

CAP. XXXV

An Act to amend the Joint Stock Companies' General
Clauses act

[Assented to 15th January, 1898]

HER MAJESTY, by and with the advice and consent of
the Legislature of Quebec, enacts as follows :

Art. added
after R. S.,
4663.

1. The following article is added after article 4663 of the
Revised Statutes :

By-laws pro-
viding for
issue of pre-
ferred stock
authorized.

“**4663a.** The directors may also make by-laws for issuing
any part of the capital stock as preferred stock, giving the
same such preference as to dividends and otherwise over
ordinary stock as may be declared by the by-law.

The by-law may provide that the holders of such shares
shall have the right to elect a certain number of the board
of directors, and may give them any other control over the
affairs of the company.

No such by-law shall have any effect, until it has been
unanimously sanctioned in writing by the shareholders or
has been sanctioned by the unanimous vote of all the share-
holders, which shareholders shall be present in person or by
proxy at a special general meeting of the company called for
considering the same.

If, however, the by-law be sanctioned by three fourths in
value of the shareholders, it comes into force only after
it has been approved by the Lieutenant-Governor in Council.
Such approval shall not be given until after a notice of one
month has been sent by registered letter to all the share-
holders.

Holders of such preferred shares shall be shareholders
within the meaning of this act, and shall in all respects pos-
sess the rights and be subject to the liabilities of sharehold-
ers, saving the preference and rights above mentioned,
given by any such by-law.

Nothing in this article contained, or done in pursuance
thereof, shall affect the rights of creditors of any company.”