

CAP. CII.

An Act respecting the conversion of land subsidies to railway companies into money subsidies.

[Assented to 2nd April, 1890.]

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

Delays for declaration of option of conversion of land subsidy into money extended.

1. The delay granted by the act 51-52 Victoria, chapter 91, section 14, shall be prolonged to the thirtieth day of June, 1892, in favor of any railway companies who have not yet declared their option for the conversion into money of any land subsidies, not yet lapsed, that have been granted to certain railways under the acts 45 Victoria, chapter 23, 49-50 Victoria, chapter 77, 51-52 Victoria, chapter 91, 52 Victoria, chapter 86, and by any act of the present session.

Coming into force.

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

CAP. CIII.

An Act to incorporate "The Quebec and Boston Air Line Railway Company."

[Assented to 2nd April, 1890.]

Preamble.

WHEREAS a petition has been presented praying for the incorporation of a company to construct and operate a railway as hereinafter set forth, 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 :

Certain persons incorporated.

1. John Whyte, merchant, of Leeds village, in the township of Leeds, William Wilson, mill-owner of Wilson's Mills, in the township of Leeds, Peter Wallace Hall, farmer, of Leeds, in the township of Leeds, François Théodore Savoie, foundry manager, of the village of Plessisville, in the township of Somerset, and Andrew Whyte, merchant, of Leeds village, all said places being in the county of Megantic, in the Province of Quebec, together with such persons as become shareholders in the company hereby incorporated, are hereby constituted a body corporate under the name of the "Quebec and Boston Air Line Railway Company", hereinafter called the company.

Name.

2. The head office of the company shall be in the city of Quebec, or in such other place in the Province of Quebec as may be determined upon by a resolution of the board of directors.

Head office.

3. The company may lay out, construct and operate a railway of the gauge of four feet eight and one half inches, from Lime Ridge, in the township of Dudswell, in the county of Wolfe, by any practicable route, through the counties of Wolfe, Megantic, Lotbinière and Levis, to the town of Levis, passing through the township of Leeds, in the county of Megantic.

Power to lay out, etc., certain line of railway from Lime Ridge to town of Levis.

2. In order to reach a deep water terminus at the town of Levis, and to avoid the expense of constructing an independent line of railway into the town of Levis, the company may make all necessary arrangements, leases and contracts with the Government of Canada, and any railway company or companies, for running powers over the Intercolonial Railway and the railway of any other company, or for any other purpose not inconsistent with articles 5128 to 5181, inclusively, of the Revised Statutes of the Province of Quebec.

Power to make arrangements to reach deep water terminus at Levis.

4. The persons mentioned by name in the first section of this act are hereby constituted provisional directors of this company, with the power to act as directors until the first annual meeting of the company, and particularly to open stock books for subscriptions to the share-capital of the company, to call for instalments on the subscribed stock, and cause the same to be paid up, to issue obligations or debentures as hereunder authorized, and to commence and continue the construction and working of the said railway.

Provisional directors.

Powers

5. The capital stock of the company shall be one million dollars, divided into shares of one hundred dollars each, and may be called up by the directors, from time to time, as they deem necessary ; but no one call shall exceed ten per cent on the shares subscribed.

Capital stock. Shares.

Calls.

Amount of calls.

6. The annual meeting of the shareholders shall be held on the first Monday in September, in each year.

Annual meeting.

The first meeting shall be held on the first Monday of September, 1890, and shall be called by inserting the notice thereof for two weeks in one English and one French newspaper published in the city of Quebec.

First meeting and notice therefor.

7. At such meeting, the subscribers for the capital-stock assembled, or represented by proxy, who have paid all calls due on their shares, shall choose nine persons, or such other number as may be fixed by by-law, adopted and

Election of directors by shareholders.

approved by the shareholders, to be directors of the company, one or more of whom may be paid director or directors of the company.

Directors, when authorized by special meeting of shareholders, may borrow money and issue bonds to certain amount.

Signature of bonds.

Issue of such bonds.

8. The directors of the company, under the authority of the shareholders to them given at any special general meeting called for the purpose, at which meeting shareholders representing at least two-thirds in value of the subscribed stock of the company, and who have paid all calls due thereon, are present in person or represented by proxy, may borrow money to an amount not exceeding twenty thousand dollars per mile of railway and branches, and shall issue bonds, debentures or other securities therefor, which shall be signed by the president or other presiding officer and countersigned by the secretary, and said countersignature and the signature to the coupons attached to the same may be engraved; the directors may issue and sell or pledge all or any of the said bonds, debentures, or other securities, 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 the said undertaking.

Power to issue continuous upon payment and cancelling of previous issue.

The power of issuing bonds conferred upon the company hereby 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 off and duly cancelled, or until the limit to the amount of bonds, debentures or other securities fixed in this act shall be reached.

Bonds may be secured by mortgage deed in favor of trustees.

Working expenditure of railway first charge.

9. The company may secure such bonds, debentures or other securities, by a mortgage deed creating, in favor of a trustee or trustees for the bondholders appointed by the directors for the purpose, such mortgages, charges and incumbrances upon the whole of such property, assets, rents and revenues of the company, present or future or both, as are described in the said deed; but such rents and revenues shall be subject to the payment of the working expenditure of the railway.

Bonds to be first claim.

Proviso.

10. The bonds, debentures or other securities, hereby authorized to be issued, shall be taken and considered to be the first preferential claim and charge upon the company, and the franchise, undertaking, tolls and income, rents and revenues, and real and personal property thereof, at any time acquired, subject as aforesaid to the payment of the working expenditure of the railway and save and except as provided for in the next preceding section.

Ranking of bondholders *inter se*.

2. Each holder of the said bonds, debentures, or other securities, shall be deemed to be a mortgagee or incumbrancer upon the said securities *pro rata* with all the other holders.

11. If the company makes default in paying the principal of or interest on any of the bonds, debentures or other securities, hereby authorized, at the time when the same, by the terms of the bond, debenture, or other security, becomes due and payable, then, at the next annual general meeting of the company, and at all subsequent meetings, all holders of bonds, debentures or other securities, so being and remaining in default, shall, in respect thereof, have and possess the same rights and privileges and qualifications for being elected directors and for voting at general meetings as would attach to them as shareholders, if they held fully paid-up shares of the company to a corresponding amount.

Holdings of bonds to vote, etc., as shareholders, if interest or capital unpaid, and become qualified as directors, etc.

2. The rights given by this section shall not be exercised by any such holder unless it is so provided by the mortgage deed, nor unless the bond, debenture or other security, in respect of which he claims to exercise such rights has been registered in his name, in the same manner as the shares of the company are registered, at least ten days before he attempts to exercise the right of voting thereon; and the company shall be bound on demand to register such bonds, debentures or other securities, and thereafter any transfers, thereof, in the same manner as shares or transfers of shares.

Stipulation must be in mortgage deed, and bonds registered, otherwise bond-holders cannot take advantage of this section.

3. The exercise of the rights given by this section shall not take away, limit or restrain any other of the rights or remedies to which the holders of the said bonds, debentures or other securities are entitled under the provisions of such mortgage deed.

Other recourse not barred by acting upon this section.

12. All bonds debentures or other securities, hereby authorized, may be made payable to bearer, and shall in that case be transferable by delivery until registration thereof, and, while so registered, they shall be transferable by written transfers, registered in the same manner as in the case of the transfer of shares.

Bonds how payable and transferable.

13. In order to preserve the priority, lien, charge, mortgage, or privilege purporting to appertain to, or created by any bond issued under the provisions of this act, it shall not be necessary that such bond shall be registered according to the provisions of the Civil Code or any other law; but it will be sufficient to have registered, in each of the registry offices of the counties traversed by the said railway, a copy of the mortgage deed to the trustee or trustees together with a certificate signed by the secretary or treasurer of the company, stating the date of the issue, and the number and amount of the bonds issued and the per centum of interest.

Bonds need not be registered to preserve hypothec, etc.

Copy of mortgage deed may be registered and it suffices.

When bonds may be issued and sold.

14. The said bonds may be issued and sold as soon as a definite location of the line has been adopted by a resolution passed by the board of directors, and after a copy of the plan and location so adopted has been deposited in the office of the Commissioner of Public Works of the Province of Quebec.

Company may become party to promissory notes, etc.

Notes, etc., to be binding on company.

To be presumed as signed with authority.

Seal thereon not necessary. No personal responsibility incurred by officers signing if authorized.

Not to issue notes to be circulated as money.

15. The company may, in the transaction of its affairs, become party to promissory notes and bills of exchange for sums not less than one hundred dollars; and every such note or bill made, drawn, accepted or endorsed by the president or vice-president of the company or other officer authorized by the by-laws of the company, and countersigned by the secretary, shall be binding on the company; and every such note or bill of exchange so made, drawn, accepted or endorsed shall be presumed to have been made, drawn, accepted or endorsed with proper authority until the contrary is shown; and in no case shall it be necessary to have the seal of the company affixed to such promissory note or bill of exchange, nor shall the president or vice-president, secretary or other officer, so authorized, be individually responsible for the same, unless such promissory note or bill has been issued without proper authority; but nothing in this section shall be construed to authorize the company, to issue any note or bill payable to bearer or intended to be circulated as money or as the note or bill of a Bank.

Power to issue paid up stock for certain purposes.

16. The directors of the company may make and issue, as paid up stock, shares in the share capital of the company, whether subscribed for or not, and may allot and hand over such stock as paid-up stock in payment of right of way, plant, rolling stock or material of any kind and also for the services of contractors and engineers; and such allotment of stock shall be binding on the company, and the paid-up stock so allotted shall be unassessable thereafter for calls.

Form of deed of sale for lands.

17. All deeds or conveyances of land to the company for the purposes of this act, in so far as circumstances may permit, shall be in the form of schedule A to this act annexed, or in any other form of a similar tenor.

Book to be supplied to registrars to register deeds of sale of lands to company.

18. For the registration of all deeds of conveyance, the registrars in their respective counties shall be furnished, by and at the expense of the company, with books containing copies of the form given in the said schedule A or other form of similar tenor, one copy to be printed on each page, leaving the necessary blanks to suit the circumstances upon each separate conveyance.

Upon the production of any conveyance, the registrar shall enter the same in the said book, without any memorial, and minute the enregistration or entry on the deed. How to be registered.

The registrar may charge for all fees on such registration and entry on the deed fifty cents and no more. Fees therefor.

Such registration shall be valid in law, any statute or provision of law to the contrary notwithstanding, and it shall have, with respect to rights of ownership, servitudes, hypothecs and real rights, the same effects as the registration prescribed by the Civil Code. Effect of registration.

19. The company may sell or lease its line and all its franchises and property, either before or after the completion of its railway, to any railway company whatever, provided that all agreements entered into between the companies for the purchase or lease of the railway hereby authorized, have been first sanctioned by two-thirds of the votes of shareholders of this company at a special meeting called for the purpose of considering the same, at which meeting shareholders representing at least two-thirds of the subscribed stock are present or represented by proxy. Power of company to sell line, etc. Sanction required.

20. Should a railway bridge at any time be built across the St. Lawrence river at or near Quebec, this company is hereby authorized to lay out and construct a railway connecting its main line with the line crossing the said bridge and to make all necessary contracts and arrangements for running powers over the said bridge and into the City of Quebec. Power to build, etc., branch line to reach bridge on St. Lawrence at Quebec if built.

21. The company is hereby authorized, after obtaining the sanction of its shareholders at a special meeting called for the purpose, to take stock or otherwise assist in the construction of the said bridge across the St. Lawrence river. Power of company to take stock in bridge at Quebec, etc.

22. The railway hereby authorized shall be commenced within two years and shall be completed within six years from the passing of this act. Commencement and completion of railway.

SCHEDULE A.

FORM OF DEED OF SALE OF LANDS.

Know all men by these presents that I, A. B., of _____ in the county of _____ for and in consideration of the sum of _____ dollars to me paid by the Quebec and Boston Air Line Railway Company, which I acknowledge to have received, hereby

