

For such purpose, every shareholder, not a resident of the Province, shall elect a domicile therein : in default of which, the domicile shall *pleno jure* be elected at Montreal.

**86.** Contestations, respecting the general and collective interests of the partnership, cannot be directed against the board of management or one of the members, except in the name of the body of shareholders and in virtue of a decision of the general meeting. Authority required to take proceedings, in general interest, against board, &c.

Any shareholder desiring to provoke a contestation of this kind, shall, at least three months before the next general meeting, communicate his intention to the president, who is obliged to place the subject on the order of the day at such meeting. Notice of intention to sue to be given.

If the proposal is rejected by the general meeting, no shareholder can bring it before the courts for a private interest ; if it is adopted, the general meeting designates one or more censors to carry out the contestation. If authority is refused. If granted.

The services to which the proceedings give rise are solely addressed to the commissioner. Upon whom services are made.

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

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C A P. L X X V I I .

An Act respecting "The Canadian Mutual Loan and Investment Company."

[Assented to 27th February, 1893.]

**W**HEREAS The Canadian Mutual Loan and Investment Company has, by its petition, represented that it is a corporation, duly incorporated under the provisions of The Building Societies Act of the Province of Ontario, being chapter 169 of the Revised Statutes of Ontario, 1887, as a building society, for raising, by monthly or other periodical subscriptions of the several members of the company, in shares not exceeding the value of four hundred dollars for each share, (and in subscriptions not exceeding four dollars per month for each share), a stock or fund to enable each member to receive out of the funds of the company the amount or value of his share therein for the purpose of erecting or purchasing one or more dwelling house or houses or other freehold or leasehold estate, or for any other purpose whatsoever, the amount or value of the shares to be secured to the company, by mortgage or otherwise, on real estate belonging to the Preamble.

member at the time of his borrowing money from the company or any other real estate acquired by such member, until the amount or value of his shares, with interest thereon, has been fully paid, together with all fines or liabilities incurred in respect thereof;

Whereas it is desirous of extending its business into the Province of Quebec, and prays to be incorporated for that purpose; and whereas it is expedient to grant the prayer of such petition;

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

Company may extend its business to the Province. Nature of its business.

**1.** The Canadian Mutual Loan and Investment Company may extend its business in the said Province as a corporation duly incorporated within the Province of Quebec, for raising, by monthly or other periodical subscriptions of the several members of the society, in shares, not exceeding the value of four hundred dollars for each share (and in subscriptions not exceeding four dollars per month for each share), a stock or fund to enable each member to receive out of the funds of the society the amount or value of his share therein, for the purpose of erecting or purchasing one or more dwelling house or houses or other freehold or leasehold estate, or for any other purpose whatsoever; and the amount or value of the shares shall be secured to the society, by mortgage or otherwise, on real estate belonging to the member at the time of his borrowing money from the society, or on other real estate acquired by such member, until the amount or value of his shares, with the interest thereon, has been fully paid, together with all fines or liabilities in respect thereof.

Power to recover moneys loaned on mortgage, &c.

**2.** The company may, in its corporate name, take all proceedings permitted by the laws of Quebec for the recovery or realization of the money secured by any mortgages or securities upon real estate in the Province of Quebec held by the said company, and generally may, in its corporate name, exercise the same powers and use and take the same remedies and proceedings to enforce payment of any debt or demand, whether for principal, interest, damages, costs or otherwise, as any person may by law use or take for the like purposes.

Head office.

**3.** The company shall have a head office for the Province of Quebec in the city of Montreal, with branch offices in such places as the board of directors may determine.

Local boards and rules.

**4.** The company may appoint one or more local boards of directors within the Province of Quebec, and shall have power to make such rules, as are not repugnant to the pro-

visions of this act, or any law in force in the Province of Quebec, and may impose and inflict such reasonable fines, penalties, and forfeitures, on the several members of the company in the Province infringing such rules, as they shall think fit, and may, from time to time, amend or rescind such rules and make rules in lieu thereof.

Such rules shall be recorded in a book or books to be opened at all reasonable times to inspection of the members Recording of rules.

5. The rules, so recorded, shall be binding on the several members and officers of the society and the several contributors thereto, and their representatives; and they shall be deemed to have full notice thereof by such record. Rules binding on members, &c.

6. The entry of the rules in the books of the society, or a true copy of the same examined with the original and proved to be a true copy, shall be received as evidence thereof. Copies, &c., of rules to be received as evidence.

7. The company may issue debenture stock, which debenture stock shall be treated and considered as a part of the regular debenture debts of the society, and may be issued in such amounts and manner, on such terms and bearing such rate of interest and in such currency as the directors, from time to time, think proper and convenient, but subject to the limitations as to borrowing hereinafter provided, so that the amount received as money deposits and borrowed on the security of debentures or debenture stock shall not in the whole exceed the aggregate amounts fixed by the next following section. Issue of debenture stock.

8. Provided that and so soon as the said company has a paid up capital of not less than one hundred thousand dollars in fixed and permanent stock not liable to be withdrawn therefrom, debentures may be issued to such an amount as with all the other liabilities of the society shall be equal to double the amount of the paid up unimpaired fixed and permanent capital or shares not liable to be withdrawn therefrom, together with a further sum which may be equal to, but shall not exceed the amount unpaid on the subscribed, fixed and permanent capital, on which not less than twenty per cent has been paid; provided that in no case shall the total liabilities to the public exceed three times the amount paid upon fixed and permanent shares in the society. Power to borrow on debentures.

2. The total liabilities of the company shall not, at any time, exceed the amount of the principal remaining unpaid on the mortgages at such time held by the company; and, in estimating the liabilities of the society, the amount of cash, actually in the hands of the company or deposited in any Liabilities not to exceed their mortgages.

Liabilities and principal on mortgages how estimated.

chartered bank, shall be deducted therefrom, and in ascertaining the principal, remaining unpaid on the mortgages held by the company, it shall be incumbent on the company to compute or discount such mortgages at rates of interest at least equal to the rates which they respectively bear or were originally calculated to yield.

Deduction to be made in estimating paid up capital.

3. All loans or advances by the company to its shareholders, upon the security of their stock, shall be deducted from the amount of paid up capital, upon which the company is authorized to borrow.

Interpretation.

4 In this section the words "liabilities of the company" or "total liabilities of the company" shall be taken to mean and are hereby declared to mean only the liabilities of the company to the public, and shall not include the liabilities of the company to its shareholders as such in respect of its capital stock or otherwise.

In computations of liabilities, what to be taken into account.

5. In all computations of liabilities, capital, debentures, amounts on mortgages, cash on hand and in bank, and in all other computations for the purpose of this section, reference shall be had to the aggregate business of the company, and not merely to its business transacted in this Province.

Power to take and hold real estate, &c., mortgaged to it.

9. The company may take and hold any real estate or securities thereon, *bona fide* mortgage or assignment assigned to it, either to secure the payment of the shares subscribed for by its members or to secure the payment of any loan or advances made by or debts due to the society, and may proceed on such mortgage, assignment or other security for the recovery of the money thereby secured, and generally may pursue the same course, exercise the same powers and take and use the same remedies to enforce the payment of any debt or demand due to the society, as any person or body corporate may by law take or use for a like purpose.

Power to sell mortgages, &c.

10. The company incorporated under this act shall have power and authority to sell, dispose of and assign mortgages given or made directly to it, in like manner as such company may, under the provisions of this act, sell and assign mortgages purchased by it; and the assignee of any such mortgage shall stand in the place of and be entitled to and have all the same rights, powers and remedies, and shall be subject to the same obligations and liabilities under, upon or in respect to such mortgage, as the company would have been entitled to have had or been subject to, if the assignment thereof had not been made.

Power to purchase mortgages, &c.

11. The company may purchase mortgages upon real estate, debentures of any society or company incorporated under this act or any act, incorporated therewith, debentures of municipal corporations or the public school corpora-

tions, or Dominion or Provincial stock or securities, and may resell any such securities as to it may seem advisable, and, for that purpose, may execute such assignments or other instruments as may be necessary for carrying the same into effect; and the society may also, in conformity with the laws of Canada, make advances to any person or persons or body corporate upon any of the above mentioned securities at such lawful rates of discount or interest as may be agreed upon.

**12.** The company may declare forfeited to the company the shares of a member who is in default, or who neglects to pay the number of instalments or monthly subscriptions fixed by any stipulation or by-law, and may expel such member from the company, and the secretary shall make a minute of the forfeiture and expulsion in the books of the company, or, instead of such forfeiture and expulsion, the company may recover the arrears by action. Forfeiture of shares, &c.

**13.** Where the company has received from the shareholder an assignment, mortgage or transfer of any real estate, to secure the payment of any advances, containing an authority to the company to sell the real estate in case of non-payment of any stipulated number of instalments or sum of money, and to apply the proceeds of the sale to the payment of the advances, interest or other charges due to the company, such stipulations and agreements shall be valid and binding, and the company may cause the same to be enforced by an action or proceeding in the Superior Court, and in such action the *chef-lieu* of the district, in which the lands (or some of them, if they be in more than one district) lie, shall be named as the place of trial, and the action may be brought in the corporate name of the company. Proceeding on assignments of real estate, &c., to company.

**14.** The directors may use and affix, or cause to be used and affixed, the seal of the company to any document or paper which, in their judgment, may require the same; they may make and enforce the calls upon shares of the respective shareholders, and they may declare the forfeiture of all the shares on which such calls are not paid; they may make any payments and advances of money which they may deem expedient, which are authorized to be made by or on behalf of the society, and enter into all contracts for the execution of the purposes of the company, and for all other matters necessary for the transaction of its affairs; they may generally deal with, treat, sell and dispose of the lands, property and effects of the society, for the time being, in such manner as they may deem expedient and conducive to the benefit of the company, as if the same lands, property and Powers of directors.

effects were held and owned according to the tenure, and subject to the liabilities, if any, from time to time, affecting the same, not by a body corporate, but by any of Her Majesty's subjects, being of full age.

Form of debentures. **15.** The debentures to be issued under the authority of this act may be in the form of schedule A hereto.

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

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### SCHEDULE A.

#### *Form of debenture.*

Canadian Mutual Loan and Investment Company.

Debenture No.

Transferable

\$

under the authority of the Statutes of the Province of Quebec, 56 Victoria, chapter 77.

The president and directors of the Canadian Mutual Loan and Investment Company promise to pay to  
 (or bearer), the sum of \$                    on  
 the                    day of                   , in the year of Our  
 Lord, 18                   , at the Treasurer's office,  
 with interest at the rate of                    per cent per annum,  
 to be paid half yearly on the presentation of the proper  
 coupon for the same as heretunto annexed, say on the  
 day of                    and the  
 day of                    in each and every year at the office  
 of the Treasurer.

Dated at                   , the                    day of

For the president and directors of the Canadian Mutual  
 Loan and Investment Company,

Secretary (or Manager).

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