to be acquired, &c.

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

CHAP. 114

An Act to amend the charter of The Havana Trust Company

[Assented to 7th May, 1909]

WHEREAS the Havana Trust Company and Victor Geoffrion, M.P., advocate ; Edmond N. Cusson, manufacturer ; J. B. François Beaudry, notary ; Charles Laurendeau, and Aimé Geoffrion, advocates, the promoters, directors, and incorporators of the said company, have, by their petition, prayed that the act 5 Edward VII, chapter 78, under which the said company was incorporated, be amended by changing its name and granting to it further and additional powers ;

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

Preamble.