

- Proviso. brances, and to apply the said property and the proceeds thereof to the purposes of such Institute; provided, however, that on becoming so vested with the estate of the said late Donald Ross the said corporation shall become and be responsible for the payment of the several legacies created and existing under the will and codicil of the said late
- Further proviso. Donald Ross; and provided also that the provisions of this section shall not be held to extend or apply to the Trafalgar property fronting on the Côte des Neiges Road, near Montreal, which is hereby excepted therefrom.
- Institute may affiliate. 4. The said Institute may affiliate, on such terms as may be agreed on, with any other Protestant educational institution in the Dominion of Canada.
- Subscribers of certain sum may appoint member of corporation. 5. Subscribers, to the endowment fund, of ten thousand dollars or upwards, shall be entitled to appoint an additional member of the corporation for each ten thousand dollars subscribed and paid, and may by deed or will transfer such right of appointment to another person, who and whose successors, similarly appointed, shall thereupon be vested with the same rights as the original subscriber.
- Qualification of such members. Such additional members must belong to and continue to belong to some Protestant denomination in the Dominion of Canada, and shall hold office until death or resignation.
- Filling of vacancies. 6. When a vacancy shall occur amongst the members to be appointed under this act, the corporation shall, at their next meeting, call upon the person having the right of appointment to cause such vacancy to be filled, failing which, within such term as may be fixed by by-law, the corporation shall have themselves the right to appoint a proper person to fill such vacancy.

## CAP. LXVI.

An Act to change the name of "The Sherbrooke Permanent Building Society" to that of "The Sherbrooke Loan and Mortgage Company." and to extend the powers thereof.

[Assented to 21st June, 1886.]

Preamble.

**W**HEREAS the Sherbrooke Permanent Building Society, a body politic and corporate, has, by its petition, represented that it was incorporated under the authority of the Legislature of the late province of Canada, Consolidated Statutes for Lower Canada, chapter 69, and

that from the increase of its capital and the nature and extent of their present business, it is desirable to change the name of the said corporation to that of "The Sherbrooke Loan and Mortgage Company," and to grant it additional powers, and it is expedient to grant the prayer of its said petition; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

1. The said "Sherbrooke Permanent Building Society," and all its members, their successors and assigns forever, are hereby constituted a body politic and corporate, under the name of "The Sherbrooke Loan and Mortgage Company," having its principal place of business in the city of Sherbrooke;

Society constituted into a corporation.

Name.

Head office.

Under that name the company shall be capable of suing and being sued, pleading and being pleaded in all courts and places whatsoever, and shall have the right to increase its present capital to the amount of two hundred and fifty thousand dollars.

Power to sue, &c.

Increase of capital.

2. The Sherbrooke Loan and Mortgage Company shall not be deemed to be a new corporation, but it shall have, hold and continue to exercise all the rights, powers and privileges that have heretofore been held and exercised and enjoyed by the Sherbrooke Permanent Building Society, in as full and ample a manner as if the said Society had continued to exist under its original name; and all statutory provisions applicable to the said Society shall continue applicable to the Sherbrooke Loan and Mortgage Company, so far as the same are not contrary to or inconsistent with the provisions of this act.

Company not a new corporation.

P. w. rs. &c., continued.

3. All the real and moveable property, shares or stock, obligations, debts, rights, claims and privileges of the Sherbrooke Permanent Building Society, shall be and are hereby transferred to and vested in the Sherbrooke Loan and Mortgage Company; and all the shareholders in the said society shall be shareholders for like amounts and with like rights in the Sherbrooke Loan and Mortgage Company; but all legal proceedings, heretofore begun by or against The Sherbrooke Permanent Building Society, may be continued and terminated under the name or style of cause in which they have been instituted, for the benefit of or against The Sherbrooke Loan and Mortgage Company.

Property vested in corporation.

Shareholders.

Pending suits.

4. The present president, vice-president, directors and officers of The Sherbrooke Permanent Building Society shall continue in office as such in The Sherbrooke Loan and Mortgage Company, with the names of president,

Present officers continued.

vice-president, directors and officers of The Sherbrooke Loan and Mortgage Company, until replaced in conformity with the by-laws of the company and the provisions of the law.

Present by-laws continued.

5. All the present by-laws and rules of the Sherbrooke Permanent Building Society shall continue in full force and effect, and shall be binding in law as regards The Sherbrooke Loan and Mortgage Company, its directors, officers, shareholders and borrowers, until modified, amended or repealed in conformity to law and the provisions of this act.

Shareholder's liability limited.

6. No shareholder of the company shall be liable for or charged with the payment of any debt or demand due from the company, beyond the extent of his shares in the capital of the company not then paid up.

Power to lend money on mortgage, &c.

7. The Sherbrooke Loan and Mortgage Company may lend money upon hypothec or other security on real estate or otherwise, in conformity with the laws authorizing the establishment of building societies in Canada, and with the by-laws of the company, to any person or persons, or body corporate, at such times and rates of interest as may be agreed upon, without requiring any of such borrowers to become subscribers to the stock or members of the company.

Power to purchase, &c., mortgages, debentures, &c.

8. The Sherbrooke Loan and Mortgage Company may purchase mortgages upon real estate, debentures of municipal or other corporations, Dominion or Provincial stock or securities, and stocks of incorporated bodies or companies, and it may re-sell all such securities as to it shall seem advisable; and for that purpose it may execute such assignments or other instruments as may be necessary for carrying the same into effect; it may also make advances to any person, or persons, or body corporate upon the same securities at such rates of discount or interest as may be agreed upon.

Power to execute deeds for that purpose.

9. The company may act as an agency and trust company, and may hold, invest and deal, in its own name or otherwise, with such real estate, moneys, mortgages, hypothecs, securities or evidences of debt, debentures of municipal or other corporations, Dominion or Provincial stocks or securities, and stocks of incorporated bodies or companies, as shall, from time to time be transferred or delivered to the company upon trust or as agent, and may exercise all the rights which the parties so transferring or delivering the same might or could exercise;

Company may act as agent and hold property, &c., as such.

9. The company may act as an agency and trust company, and may hold, invest and deal, in its own name or otherwise, with such real estate, moneys, mortgages, hypothecs, securities or evidences of debt, debentures of municipal or other corporations, Dominion or Provincial stocks or securities, and stocks of incorporated bodies or companies, as shall, from time to time be transferred or delivered to the company upon trust or as agent, and may exercise all the rights which the parties so transferring or delivering the same might or could exercise;

The company may give such guarantee as may be agreed upon for repayment of principal or interest, or both, of any such moneys, mortgages, hypothecs, securities, evidences of debts, debentures or stocks.

Company may give guarantee as such agent.

10. It shall be lawful for The Sherbrooke Loan and Mortgage Company to receive money on deposit, and also for the board of directors of the company to issue debentures of the company for such sums, not being less than fifty dollars, and in such currency as they may deem advisable, and payable in the Dominion of Canada or elsewhere, not less than one year from the issue thereof, and bearing such rate of interest as may be deemed advisable; provided always that the aggregate amount of money deposits in the hands of the company, together with the amount for which debentures may be issued and remain at any time unpaid, shall not exceed an amount equal to the amount of the actual paid up capital stock of the company and double the amount of the Reserve Fund of the company.

Company may receive money on deposit and issue debentures.

Proviso.

The debentures of the company may be in the form of schedule A to this act, or to the like effect.

Form of debentures.

Such debentures and deposits shall be a legal investment for trustees and administrators under the provisions of the acts of the Legislature of this Province, 42-43 Victoria, chapters 29 and 30.

To be legal investment under 42-43 V., ch. 29 and 30.

11. The Sherbrooke Loan and Mortgage Company shall not be bound to see to the execution of any trust, whether express, implied or constructive, to which any share or shares of its stock, or to which any deposit or any other moneys payable by or in the hands of the said company may be subject; and the receipt of the party in whose name any such share or shares or moneys stand in the books of the company shall, from time to time, be sufficient discharge to the company, for any payment of any kind made in respect of such share or shares or moneys, notwithstanding any trust to which the same may then be subject, and whether or not the company has had notice of such trust; and the company shall not be bound to see to the application of the money paid upon such receipt.

Company not bound to see to execution of any trust in its shares, &c.

Certain receipt to be a discharge.

12. The Sherbrooke Loan and Mortgage Company shall have power to acquire and hold by purchase, lease or other legal title, houses, buildings and premises, and also real estate for the purpose of constructing and building houses and other buildings thereon, and to lease, let, sell, convey and dispose of the said property, houses and

Power of company to acquire houses, &c.

Proviso.

Lease under sec. 14 to be sale within meaning of this section.

Power of company to execute lease in favor of intending purchaser under agreement, under certain terms.

Lease under this act not to convey ownership,

Until amount stipulated be paid in full and other obligations fulfilled.

Promise of sale to be conditional, the con.

If lessee fulfill conditions, &c.,

Lease held to vest property in lessee,

Who may require execution of deed of sale.

buildings so acquired or erected by the company; provided always that the company shall sell the property so acquired within ten years from the date of purchase thereof, and that any lease made according to the provisions of section 14 of this act, shall be held to be a sale within the meaning of this section.

**13.** Upon an agreement being made by the said company for the sale of any house or other real estate held thereby, it shall be lawful for the company to execute, in favor of the intending purchaser thereof, a lease thereof for the time stipulated in such agreement of sale, as the limit of delay thereby fixed for the payment of the last instalment of the price therein agreed upon, at a rental corresponding, in the amount and in the terms of payment thereof, with such price and with the terms of payment of such price.

If such lease appear by its terms to have been made under the provisions of this act, it shall not be held to convey, to such intending purchaser, any right in or to the property intended to be sold, or any real right therein whatever, nor shall the possession thereof by the intending purchaser be held to be a possession as proprietor, nor shall any lien or hypothec be created or attached thereon (notwithstanding that such lease shall contain a direct promise of sale of such property, so soon as the conditions thereof shall have been performed), until the sum of money in such lease stipulated for, and every part and portion thereof, shall have been fully paid with all interest due thereon, nor until the charges, conditions and obligations, created by or due under such lease, shall have been fully paid, performed and fulfilled, and the agreement or promise of sale shall be conditional on the fulfilment of all the covenants of such lease.

**14.** If the intending purchaser or lessee, having accepted a lease under this act, of the property intended to be acquired by him from the company, shall make all the payments and perform all the conditions stipulated for by such lease, and shall fulfill all the obligations thereby imposed upon him, the said lease shall thereupon and thereafter be held to be and shall be equivalent to a promise of sale of such property with possession, and shall vest the same in such intending purchaser in the same manner and to the same extent as if it were an ordinary promise of sale (*promesse de vente*), and shall give the right to the holder thereof to demand and have, from the company, a valid deed of sale of the property mentioned therein, containing warranty of title and against all charges thereon,

other than those disclosed and agreed to be permitted to remain thereon; and all hypothecs and privileges, whether conventional or legal, which were created by the intending purchaser, during the pending of the lease shall immediately thereupon attach to the property, according to their rank and privilege and the date of their registration, in the same manner as if the same had been the property of such intending purchaser from the date of such lease.

Effect thereof as to mortgages, &c.

**15.** If, at any time, three months' arrears of the instalments stipulated for any such lease shall become due and shall remain unpaid, the company shall have the right to re-take possession of the property intended to be sold, upon giving to the intending purchaser or lessee twenty days' notice to vacate and deliver back the same, and tendering to him the amount by him actually paid on account of the instalments agreed upon in the lease, after the deduction therefrom of interest at the rate of ten per cent per annum on the price agreed upon remaining unpaid each year, for the time during which the premises agreed to be sold remained in the occupation of the intending purchaser, by way of rent for the use and occupation of such premises, and also the cost of such tender, the expense of tenant's repairs, and of restoring all deterioration suffered by the premises so intended to be sold (reasonable wear and tear excepted), and all taxes, charges and assessments which attach thereto by the occupation thereof by the intending purchaser or lessee, and which shall then remain unpaid; all which charges and deductions shall be a first and privileged charge upon the amounts so actually paid in by him.

Power of company to re-take possession, in default of payment of three months' instalments.

Notice for such purpose.

Tender of amounts paid, less certain deductions.

But if the instalments payable annually under such lease shall amount to less than ten per centum upon such price, then and in that case, the amount to be deducted for rental shall be the amount of instalments stipulated for in such lease.

Proviso if annual instalments are less than certain percentage of price.

**16.** If, at the end of twenty days after service of such notice and tender, the intending purchaser or lessee shall not vacate and deliver back to the company the premises intended to be bought by him, the company shall have the right to cause him to be ejected therefrom by proceedings to be taken under the provisions of the first chapter of the second title of the second book of the Code of Civil Procedure of Lower Canada, commencing with article 887, and in all respects in the same manner and with the same delays as if such lease were an ordinary lease.

Proceedings if after notice lessee fail to deliver up premises.

The costs awarded to the company in any such action shall also be a charge upon and be deducted from the

Costs upon such proceedings.

amount of money actually paid in by the intending purchaser.

Tender to be valid though found to be insufficient, if company have used diligence to ascertain amount.

17. Any tender made by the company shall be held to be sufficiently made if the company shall have *bona fide* used diligence to ascertain the amounts which it shall be entitled to retain out of the purchase money paid in by the intending purchasers, notwithstanding that the amount tendered may not be precisely that which should have been so tendered according to the provisions hereof; and in such case the company and the intending purchaser shall have the right to recover, each from the other, the amount which may have been over or under tendered.

Lien of company for balance due to it.

18. In the event of the surrender of any property so leased, as aforesaid, and of the sum of money actually paid in by the intending purchaser being insufficient to meet all the charges thereon and deductions therefrom herein provided for, the company shall have the same lien, privileges and remedies as an ordinary lessor upon the effects of the intending purchaser or lessee for the balance remaining due; provided always that such balance does not exceed in amount the sum chargeable against such intending purchaser, by way of rental for the use and occupation of the premises intended to be sold, expense of repairs and the taxes, charges and assessments.

Proviso.

Copies of by-laws to be *prima facie* evidence.

19. A copy of any by-law of the company, purporting to be signed by any officer of the company, shall be received as *prima facie* evidence of such by-law, in all courts of law or equity in this Province.

Company may present petition to have right in shares declared.

20. If the directors of the company shall entertain doubts as to the legality of any claim to and upon any share or shares of the capital stock, it shall be lawful for the company to make and file in the Superior Court for Lower Canada, sitting in the District of Saint Francis, a declaration and petition in writing, addressed to the justices of the said court, setting forth the facts and praying for an order or judgment, adjudicating or awarding the said shares to the party or parties legally entitled to the same, and by which order or judgment the company shall be guided and held fully harmless and indemnified and released from all and every other claim for the said shares, or arising therefrom; provided always that notice of such petition shall be given to the party claiming such shares, who shall, upon filing such petition, establish his right to the several shares referred to in such petition; and the delays to plead, and all other proceedings in such cases, shall be the same

Proviso as to notice.

Procedure.

as those observed in interventions in cases pending before the Superior Court ; provided also, that unless the said Superior Court otherwise order, the costs and expenses of procuring such order and adjudication shall be paid by the party or parties to whom the said shares shall be declared lawfully to belong ; and such shares shall not be transferred until such costs and expenses are paid, saving the recourse of such party contesting his right.

Costs how paid.  
Transfer of shares only after payment of costs.

SCHEDULE A.

THE SHERBROOKE LOAN AND MORTGAGE COMPANY.

Debenture No.                      Transferable  
Under the authority of an Act of the Legislature of the Province of Quebec, Dominion of Canada.  
The Sherbrooke Loan and Mortgage Company promises to pay to                                      or bearer the sum of  
on the                                      day of                                      , one thousand eight hundred and                                      , at                                      with interest at the rate of                                      per cent per annum, to be paid half-yearly on presentation of the proper coupon for the same as hereunto annexed.

Dated at                                      , the                                      day of                                      18  
For the Sherbrooke Loan and Mortgage Company.

Secretary.                                      \_\_\_\_\_                                      President.

COUPON.

No. 1.  
Half-yearly dividend due                                      of                                      18 ,  
on Debenture No.                                      issued by this Company on the  
day of                                      , 18                                      , for  
at                                      per cent per annum, payable at  
For The Sherbrooke Loan and Mortgage Company.

Secretary.                                      \_\_\_\_\_                                      President.