

C A P. L X V .

An Act to ratify and confirm certain resolutions of the shareholders of the Montreal Cotton Company.

[Assented to 10th June, 1884]

Preamble.

WHEREAS the Montreal Cotton Company, (hereinafter styled "the company,") are a body corporate and politic, incorporated under Letters Patent of this Province, with a capital stock of one million dollars ;

Whereas, of the said capital stock, seven thousand nine hundred and forty-two shares, representing seven hundred and ninety-four thousand, two hundred dollars, have been issued, upon which no further calls are payable :

Whereas it hath become necessary to confirm the unanimous action of the shareholders of the company with respect to the settlement of certain liabilities soon to mature, and the issuing of bonds to the extent of three hundred thousand dollars, for the purpose of paying off these liabilities and otherwise to enable the said company to make financial provision for the future ;

And whereas it hath been arranged by the directors of the said company, that Henry Lyman, merchant, Charles Garth, manufacturer, and John Macintosh, accountant, all of the city of Montreal, shall act as trustees for the bondholders ; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Certain deeds of obligation confirmed.

1. The two deeds of obligation and mortgage between the said company of the first part, and John Bullough of the second part, executed at the city of Montreal on the eighth day of August, eighteen hundred and seventy-six, and on the thirtieth day of August, eighteen hundred and eighty-three, under the numbers 13,191 and 18,261 respectively, are and each of them is, with the covenants therein contained, good, valid and legal to all intents and for all purposes whatsoever, and, until paid, shall be a first hypothec and lien upon the property, factory buildings, machinery and water privileges of the said company in the said deeds described.

Certain mortgage bonds declared valid and binding.

2. The bonds or debentures of the said company, to be dated the first day of May, eighteen hundred and eighty-four, being a series of six hundred bonds or debentures for the sum of five hundred dollars each, and numbered consecutively, from one to six hundred, inclusively, identified by the signatures of the said Henry Lyman, Charles Garth

and John Macintosh, the said trustees, and forming an aggregate issue of three hundred thousand dollars, bearing interest at such rate as may be fixed upon by the directors of the company, payable on the first days of November and May in each year, are declared to be valid, legal and effective, and to be secured by a deed of hypothec, upon the property, factory buildings, machinery and water privileges of the said Montreal Cotton Company, as executed at the city of Montreal on the fourth day of April, eighteen hundred and eighty-four, before W. A. Phillips, notary public, in favor of the said Henry Lyman, Charles Garth, and John Mackintosh, as such trustees, which deed of hypothec is hereby confirmed and declared, with all its covenants, valid and binding upon the said company; and, so soon as the said mortgages to the said John Bullough shall have been paid and discharged, the said mortgage, given to secure the said bonds, shall be a first hypothec and lien upon the property, factory buildings, machinery and water privileges of the said company as therein described and set forth.

Security for
payment
thereof.

3. The directors of the said company may and are hereby authorized, by resolution of the board, to issue, at such prices as they may think advisable, as preferential shares, the shares of the capital stock thereof remaining unallotted on the day when this act shall be sanctioned, or such number thereof as, from time to time, in the opinion of the directors, may be best in the interest of the company; the dividends on such shares shall be preferential, as between the holders thereof and the holders of ordinary shares, at such rate and payable at such periods and in such manner as the directors may determine.

Preferential
shares may be
issued.

Dividends
thereon.

Until such preferential dividends as may be declared, shall have been paid, no dividends shall be declared or paid on the ordinary shares of the company, and afterwards shall only be so paid out of the balance of profits which shall remain after payment of the said preferential dividends; but, at the end of such period from the issue of the said preferential stock as shall be fixed by the board or the shareholders, such preference shall cease, and the said preferential stock shall become ordinary stock; provided always that the said directors shall only exercise the said powers upon being thereto authorized by three-fourths in value of the shareholders of the company represented at any annual general meeting, or at any special meeting of the company, duly called for considering the same; such meeting shall be advertised in two daily and two evening newspapers published in the city of Montreal, one month previous thereto; and provided also that the shareholders of

Proviso as to
dividends on
ordinary
shares.

Conversion of
preferential
into ordinary
stock after a
certain time.
Proviso.

Further pro-
viso.

the company, at the date of the said issue or issues, shall have a preferential right to subscribe within such time, not less than thirty days, as shall be fixed by the resolution authorizing the issue, for the new issues in proportion to the number of paid up shares held by each.

Certain acts
and by-laws to
apply to pre-
ferential
stock.

4. All the provisions of the act or acts and the by-laws of the company which were, or are now, or may become applicable to the ordinary stock of the company, not inconsistent with the provisions of this act, shall apply to the preferential stock which may be subscribed for or be allotted under this act.

Coming into
force.

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

C A P. L X V I.

An Act to ratify debentures issued by "La Compagnie de Filature, Ste. Anne, Hochelaga," and to empower the directors of the said company to grant hypothecs on immovable property.

[Assented to 10th June, 1884.]

Preamble.

WHEREAS "La Compagnie de Filature, Ste. Anne, Hochelaga," was incorporated by Letters Patent in virtue of the Joint Stock Companies Incorporation Act, 31 Victoria, chapter 25, with an authorized capital of three hundred thousand dollars, for the purpose of spinning, weaving, manufacturing and selling textiles of all sorts in cottons, woollens, &c.; and whereas the said company had to expend, in purchasing land and machinery, and in erecting the machinery necessary for the carrying out of its operations, an amount exceeding its authorized capital; and whereas an additional amount of one hundred and fifty thousand dollars, over and above its authorized capital stock, was required for the proper attainment of the object of the company, and debentures to the said amount were issued by the company, in virtue of a by-law passed to that effect by the directors, and approved by the shareholders of the company, for the purpose of borrowing or realizing the said amount of one hundred and fifty thousand dollars; and whereas doubts have arisen as to the validity of the said debentures, and it is expedient to remove such doubts, and to provide for the giving of a mortgage, or hypothec on the immovable property of the company, to trustees on behalf of the holders of such debentures, as security for the payment thereof; Therefore, Her Majesty,