

C H A P. 8 1

An Act to amend the charter of The Montreal Rolling Mills Company

[Assented to 26th March, 1902]

WHEREAS The Montreal Rolling Mills Company, incorporated by letters-patent of the Province of Quebec, bearing date the 14th day of April, 1868, has represented by its petition that it desires to amend its charter and extend its powers, and it is expedient to grant the prayer of its petition. Preamble.

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

1. The letters-patent incorporating The Montreal Rolling Mills Company, bearing date the 14th of April, 1868, hereto annexed as Appendix A, are hereby confirmed, as are also three several increases of the capital stock of the company under by-laws passed on the 1st February, 1872, 29th January, 1873, and 3rd April, 1900, respectively, published in the *Quebec Official Gazette* as having been severally deposited in the office of the Provincial Secretary on the 8th November, 1872, 7th of February, 1873, and 24th of April, 1900, as provided by the act 27-28 Victoria, chapter 23, section 5, paragraph 18, governing the said company. Letters patent of 14th April, 1868, and increase of capital stock by by-laws of 1st February, 1872, 29th Jan. 1873, and 3rd April, 1900, confirmed.

2. The company shall have power, from time to time, upon a resolution of a special meeting of shareholders held for that purpose, and with the assent of two thirds of the shareholders present at such meeting, to increase its capital by the issue of additional shares, either ordinary or preferred, to such amount as may be necessary for the extension and development of the business of the company. Power to further increase capital for certain purposes by issue of ordinary or preferred shares.

3. The par value of such shares as may be issued by the said company, whether ordinary or preferred, shall be one hundred dollars, and the preferred shares shall bear, in preference to the ordinary stock, an annual dividend not exceeding seven per cent., which dividend shall be cumulative, but shall not average, in any number of years, a greater sum than the annual rate of dividend at which such shares are issued ; the ordinary shares shall be entitled to receive by way of dividends such net earnings of the company, after payment of the said dividend payable on preferred shares, as the directors may deem advisable. Par value of such shares. Dividend on preferred shares, and payment thereof.

Payment of capital of preferred shares.

4. The capital amount of the shares of preferred stock shall be payable by preference over the ordinary stock.

Shareholders' right to vote.

5. Each share, whether preferred or ordinary, shall entitle the holder thereof to one vote at all shareholders' meetings.

Power of company to acquire business and assets of other companies.

6. The company shall have the right to acquire the assets and good-will of any business of a like or subsidiary nature to its own, and may also acquire the shares of any other company doing a similar business, and pay for the same, in whole or in part, in cash, bonds, or paid up shares in the company, as the directors may deem advisable.

Power to issue mortgage bonds to certain amount.

7. The company is empowered, upon a resolution of a special meeting of shareholders held for that purpose, and with the assent of two thirds of the shareholders present at such meeting, to issue mortgage bonds or debentures, payable in such manner and at such rate of interest, not exceeding six per cent. per annum, as may be determined upon, to an amount not exceeding two thirds of the then paid up capital of the company; and, upon the redemption or payment of any such issue of bonds, to make other issues of bonds, upon complying with the same conditions.

Further issue on payment.

8. The powers granted by the present act are in addition to those contained in the said charter of incorporation.

Powers to be in addition to those under charter. Coming into force.

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

APPENDIX A

CANADA, }
PROVINCE OF QUEBEC. }

VICTORIA, *by the Grace of God, of the United Kingdom of Great Britain and Ireland, Queen, Defender of the Faith, &c., &c.*

To all to whom these presents shall come or whom the same may concern;

Greeting:

Whereas Hugh Allan, Edward M. Hopkins, Charles John Brydges, George Stephen, Thomas Reynolds, Gordon McKenzie and Thomas Morland, all of the city of Montreal, in Our Province of Quebec, Esquires, have, by petition to the Lieutenant-Governor of Our said Province, prayed for a

charter of incorporation, under the authority of an act of the Legislature of Our late Province of Canada, passed in the session thereof held in the twenty-seventh and twenty-eighth years of Our reign and intituled "An act to authorize the granting of charters of incorporation to manufacturing, mining and other companies," as amended by another act of the said Legislature, passed in the twenty-ninth year of Our reign and chartered twenty, constituting them a body politic by the name of the "Montreal Rolling Mills Company," for the manufacture, purchase and sale of iron and other metals, nails, spikes and other articles of hardware; and

Whereas the said Hugh Allan, Edward M. Hopkins, Charles John Brydges, George Stephen, Thomas Reynolds, Gordon McKenzie and Thomas Morland have, in and by the said petition, represented and stated that they have fixed the city of Montreal and the parish of Montreal, in Our said Province of Quebec, to be the places where the operations of the said company shall be carried on, and the sum of two hundred thousand dollars to be the nominal capital of the said company, divided into two hundred shares of one thousand dollars each; that the sum of one hundred and fifty thousand dollars has been subscribed on the said capital stock, and that the sum of ten thousand dollars has been paid in; and

Whereas it hath been proved to Our satisfaction that the said Hugh Allan, Edward M. Hopkins, Charles John Brydges, George Stephen, Thomas Reynolds, Gordon McKenzie and Thomas Morland, have, pursuant to the provisions of the said first above mentioned act, given notice of their intention to apply for such charter; that "The Montreal Rolling Mills Company" is not the name of any other known company; that the said Hugh Allan, Edward M. Hopkins, Charles John Brydges, George Stephen, Thomas Reynolds, Gordon McKenzie and Thomas Morland, are residents of our said Province of Quebec and subjects of Our Crown; that the said sum of one hundred and fifty thousand dollars, being not less than one half of the capital stock of the said company, has been subscribed in good faith; and the said sum of ten thousand dollars, being at least five per cent. of the whole capital of the said company, has been paid in to the credit of the trustees for the said company and still remains at the credit of the said trustees in one of the chartered banks in Our said Province of Quebec.

Now KNOW YE that, under the authority of the said acts, and by and with the advice of Our Executive Council of Our said Province of Quebec, We have constituted and by these Our Letters Patent do constitute them the said Hugh Allan, Edward M. Hopkins, Charles John Brydges, George Stephen, Thomas Reynolds, Gordon McKenzie and

Thomas Morland and such persons as are or who may hereafter become shareholders of such company, a body corporate and politic by the name of "The Montreal Rolling Mills Company," for the manufacture, purchase and sale of iron and other metals, nails, spikes and other articles of hardware, and capable of exercising all the functions of an incorporated company as if incorporated by a special act of parliament, and having perpetual succession and a common seal, with power to convey any real estate necessary or requisite for the carrying on of its operations. And the "Montreal Rolling Mills Company" aforesaid shall be subject to the following general provisions of law enacted in the above mentioned acts to wit :

1. The affairs of the company shall be managed by a board of not less than three nor more than nine directors ; but the Governor in Council may at any time, on the application of the company, authorize an increase of the board of directors to any number not exceeding fifteen ;

2. The said Hugh Allan, Edward M. Hopkins, Charles John Brydges, George Stephen, Thomas Reynolds, Gordon McKenzie and Thomas Morland, shall be the directors of the company until replaced by others duly chosen in their stead ;

3. No person shall be elected or chosen as a director thereafter unless he is a shareholder, owning stock absolutely in his own right, and not in arrear in respect of any call thereon ;

4. The after directors of the company shall be elected by the shareholders, in general meeting of the company assembled at such time, in such wise and for such term as the by-laws of the company may prescribe ;

5. In default only of other express provisions in such behalf, by the by-laws of the company :

(a.) Such election shall take place yearly, all the members of the board retiring and (if otherwise qualified) being eligible for re-election ;

(b.) Notice of the time and place for holding general meetings of the company shall be given at least ten days previously thereto in some newspaper published at or as near as may be to the office or chief place of business of the company ;

(c.) At all general meetings of the company, every shareholder shall be entitled to as many votes as he owns shares in the company and may vote by proxy ;

(d.) Elections of directors shall be by ballot ;

(e.) Vacancies occurring in the board of directors may be filled for the unexpired remainder of the term by the board, from among the qualified shareholders of the company;

(f.) The directors shall, from time to time, elect from among themselves, a president of the company, and shall also name and may remove at pleasure all other officers thereof;

6. If at any time an election of directors be not made or do not take effect at the proper time, the company shall not be held to be thereby dissolved, but such election may take place at any general meeting of the company duly called for that purpose;

7. The directors of the company shall have full power in all things to administer the affairs of the company and may make or cause to be made for the company any description of contract which the company may by law enter into, and may, from time to time, make by-laws, not contrary to law, to regulate the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of certificates of stock, the forfeiture of stock for non-payment, the disposal of forfeited stock, and of the proceeds thereof, the transfer of stock, the declaration and payment of dividends, the number of directors, their term of service, the amount of their stock qualification, the appointment, functions, duties and removal of all agents, officers and servants of the company, the security to be given by them to the company, their remuneration and that (if any) of the directors, the time at which and the place or places where the annual meetings of the company shall be held, and where the business of the company shall be conducted, and if the company be a mining company one (or more) of such places may be without this Province, the calling of meetings, regular and special, of the board of directors, and of the company, the quorum, the requirements as to proxies, and the procedure in all things at such meetings, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-laws, and the conduct in all other particulars of the affairs of the company and may, from time to time, repeal, amend or re-enact the same; but every such by-law, and every repeal, amendment or re-enactment thereof, unless in the meantime confirmed at a general meeting of the company duly called for that purpose, shall only have force until the next annual meeting of the company, and in default of the confirmation thereof shall from that time only cease to have force;

8. A copy of any by-law of the company, under their seal, and purporting to be signed by any officer of the company, shall be received as *prima facie* evidence of such by-law in all courts of law or equity in this Province;

9. The stock of the company shall be deemed personal estate and shall be transferable, in such manner only, and subject to all such conditions and restrictions as by the Letters Patent or by the by-law of the company, shall be prescribed ;

10. The directors of the company may call in and demand from the shareholders thereof, respectively, all sums of money by them subscribed, at such time and places, and in such payments or instalments as the by-laws of the company may require or allow ; and interest shall accrue and fall due, at the rate of six per centum per annum, upon the amount of any unpaid call from the day appointed for payment of such call ;

12. The company may enforce payment of all calls and interest thereon, by action in any competent court, and in such action it shall not be necessary to set forth the special matter, but it shall be sufficient to declare that the defendant is a holder of one share or more, stating the number of shares, and is indebted in the sum of money to which the calls in arrear amount in respect of one call or more, upon one share or more, stating the number of calls and the amount of each, whereby an action hath accrued to the company under this act ; and a certificate under their seal, and purporting to be signed by any officer of the company to the effect that the defendant is a shareholder and that so much is due by him and unpaid thereon, shall be received in all courts of law and equity as *prima facie* evidence to that effect ;

13. If after such demand or notice as by the by-laws of the company may be prescribed, any call made upon any share or shares be not paid within such time as by such by-laws may be limited in that behalf, the directors in their discretion, by vote to that effect, reciting the facts and duly recorded in their minutes, may summarily forfeit any shares whereon such payment is not made and the same shall thereupon become the property of the company, and may be disposed of as by a by-law or otherwise they shall ordain ;

14. No share shall be transferable, until all previous calls thereon have been fully paid in, or until declared forfeited for non-payment of calls thereon, or sold under execution ;

15. No shareholder being in arrear in respect of any call shall be entitled to vote at any meeting of the company ;

16. The directors of the company, if they see fit at any time after the whole capital-stock of the company shall have been allotted and paid in, but no sooner, may make a by-law for increasing the capital-stock of the company to any amount which they may consider requisite, in order to the

due carrying out of the objects of the company ; but no such by-law shall have any force or effect whatever until after it shall have been sanctioned by a vote of not less than two thirds in amount of all the shareholders, at a general meeting of the company duly called for the purpose of considering such by-law, nor until a copy thereof duly authenticated shall have been filed as hereinafter mentioned with the Provincial Secretary or such other officer as the Governor in Council may direct ;

17. Any by-law for increasing the capital stock of the company shall declare the number and value of the shares of the 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 be held to vest absolutely in the directors ;

18. The company may, within six months after a duly authenticated copy of such by-law has been filed with the Provincial Secretary, or such other officer as the Governor in Council may have named for the purpose, require and cause a notice under the signature of the Provincial Secretary or other proper officer, to be inserted in the *Canada Gazette* that such by-law has been passed and filed as aforesaid, and stating the number and amount of the shares of new stock, the amount actually subscribed and the amount paid in respect thereof, and from the date of such notice the capital stock of the company shall be and remain increased, to the amount, in the manner and subject to the conditions set forth by such by-law, and the new stock shall become subject to all the provisions of law in like manner (so far as may be) as though the same had formed part of the stock of the company originally subscribed ;

19. The company shall cause a book or books to be kept by the secretary, or by some other officer specially charged with that duty, wherein shall be kept recorded :

(1) A correct copy of the Letters-Patent incorporating the company, as also, of any and every by-law thereof ;

(2) The names alphabetically arranged of all persons who are or have been shareholders ;

(3) The address and calling of every such person, while such shareholder ;

(4) The number of shares of stock held by each shareholder ;

(5) The amounts paid in and remaining unpaid, respectively, on the stock of each shareholder ;

(6) All transfers of stock, in their order as presented to the company for entry, with the date and other particulars of each transfer and the date of the entry thereof ; and

(7) The names, addresses and calling of all persons who are or have been directors of the company, with the several dates at which each became or ceased to be such director ;

20. The directors may refuse to allow the entry into any such book, of any transfer of stock whereof the whole amount has not been paid in, and no transfer made with the view of relieving the transferer from pre-existing debts of the company, shall be valid or prevent any antecedent creditor from exercising his remedy against such transferer, in the same way as if he had continued to be a shareholder in such company ; provided that nothing in this sub-section shall prevent the effect of chapter seventy of the Consolidated Statutes of Canada, as regards any such stock seized and sold in execution ;

21. No transfer of stock shall be valid for any purpose whatever, save only as exhibiting the rights of the parties thereto towards each other, and as rendering the transferee liable *ad interim* jointly and severally with the transferer, to the company and their creditors, until entry thereof has been duly made in such book or books ;

22. Such books shall, during reasonable business hours of everyday except Sundays and obligatory holidays, (*fêtes d'obligation*) be kept open for the inspection of shareholders and creditors of the company and their personal representatives at the office or chief place of business of the company ; and every such shareholder, creditor or representative may make extracts therefrom ;

23. Such books shall be *prima facie* evidence of all facts purporting to be thereby stated in any suit or proceeding against the company or against any shareholder ;

24. Every director, officer or servant of the company who knowingly makes or assists to make any untrue entry in any such book, or who refuses or neglects to make any proper entry therein, or to exhibit the same, or to allow the same to be inspected and extracts to be taken therefrom, shall be liable to a penalty not exceeding twenty dollars for making each such untrue entry and for each such refusal and neglect and also for all loss or damage which any party interested may have sustained thereby ;

25. The company shall not be bound to see to the execution of any trust, whether express, implied or constructive, in respect of any shares, and the receipt of the shareholder in whose name the same may stand in the books of the company shall be a valid and binding discharge to the company for any dividend or money payable in respect of such shares, and whether or not notice of such trust shall have been given to the company ; and the company shall not be bound to see to the application of the money paid upon such receipt ;

26. Every contract, agreement, engagement or bargain made, and every bill of exchange drawn, accepted or endorsed and every promissory note and cheque, made, drawn or endorsed on behalf of the company, by any agent, officer or servant of the company, in general accordance with his powers as such under the by-laws of the company, shall be binding upon the company ; and in no case shall it be necessary to have the seal of the company affixed to any such contract, agreement, engagement, bargain, bill of exchange, promissory note or cheque or to prove that the same was made, drawn, accepted or endorsed, as the case may be, in pursuance of any by-law or special vote or order ; nor shall the party so acting as agent, officer or servant of the company, be thereby subjected individually to any liability whatever to any third party therefor ; provided always, that nothing in this section shall be construed to authorize the company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money or as the note of a bank ;

27. Each shareholder, until the whole amount of his stock has been paid up, shall be individually liable to the creditors of the company to an amount equal to that not paid up thereon ; but shall not be liable to an action therefor by any creditor, before an execution against the company has been returned unsatisfied in whole or in part ; and the amount due on such execution shall be the amount recoverable with costs against such shareholders ;

28. The shareholders of the company shall not as such be held responsible for any act, default or liability whatsoever, of the company, or for any engagement, claim, payment, loss, injury, transaction, matter or thing whatsoever, relating to or connected with the company, beyond the amount of their respective shares in the capital stock thereof ;

29. No person holding stock in the company as an executor, administrator, tutor, curator, guardian or trustee shall be personally subject to liability as a shareholder, but the estates and funds in the hands of such person shall be liable in the like manner and to the same extent, as the testator or intestate, or the minor, ward or interdicted person or the person interested in such trust fund, would be, if living and competent to act, and holding such stock in his own name, and no person holding such stock as collateral security, shall be personally subject to such liability, but the person pledging such stock shall be considered as holding the same and shall be liable as a shareholder accordingly ;

30. Every such executor, administrator, tutor, curator, guardian or trustee, shall represent the stock in his hands at all meetings of the company and may vote accordingly as a

shareholder, and every person who pledges his stock may nevertheless represent the same at all such meetings and may vote accordingly as a shareholder ;

31. If the directors of the company declare and pay any dividend when the company is insolvent, or any dividend the payment of which renders the company insolvent or diminishes the capital stock thereof, they shall be jointly and severally liable as well to the company as to the individual shareholders and creditors thereof, for all debts of the company then existing, and for all thereafter contracted during their continuance in office, respectively, but if any director present when such dividend is declared do forthwith, or if any director then absent do within twenty-four hours after he shall have become aware thereof and able so to do, enter on the minutes of the board of directors his protest against the same, and do within eight days thereafter publish such protest in at least one newspaper published at or as near as may be possible to the office or chief place of business of the company, such director may thereby, and not otherwise, exonerate himself from such liability ;

32. No loan shall be made by the company to any shareholders, and if such be made, all directors and other officers of the company making the same or in any wise assenting thereto, shall be jointly and severally liable to the company for the amount of such loan, and also to third parties to the extent of such loan with legal interest, for all debts of the company contracted from the time of the making of such loan to that of the re-payment thereof ;

33. Any description of action may be prosecuted and maintained between the company and any shareholder thereof, and no shareholder, not being himself a party to such suit, shall be incompetent as a witness therein ;

34. The charter of the company shall be forfeited by non-user during three consecutive years, at any one time, or if the company do not go into actual operation within three years after it is granted, and no declaration of such forfeiture by any act of the Legislature shall be deemed an infringement of such charter.

AND WE DO HEREBY DIRECT that, within one month from the date of the issue thereof, these Our Letters Patent, or a certified copy of the same shall be registered at full length in the office of the Registrar of Our Province of Quebec and that, in default of such registration within the time hereby appointed, the said Letters Patent shall be of no avail, and shall be null and void, anything hereinbefore contained to the contrary in any wise notwithstanding.

IN TESTIMONY WHEREOF, We have caused these Our letters to be made patent and the Great seal of the Province to be hereunto affixed.—Witness our trusty and well-beloved the Honorable Sir Narcisse Fortunat Belleau, Knight, Lieutenant-Governor of the Province of Quebec, etc., etc.

GIVEN AT QUEBEC this fourteenth day of April, in the year of Our Lord, one thousand eight hundred and sixty-eight and in the thirty-first year of our reign.

By Command,

(Signed) PH. J. JOLICOEUR,
Assistant-Secretary.

PROVINCIAL REGISTRAR'S OFFICE

QUEBEC, 5th February, 1902.

I do hereby certify the within to be a true and faithful copy of the record of the original Letters-Patent, as entered in Lib. No. 5, folio 41.

Jos. BOIVIN,
Dep. Provl. Reg.

APPENDIX B

PROVINCIAL SECRETARY'S DEPARTMENT

QUEBEC, 24th April, 1900.

Public notice is hereby given that, in virtue of an act of the Legislature of the heretofore Province of Canada, 27-28 Victoria, chapter 23, there has been fyled in the office of the undersigned Provincial Secretary a by-law of The Montreal Rolling Mills Company to increase its capital stock from five hundred thousand dollars to seven hundred and fifty thousand dollars, by the issue of two thousand five hundred shares of new stock of one hundred dollars each share, said by-law having been passed under the authority of the letters patent of the said company and of the act of the Province of Canada, 27-28 Victoria, chapter 23, which governs the same.

(Signed) J. E. ROBIDOUX,
Provincial Secretary.

A true copy,

Jos. BOIVIN,
Deputy Provincial Secretary.

SECRETARY'S OFFICE

QUEBEC, 7th February, 1873.

Public notice is hereby given that, in virtue of an act of the Legislature of the heretofore Province of Canada, 27-28 Victoria, chapter 23, there has been filed in the office of the undersigned Provincial Secretary a by-law of The Montreal Rolling Mills Company to increase its capital stock by two hundred thousand dollars in two hundred shares of one thousand dollars each to be apportioned by the directors.

(Signed) PIERRE J. O. CHAUVEAU,
Secretary.

A true copy,

JOS. BOIVIN,
Deputy Provincial Secretary.

SECRETARY'S OFFICE

QUEBEC, 8th November, 1872.

Public notice is hereby given that a by-law passed by The Montreal Rolling Mills Company, increasing the capital stock of the said company, has been deposited in this office, and that from this day the said capital stock is so increased by one hundred thousand dollars, divided into one hundred shares of one thousand dollars each, to be distributed according to the ordinary conditions laid down in said by-law.

(Signed) PIERRE J. O. CHAUVEAU,
Secretary.

A true copy,

JOS. BOIVIN,
Deputy Provincial Secretary.
