

CAP. XCVII.

An Act to incorporate the Orford Railway Company.

[Assented to 12th July, 1888.]

Preamble.

WHEREAS the construction and operation of a railway as hereinafter described would be of great advantage in developing the mineral, lumbering and agricultural resources of an important section of this Province and in connecting together other systems of railway now existing and in process of construction ; and whereas a petition has been presented praying for the passing of an act to incorporate a company authorized to construct the same ; 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 :

Persons incorporated.

1. Henry Lovell, Moody Brock Lovell, Parker T. Baldwin, William Amherst Hall and Henry Braithwaite Brown, with such other persons and corporations as may become shareholders of the company hereby incorporated, shall be and are hereby constituted a body politic and corporate under the name of the " Orford Railway Company," and the words " the company " wherever used in this act shall mean the Orford Railway Company hereby incorporated.

Name.

43-44 V., c. 43,
to apply.

2. The provisions of the general railway act of Quebec, in so far as applicable, shall apply to the company hereby incorporated.

Head office.

Branch offices.

3. The head office of the company shall be at the City of Sherbrooke, but the board of directors may establish one or more offices in other places in this Province.

Power to lay out and construct certain railway.

4. The company may lay out, construct and complete a railway of the gauge of four feet eight and one-half inches in width, from the village of Magog or from some point on the line of the Atlantic and North West Railway, between the village of Magog and the City of Sherbrooke, to a point of connection with the Missisquoi and Black Rivers Valley Railway, at or near the Rockland Slate Quarry in the township of Brompton.

Power to acquire lands, etc., rolling stock and dispose of same.

5. The Company may acquire the lands necessary for the construction of its road, stations and other appurtenances and all necessary rolling stock, and may afterwards sell and convey such portion thereof as may be found necessary for its use.

6. The persons mentioned by name in the first section of this act, are hereby constituted provisional directors of the company (the majority of whom shall be a quorum). Provisional directors.

They shall hold office as such until the first election of directors under this act. Term of office.

They shall have power forthwith to open stock books and procure subscriptions of stock for the undertaking, and to receive payments on account of stock subscribed, and to cause plans and surveys to be made, and to deposit in any chartered bank of Canada moneys received by them on account of stock subscribed. Powers.

7. The capital stock of the company shall be three hundred thousand dollars, divided into shares of one hundred dollars each. Capital stock. Shares.

The money so raised shall be applied, in the first place, to the payment of all fees, expenses and disbursements for procuring the passing of this act, and for making the surveys, plans and estimates hereby authorized. Application of moneys raised in first instance.

The remainder of such money shall be applied to the making, equipping, completing and maintaining of the said railway, and other purposes of this act. Application of remainder.

8. It shall be lawful for the company to receive from private individuals or municipal or other corporations for the purpose of aiding the construction of the said railway any real estate or moveable property or any sum of money as a gift or as a bonus or in payment of shares and to dispose of the same by sale, lease, license to cut timber or work mines if not necessary for the uses of the company. Company may receive money etc., in aid of road.

Power and authority are hereby given to any municipal or other corporation in order to aid the construction or maintenance of said railway to contribute lands or moveable property or money for such purpose or to subscribe for or purchase shares in the capital stock of the company, by complying with the provisions of the Municipal Code. Municipal corporations may subscribe, &c.

9. So soon as thirty thousand dollars of the said capital have been subscribed as aforesaid, and ten per cent thereof paid into some chartered bank in Canada, the provisional directors shall call a meeting of the shareholders of the company at the city of Sherbrooke, at such time and place as they think proper, giving at least two weeks' notice in a newspaper published in the English language and in another newspaper published in the French language in the city of Sherbrooke. First meeting of company. Notice therefor.

At such meeting the shareholders shall elect five directors from the shareholders possessing the qualifications hereinafter mentioned, of whom three shall form a quorum; which directors shall hold office until the next annual meeting of the shareholders, as hereinafter provided. Election of directors at such meeting. Term of office of directors so elected.

Annual general meeting when and where to be held.

10. The annual general meeting of the shareholders for the election of directors and other general purposes shall be held on the first Wednesday in February in each year at the city of Sherbrooke or elsewhere, as may be appointed by by-law.

Notice thereof.

Notice of the hour and place of such meeting shall be given at least fourteen days previously in one or more newspapers published in the city of Sherbrooke, until the mode of giving such notice is otherwise determined by the by-laws.

Election of directors at such meeting. Number and quorum.

11. At such general meeting, the subscribers for the capital stock assembled shall choose five persons to be directors of the company, of whom three shall be a quorum.

Shareholders' right to vote.

Shareholders who have not paid up all calls due on their shares shall not vote at any meeting.

Qualification of directors.

12. No person shall be elected a director of the company unless he is a shareholder holding at least five shares in the stock of the company, and has paid up all calls made thereon.

Directors may issue bonds.

13. The directors of the company, under the authority of the shareholders to them given at any general meeting called for the purpose, attended by shareholders in person or represented by proxy, representing at least one-half in value of the subscribed stock of the company, are hereby authorized to issue bonds under the seal of the company, signed by its president or other presiding officer, and countersigned by its secretary, which counter-signature and the signature to the coupons attached to such bonds may be engraved.

Signature thereupon.

When and where payable. Interest.

Such bonds may be made payable at such times and in such manner, and at such place or places, in Canada or elsewhere, and bear such rate of interest as the directors think proper.

Sale, etc., of bonds.

The directors shall have power to issue and sell or pledge all or any of the said bonds 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.

Amount of bonds limited.

The amount of such bonds so issued, sold or pledged shall not exceed twenty thousand dollars per mile of the said railway, to be issued in proportion to the length of railway to be constructed.

Bonds may be secured by mortgage deed.

14. The company may secure such bonds by a mortgage deed creating such mortgages, charges and incumbrances upon the whole of such property, assets, rents and reve-

nues of the company, as shall be described in the said deed, but such rents and revenues shall be subject, in the first instance, to the payment of the working expenses of the railway.

By the said deed, the company may grant to the holders of such bonds, or the trustee or trustees named in such deed, all and every the powers, rights and remedies granted by this act in respect of the said bonds, and all other powers, rights and remedies not inconsistent with this act, or may restrict the bondholders in the exercise of any power, privilege or remedy granted by this act, as the case may be.

All the powers, rights and remedies so provided for in such mortgage deed, shall be valid and binding and available to the bondholders in manner and form as therein provided.

Every such mortgage deed shall be deposited in the office of the Provincial Secretary of this Province, of which deposit notice shall be given in the Quebec Official Gazette.

15. The bonds 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 and real and personal property thereof, now or at any time hereafter acquired, save and except as provided for in the next preceding section.

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

No proceedings authorized by law or by this act shall be taken to enforce payment of the said bonds, or the interest thereon, except through the trustee or trustees appointed by or under such mortgage deed.

16. If the company make default in paying the principal or interest of any of the bonds hereby authorized at the time when the same, by the terms of the bond, becomes due and payable, then at the next annual general meeting of the company, and at all subsequent meetings, all holders of bonds 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 be attached to them as shareholders if they had fully paid up shares of the company to a corresponding amount.

The right given by this section shall not, however, be exercised by any bondholder, unless it be so provided by the mortgage deed, nor unless the bond, in respect of which he claims to exercise such right, has been registered in

his name in the same manner as that in which the shares of the company are registered, at least ten days before he attempts to exercise the right of voting thereon ;

Company bound to register bonds.

The company, shall be bound on demand to register such bonds, and thereafter any transfers thereof in the same manner as shares or transfers of shares.

Rights of bondholders not otherwise affected.

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 are entitled under the provisions of such mortgage deed.

Bonds may be payable to bearer. Transfer in such case. Same after registration.

17. All bonds, debentures and other securities hereby authorized may be made payable to bearer, and shall, in that case, be transferable by delivery unless and until registration thereof is made, 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.

New issue of bonds in certain case.

18. In the event at any time of the company making an issue of bonds which, for any reason it desires to cancel before actual sale or disposal thereof to the public, or after such sale or disposal with the consent of the holders of such bonds, and upon their surrender and cancellation, the directors of the company may cause a new issue of bonds to be made.

Limits of new issue.

Such new issue shall not exceed the limits prescribed by this act, and no portion thereof shall be disposed of or offered for disposal until all the bonds which they replace shall have been surrendered and cancelled in the presence of a duly commissioned notary public practising in the Province of Quebec, and such cancellation has been established by an act passed before the said notary signed and executed by the president or vice-president and secretary of the company.

Not to be issued until old ones are surrendered and cancelled.

Company may become party to promissory notes.

19. The company may become party to promissory notes and billes of exchange for sums not less than one hundred dollars.

Notes signed by officers binding on company.

Any such note or bill made, drawn, accepted or indorsed by the president or vice-president of the company, and countersigned by the secretary, shall be binding on the company.

Notes to be deemed to be lawfully signed.

Any such note or bill of exchange so made, drawn, accepted or indorsed, shall be presumed to have been made, drawn, accepted or indorsed with proper authority until the contrary be shown.

Seal not necessary.

In no case shall it be necessary to have the seal of the company affixed to any such promissory note or bill of exchange, nor shall the president or vice-president or secretary be individually responsible for the same, unless

Officers signing not personally liable.

the said promissory note or bill has been issued without proper authority.

Nothing in this act 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.

Company not to issue notes payable to bearer, etc.

20. The company may also construct an electric telegraph or telephone line for the purposes of the undertaking in connection with the railway.

Telegraph and telephone may be built.

21. The company may enter into an agreement with the Massawippi Valley Railway Company or the Atlantic and North West Railway Company, the Missisquoi and Black Rivers Valley Railway Company or with any other incorporated company, for conveying or leasing to either or both of such companies the railway of the company hereby incorporated, in whole or in part, or any rights or powers acquired under this act, as also the surveys, plans, works, plant, material, machinery and other property to them belonging, or for an amalgamation with either or both of such companies, on such terms and conditions as may be agreed upon, and subject to such restrictions as to the directors seem fit, provided that such agreement has been first sanctioned by two-thirds of the votes at a special general meeting of the shareholders called for the purpose of considering the same, on due notice given, at which meeting shareholders representing at least one-half in value of the stock, are present in person or represented by proxy.

Company may enter into certain agreement with certain railway companies for leasing road and for other purposes.

Agreement to be ratified.

22. The railway shall be commenced within three years and completed within five years from the passing of this act.

Commencement and completion of railway.

C A P . X C V I I I .

An Act to incorporate the Orford Mountain Railway Company.

[Assented to 12th July, 1888.]

WHEREAS Samuel Willard Foster and George Greene Foster, esquires, and the Honorable William Warren Lynch have petitioned for the passing of an act incorporating a company authorized to construct a railway from a point at or near Eastman, in the County of Brome, to, at or near Lawrenceville, in the County of Shefford, with power to construct branch lines from either or both of said points, of such length as may be deemed expedient in the

Preamble.