

CAP. LXXXI

An Act to incorporate the Laurentian Water and Power Company.

[Assented to 10th March, 1899.]

Preamble.

WHEREAS the persons hereinafter named propose to form a joint-stock company to be called the Laurentian Water and Power Company, for the purpose of, in the northern counties of the Province of Quebec, owning, manufacturing and dealing in water, electric, steam and any other power, electricity, gas and other illuminants and of constructing and maintaining telephone lines, of owning, leasing and operating mills, factories and other works and plant, and for other purposes connected with such powers and illuminants, and whereas they have petitioned for an act of incorporation, and it is expedient to grant the prayer of the said petition ;

Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Persons incorporated.

1. Raymond Prefontaine, advocate, of the city of Montreal, Arthur Cherrier, banker, of the city of Montreal, Charles H. Archer, advocate, of the city of Montreal, Joseph Leon Nelson Chevrier, accountant, of the city of Montreal, and Pierre Laforest, mechanic, of the town of Joliette, and all other persons who are now or may hereafter become shareholders, shall be and are hereby created a body politic and corporate, under the name of the " Laurentian Water and Power Company " with power to acquire property, moveable and immoveable, and the same to lease, alienate and otherwise dispose of, and to hypothecate in favor of trustees or otherwise.

Name and powers.

Head office, &c., change thereof.

2. Its head office shall be in the town of Lachute, but it may be changed to such other place as may be determined at a meeting of the shareholders.

Branches.

Branches may be established in various places, provided the opening thereof be authorized by the board of directors, and be sanctioned, at a general or special meeting of the shareholders of the company, by the vote of shareholders representing a majority of the capital of the company, and that public notices thereof have been published in the *Quebec Official Gazette*.

Notice to be given.

Capital stock and shares.

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

The capital stock may be increased, from time to time, by a vote of the majority in value of the shareholders (present in person or represented by proxy), at any meeting called for such purpose, to any amount not exceeding two hundred thousand dollars.

Increase thereof.

4. The persons mentioned in section 1 of the present act. shall be the first or provisional directors of the company.

First directors.

5. The company shall be managed in accordance with the provisions of the Joint Stock Company's General Clauses Act.

Law to govern.

6. The object for which the company is incorporated, and the only powers and privileges which are confirmed and conferred by the present act, are as follows :

Purposes and powers of company.

(a) To acquire, receive, obtain, possess, work, lease, administer, hypothecate, sell, pledge and transfer (either in full ownership or for other parties) moveable or immovable property, and rights, concessions, advantages, privileges or contracts in connection with water-works, drainage, lighting and telephone lines, and to assume obligations in connection therewith ;

(b) To invest capital for itself or for third parties, in connection with the said systems or undertakings ;

(c) To accept and receive transfers of systems of water-works, drainage, lighting, telephone lines and other systems and works in connection therewith, and of all moveable and immovable property, to own the same jointly with others or for others in trust ; to administer and assume the warranty thereof ; and to stipulate and receive such remuneration as shall be mutually agreed upon ;

(d) To undertake the construction or execution of works authorized by this act either for itself or for corporations, companies or persons outside of the company ;

(e) To receive and possess all grants and voluntary gifts of lands or other property, or any subsidy, in money or in bonds, or all other advantages whatsoever which may be given it, in aid of the construction, maintenance and use of the said undertakings, and also to alienate, sell or dispose thereof ;

(f) To make, construct or lay out systems of water-works, drainage, lighting and telephone lines in and through the lands of any person whomsoever, following the line traced out in the plans of the said systems or works, but only with the consent of the interested parties, or, in default thereof, in conformity with the laws of this Province ;

(g) To do all other things necessary for the construction, maintenance, alteration, repair and use of the said works.

Limit of territory in which powers may be exercised.

7. The powers specially conferred by the preceding section will not apply and shall not be exercised with regard to works, constructions, privileges or franchises in the cities of Montreal, Quebec, Levis and Three Rivers, nor in the counties of Quebec, Levis, Montmorency and Hochelaga, nor in the town of Richmond.

Authority of municipalities required before company proceeds with works.

2. It shall not be lawful for the company to exercise the powers conferred by the present act, until the company has previously obtained from interested municipalities authority to proceed with the construction of said works or enterprises, in conformity with their act of incorporation or according to law, and until such franchises shall have been acquired from any one having obtained the same from the said municipalities ;

Existing rights not to be interfered with.

3. None of the powers above recited shall be exercised contrary to existing rights ;

Power to purchase, &c., franchises, &c.

4. The company may purchase and accept from those holding them, all franchises given for the above purposes, and specially the franchises legally in existence given by the town of Lachute, in the county of Argenteuil, and by the village of St. Agathe des Monts, in the county of Terrebonne ;

Approval of Lieutenant-Governor required for by-law authorizing contract with municipalities.

5. Any contract or arrangement between a municipal corporation and the company, for the construction and working of water-works' systems, or other works authorized by this act, shall, if such contract or arrangement, involve financial obligations on the part of such corporation, be valid only when the by-law authorizing such contract or agreement has been approved by the rate-payers and by the Lieutenant-Governor in Council, according to the laws concerning the issue of municipal bonds ;

No monopoly to be created by this act.

6. Nothing in the present act shall be interpreted as creating a monopoly in favor of the company.

Power to issue bonds or debentures.

8. The directors of the company, under the authority of the shareholders to them given at any special general meeting called for the purpose, by a notice published for ten days, in English and in French, in two newspapers published in the district in which the company shall have its head office, at which meeting shareholders, representing at least two-thirds in value of the subscribed stock of the company, present in person or represented by proxy, may issue bonds, debentures or other securities signed by the president or other presiding officer, and countersigned by the secretary, which counter-signature and signature on the coupons attached to the same may be engraved.

9. Such bonds, debentures or other securities may be made payable at such times, in such manner, and at such place or places in Canada or elsewhere, and may bear such rate of interest, not exceeding six per cent. per annum, as the directors may think proper.

When payable.

Interest thereon.

10. The directors may issue and sell or pledge all or any of the said bonds, debentures or other securities, in whole or in part, at the best price and upon the best terms and conditions which at the time they may be able to obtain, for the purpose of raising money for prosecuting, paying for, maintaining or carrying on the undertakings of the company or the properties which it may possess or administer.

Power to sell bonds, &c.

11. The power of issuing bonds, debentures or other securities, hereby conferred upon the said company, shall not be construed as being exhausted by such issue, but such power may be exercised, from time to time, upon the bonds constituting such issue being withdrawn or paid and duly cancelled.

Powers not exhausted by first issue.

12. The limit of the total amount of the bonds, debentures or other securities issued by the company, shall not, at any time, exceed the total value of the property or assets of the company.

Limit of amount of issue of bonds.

13. The company may secure such bonds, debentures or other securities by a mortgage deed creating (in favor of the creditors of the company, or of the holders of the bonds, debentures or other securities or of one or more trustees mentioned in the said deed) such mortgages, charges and incumbrances, as may be necessary upon the property, concessions, rights, privileges, advantages, rents and revenues of the company, present or future, or present and future, as are described in the said deed, whether the company be owner thereof or hold the same only as trustee or for other parties; but such rents or revenues shall be subject, in the first instance, to the payment of the working expenditure and maintenance of the said property.

Security for bonds.

14. By the said deed, the company may grant to the holders of such bonds, debentures or other securities, or the trustees named in such deed, if any there be, all and every the powers, rights and remedies conferred by the present act in connection with such bonds, debentures or other securities, and all other powers, rights and remedies, not inconsistent with the laws of the country, and may restrict the said holders or trustees in the exercise of any power, privilege or remedy granted by this act, as the case may be; and all the powers, rights and remedies, so provided for in

Rights which may be granted to bondholders.

such mortgage deed, shall be valid and binding and available to the said holders or trustees in the manner and form as therein provided.

Registration
of mortgage.

15. Every such mortgage deed shall be registered in the books of the company and in the registry office of the county in which the mortgaged property is situated, in the manner provided by the present act.

Bonds to be
first preferential
claim on
undertaking.

16. The bonds, debentures or other securities shall be deemed to be a first preferential claim and charge upon the company, and the franchise, undertaking, tolls and income, rents and revenues, the moveable and immovable property thereof, at any time acquired, and the rights, privileges, concessions, advantages, servitudes and other accessories of the said systems, or against any portion thereof, which shall be specially affected by the deed of mortgage aforesaid to the payment of said bonds, debentures or other securities, save and except the working expenditure, as mentioned in section 14 of this act, and save also the real rights or charges having priority by previous registration.

Ranking of
bondholders.

17. Each holder of the said bonds, debentures or other securities qualified by mortgage as above, shall be deemed to be a mortgagee upon the said securities *pro rata* with all the other holders; and no proceedings authorized by law or by this act shall be taken to enforce payment of the said bonds, debentures or other securities or of the interest thereon, except in the manner provided by the deed, through the trustee or trustees appointed by or under such mortgage deed, if any such trustees have been appointed.

Proceedings
to be under
deed to recover
amount
thereof.

18. All the bonds, debentures or other securities, hereby authorized, may be made payable to order or to bearer, and in the latter case they shall be transferable by delivery.

Bonds pay-
able to bear-
er.

Plan, &c., of
works may be
deposited in
office of Com-
missioner of
Colonization
and Mines.

19. It shall be lawful for the company to deposit in the office of the Commissioner of Colonization and Mines an official plan and book of reference, certified by the secretary of the company, of any system of water-works, sewers or lighting, indicating the line and location of the system, and all information necessary to make the description thereof understood, and to designate such system on the said plan and book of reference by one or more special numbers or designations different from the numbers and designations on the official plan of the cadastre of the municipality or municipalities in which such system is situated; and the Commissioner of Colonization and Mines shall receive such plan and book of reference, and, if found correct, shall send a certified copy to the registrar of the division or divisions in which such system is situated.

Copy to be
sent to regis-
trars.

20. All changes, extensions and corrections in the said plan and book of reference may be made in the same manner. Changes therein.

21. The Commissioner of Colonization and Mines shall cause a notice to be published in the *Quebec Official Gazette* of the deposit of any plan and book of reference so transmitted to him by the registrar as aforesaid. Notice of deposit of plan, &c.

22. Such plan and book of reference, or any copy thereof certified by the registrar, shall be received as evidence in all courts of justice. Effect of plan

23. Every registrar, who receives the said plan and book of reference, shall make the ordinary entries thereof in his office books, and shall receive and register in the usual manner any deed of mortgage, transfer or other deed respecting the system described in the said plan and book of reference or any portion thereof. Entries respecting, in books of registrar.

24. By the registration of every such mortgage deed against any system of water-works, sewerage or lighting in the form above-provided, a lien shall be established upon all moveable and immoveable property, rights, concessions, advantages, servitudes, rents, revenues and other accessories constituting such systems or forming part thereof, or connected therewith, as described in the said mortgage deed; and all the moveable and immoveable property, rights, concessions, advantages, servitudes, rents, revenues and accessories aforesaid may be sold by authority of justice in the same manner as the immoveables by the mortgagees or trustees mentioned in the said mortgage deed. Lien on particular systems effected by registration of mortgage deed.

25. If the company make default in paying the principal of, or interest on any of its bonds, debentures or other securities at the time prescribed in the mortgage deed, the system so hypothecated may, at the request of the mortgagees or of their trustees, after thirty days' notice, be sequestered in the hands of a third party, for a certain period, by a judge of the Superior Court, with power to take possession of the said system, administer the same and collect the revenue thereof, and thereupon such rents and revenues shall be applied, in the first place, to the payment of the cost of putting the said system in operation and of its maintenance, and afterwards to the payment of the said mortgagees, the whole subject to the rendering of a quarterly account by the said sequestrator to the said company or its representatives. Sequestration of system by mortgagee, in event of non payment of interest, &c.

26. Every system of water-works, drainage or lighting, all the privileges, advantages and rights connected there- Each system liable only for

its particular debts, &c.

with, and all the moveable and immoveable property constituting such system or undertaking, or forming part thereof, either as accessories or otherwise, which shall be specially mortgaged as security for an issue of bonds, debentures or other securities, shall be liable or subject only to the payment of the debts, obligations or claims directly contracted for, in connection with the purchase, construction, maintenance and working or use of such system or undertaking, so that the creditors of the company, to whom mortgages have been given upon other systems or enterprises, shall be limited, in the exercise of their rights and claims, to the systems or works mortgaged in their favor.

Recourse of chirographic creditors.

The chirographic creditors, however, may exercise all the rights granted to them under the common law.

Power of company if it undertakes construction of a municipal system of water-works, &c.

27. In the event of the company undertaking the construction of a system of water-works, drainage, lighting or telephone in any municipality, the company may make arrangements with the corporations from which it shall have obtained concessions or franchises for a certain number of years, for the construction and working of such system, in virtue whereof the revenues of said systems shall be collected or levied by the said municipal council. And, notwithstanding any provision to the contrary in the charter of such municipality, and provided it be thereto authorized by petition of the majority in number and in value of the rate-payers of that portion of the municipality to which the system shall extend, the council may, in such cases, bind itself, by by-law, to collect or levy the said revenues, and may moreover, guarantee the bonds or debentures issued by the company in connection with the said systems, to the extent of two-thirds of the revenues, the collection whereof shall have been confided to it by the company; but such guarantee shall not be for a longer period than that of the concession or franchise granted to the company by the said corporation in connection with the said systems. And, in the event of the said revenues not being binding, the council of the municipality may cause to be prepared by its secretary-treasurer, an estimate of the probable revenues of the said system, and such estimates, after having been approved by the council, shall serve as a basis for establishing the amount of the said guarantees. The revenue, as collected by the corporation, shall be devoted to the payment of the interest on, and the capital of the bonds or debentures which it shall have so guaranteed, either in whole or in part, as the municipal council of such corporation shall decide.

Application of revenue collected.

Service of documents upon rate-payers how affected.

28. When documents affecting the said systems shall require to be personally served upon the rate-payers of the municipality in which such systems are situated, such service may be made at the office of the corporation and by

the publication of a notice in French and in English, on two consecutive occasions in a newspaper of the municipality, or, in default thereof, of the district, in which such systems are situated.

29. It shall be lawful for the said company, in the event of voluntary liquidation or amalgamation with another company incorporated for the same purpose, to transfer the privileges and powers conferred upon it by the present act, and the company to which such powers shall have been transferred, may exercise and enjoy the same as if directly conferred upon it by this Legislature.

Transfer of
privileges,
&c.

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

Coming into
force.

C A P. L X X X I I

An Act to amend the act 56 Victoria, chapter 78, incorporating the Lake Megantic Pulp Company.

[Assented to 10th March, 1899]

WHEREAS the Lake Megantic Pulp Company has, by its petition, represented that it is desirous of obtaining and has prayed for the passing of an act amending its act of incorporation contained in the act 56 Victoria, chapter 78, for the purpose of increasing the powers to it granted by the said act of incorporation, for the purpose of creating water-powers, and constructing dams, for the erecting of bridges upon the banks of and over the river Chaudière and Lake Megantic and in the vicinity of Lake Megantic, and for the erection and working of manufacturing establishments, water-works, and workshops, for the manufacture of paper, pulp and lumber, for making electrical apparatus, and producing electricity for lighting, and for motive power in connection with such water-powers, dams and bridges, and to construct and operate a branch or branches of railway from the lines of the Quebec Central Railway and the Canadian Pacific Railway to the company's works ;

Preamble.

And it is expedient that the prayer of the said petition be granted :

Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. Section 3 of the act 56 Victoria, chapter 78, is replaced by the following :

56 V., c. 78,
s. 3, replaced.

3. The capital stock of the said company shall be fifty thousand dollars, divided into five hundred shares of one hundred dollars each : which capital may, from time to time, be increased there-
of.

Capital stock,
shares and in-
crease there-
of.