

CAP. LXXVIII.

An Act respecting The Stadacona Water, Light and Power Company.

[Assented to 9th January, 1897.]

WHEREAS The Stadacona Water, Light and Power Preamble.
Company has obtained letters-patent from the Province of Quebec, conferring certain powers and privileges upon it, the confirmation whereof it has prayed for by its petition, together with the granting of certain other more extended powers and privileges ; and whereas it is expedient to grant its prayer :

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

1. The incorporation, powers and privileges granted to the said company, by letters-patent issued under the great seal of the Province of Quebec, bearing date the fourteenth of January, one thousand eight hundred and ninety-five, are confirmed, amended and restricted or extended as follows :

Incorporation, &c., of company confirmed.

2. The seat and head office of the company shall be in the city of Montreal. Head office.

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 stock of the company, and that public notice thereof shall have been published in the *Quebec Official Gazette*. Branches.

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

4. The company shall be managed in accordance with the provisions of the Joint Stock Companies' General Clauses Act. Law applicable to management of company.

5. The president, the vice-president or the secretary of the company shall be personally liable to coercive imprisonment in all cases where private individuals performing the same duties would be liable. Liability of certain officers to coercive imprisonment.

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 : Object, powers and privileges of corporation.

(a). To acquire, receive, obtain, possess, work, lease, administer, hypothecate, sell, pledge and transfer (either in full ownership or for other parties) moveable or immoveable property, and rights, concessions, advantages, privileges or contracts in connection with water-works, drainage, and lighting, 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 and other systems and works in connection therewith, and of all moveable and immoveable 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 at will ;

(f). To make, construct or lay out systems of water-works, drainage and lighting 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 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.

Powers not to
be exercised
in certain
cities, &c.

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 and Three Rivers, nor in the counties of Quebec, Montmorency and Hochelaga, nor in the town of Richmond.

(a). 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 the authority to proceed with the construction of said works or enterprises, in conformity with their act of incorporation or according to law.

(b). None of the powers above recited shall be exercised contrary to existing rights.

(c). 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 involves 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.

(d). Nothing in the present act shall be interpreted as creating a monopoly in favour of the company.

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 countersignature and the signature on the coupons attached to the same may be engraved.

Power to issue debentures.

How to be signed.

9. Such bonds, debentures or other securities may be made payable at such times and 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.

Debentures how, when, and where 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, maintaining or carrying on the undertakings of the company or the properties which it may possess or administer.

Power to sell, &c., debentures.

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.

Power to issue not to be limited to one issue of debentures.

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 debentures.

13. The company may secure such bonds, debentures or other securities by a mortgage deed creating (in favor of the

Security may be given by

mortgage on
company's
property, &c.

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 third parties ; but such rents and revenues shall be subject, in the first instance, to the payment of the working expenditure and maintenance of the said property.

Powers that
may be given
to trustees of
bondholders
by mortgage
deed.

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 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
deed.

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, &c., to
be first charge
on company's
property, &c.

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 immoveable 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 the 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
inter se, &c.

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.

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, &c., payable to bearer.

19. It shall be lawful for the company to deposit in the office of the Commissioner of Crown Lands an official plan and book of reference, certified by the secretary of the company, of any system of water-works, sewerage or lighting, indicating the lines 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 Crown Lands 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.

Company may deposit plan of their works &c., in Crown Lands office, with numbers different from cadastre.

Copy to be sent by Commissioner to registrars.

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

Changes, &c., in plan.

21. The Commissioner of Crown Lands 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.

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.

Plan, &c., to be evidence, &c.

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.

Duty of registrars after receiving plan.

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 immovable property, rights, concessions, advantages, servitudes, rents, revenues and other accessories constituting such systems or forming

Lien established by registration, &c.

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 their trustees mentioned in the said mortgage deed.

Sequestration of company's property in default of paying capital or interest on bonds.

25. If the company makes 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, a 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.

What debts particular system of water-works, &c., are liable for, &c.

26. Every system of water-works, drainage or lighting, all the privileges, advantages and rights connected therewith, and all the moveable or 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 and 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 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 favour.

Proviso.

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

Arrangements that company may make with municipalities.

27. In the event of the company undertaking the construction of a system of water-works, drainage or lighting 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 estimate, after having been approved by the council, shall serve as a basis for establishing the amount of the said guarantees. The revenue so 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.

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.

How rate-payers to be served with documents, &c.

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 powers and privileges 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 the Legislature.

Power to transfer rights in case of liquidation of company.

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

Coming into force.