

43-44 Vict.,
Cap. 60 sec.
111 amended.

29. Section 111 is amended, by striking out the words: "in the province of Quebec," in the third line and also by striking out the words: "twenty-five" in the sixth line, and replacing them by the word: "fifty." It is further amended by adding the words: "In the interval it shall enjoy such real estate so acquired and may, from time to time, hypothecate or lease the same."

Id. sec. 124
amended.

30. Section 124 is amended, by striking out the words: "in force in the province of Quebec."

Renunciation
of privilege
contained in
section 127.

31. The general meeting of the shareholders, on motion of the board of management, may, if it thinks proper, renounce the privilege granted to the corporation by section 127.

Proclamation
thereupon and
effect thereof.

After a certified copy of the vote, renouncing such privilege, shall have been deposited in the office of the provincial secretary, the lieutenant governor, in council, may issue a proclamation establishing that the corporation has renounced its privilege, and, from and after the publication of such proclamation, section 127 shall be and remain repealed.

C A P . L X X X V .

An act to incorporate "*Le Crédit Mobilier et Agricole de Québec.*"

[Assented to 27th May, 1882.]

Preamble.

WHEREAS Messrs. Alfred Esdras de St. Georges, of the city of Quebec, advocate, late member of the House of Commons of Canada, George Vézina, of Château Richer, county of Montmorency, gentleman, Etienne Moranges, of Versailles, France, gentleman, Joseph Bolduc, of St. Victor de Tring, county of Beauce, manufacturer, and member of the House of Commons of Canada, and Joseph Edmond Roy, of the town of Levis, Notary, have, by their petition, prayed for an act of incorporation for the establishment, by means of capital to be subscribed in France, in England, in the Province of Quebec or elsewhere, of a general company of industrial, commercial and agricultural credit, (*Crédit Mobilier et Agricole*) to further the increase of manufactures, the development of natural, industrial, commercial and agricultural resources and of all financial matters relating thereto;

And whereas it is expedient to grant the prayer of their petition;

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

TITLE FIRST.

INCORPORATION OF THE INSTITUTION.

1. A corporation is hereby created and constituted under the name of "Le Crédit Mobilier et Agricole de Québec." Constitution and name of corporation.

TITLE SECOND.

OBJECTS OF THE CORPORATION.

2. The objects of the corporation shall be :

Objects of the corporation.

1. To advance sums of money to any person or corporation, with or without personal security, or upon public guarantee, commercial securities, agricultural implements, seeds, or any harvested crops, municipal and other debentures, or stocks of companies or societies, on any title whatsoever ; To advance moneys.

2. To acquire all securities on which it is authorized to loan money ; Acquire securities ;

3. To make over or give as guarantee all securities which it may acquire ; Transfer &c., securities ;

4. To assist, by means of loans, the undertaking of any enterprise connected with industry, manufactures, agriculture and others ; Assist industries ;

5. To assist, by means of loans, the working of all mines, quarries, mineral springs and others, waterpowers and everything connected with fisheries ; Assist mining &c.

6. To undertake all public and municipal works, including the macadamizing of roads, the opening of colonization roads, with also the right to lease, hypothecate or sell all immovables which may be acquired or may be possessed by it for the above purposes ; Undertake public &c., works &c.

7. To undertake the issue of the capital of all companies, and the placing on the market of their shares or debentures, and obtain all necessary subscriptions, accept all mandates to control or superintend the operations of any company and proxies to represent them when necessary. Undertake issue of capital of companies.

TITLE THIRD.

HEAD OFFICE AND BUSINESS OF THE CORPORATION.

3. The head office of the corporation shall be at Quebec, Head office.

Canada. It may be transferred anywhere else upon resolution of the Board of management; but the company shall always have an office in the province of Quebec.

Business of
the corpora-
tion, &c.

4. The business of the corporation shall be transacted in the Province of Quebec and wherever branch offices shall be established; and the company may apply to any competent authority, whenever the same may be necessary, to obtain the required permission for the full and complete exercise of the powers hereby conferred upon it.

TITLE FOURTH.

CAPITAL STOCK—SHARES—INSTALMENTS.

Capital stock. 5. The capital stock shall be fifty million francs, French currency, divided into one hundred thousand shares of five hundred francs each.

Increase thereof. It may be increased by a resolution of the general meeting in conformity with the laws in force in this province.

Issues of capital stock. 6. The capital stock of fifty million francs shall be composed of issues of ten thousand shares each, of which the first shall be issued at once.

On the ten thousand shares, composing the first issue, fifty francs shall be paid on subscribing, and seventy-five francs in the month following.

Issue of balance of stock. The dates of the issues of the remaining ninety thousand shares shall be determined by the board of management. Holders of shares, previously issued, shall, within the delay fixed by the board of management, be entitled, by privilege and in proportion to the stock they hold, to subscribe for such ninety thousand shares.

How to be paid. The new shares must be paid up in the same proportion as the shares previously issued.

Calls. The new shares shall not be allotted below par.

The board of management shall determine the amount of the calls, as well as the manner and the delay in which they shall be paid up.

Founders. 7. The subscribers to the capital stock, to the extent of the one hundred thousand shares mentioned in section 5, shall be the founders of the corporation, and shall, as such, be entitled to the benefits mentioned in section 8 and others of the present act.

Certificates to founders. Stock certificates shall be given to the founders, to establish their rights under the first paragraph of section 8 and others, and to facilitate their obtaining their share of the profits, specified in certain sections of the present act.

The board of management shall determine the form of such certificates and the method of their transfer shall be the same as in the case of shares.

Form and transfer thereof.

8. In the event of the capital stock being increased beyond fifty million francs, the founders and the holders of shares; previously issued, shall have a right, by preference, to subscribe for the shares to be issued, in the ratio of thirty per cent for the founders or their representatives, and seventy per cent for the shareholders.

Right of shareholders to preference in certain case of issue of new shares.

The allotment of such seventy per cent shall be in proportion to the number of stock-certificates held by each shareholder.

How such shares to be allotted.

Such of the shareholders, as do not hold sufficient stock to entitle them to at least one share in the new issue, may unite together to form the number and to exercise their rights.

Proviso.

A regulation, drawn up and passed by the board of management, shall determine the delays and the manner in which the benefit of the above provisions may be claimed.

Board to pass regulations therefor.

9. The amount of the shares shall be payable at Paris, at Quebec or elsewhere, at such dates as may be fixed by the board of management.

Place and date of payments of shares.

After the first call shall be paid up, there shall be delivered to each shareholder an *interim* stock-certificate, bearing one of a series of numbers, upon which all subsequent payments shall be inscribed.

Interim stock certificates.

The calls, ordered by the board of management, shall be made known to the shareholders by means of advertisements, inserted a month beforehand, in one of the daily newspapers published in Paris and in Quebec.

Calls how notified.

10. Every sum of money, of which the payment is delayed shall, of right, bear interest for the benefit of the corporation, at the rate of six per cent per annum, from the date at which such payment becomes due and without any action at law being necessary.

Interest upon monies

11. If the instalments upon any of the calls on stock are not paid when due, the numbers of the *interim* stock certificates of those who are in arrear shall be published in one of the daily newspapers of Paris and of Quebec.

Advertisement of number of interim stock certificate if calls thereon are unpaid.

12. The *interim* certificates of the stock so sold shall, of right, become void; and new ones shall be delivered to the purchasers, under the same numbers.

Sale of stock in arrears and effect upon certificate.

Condition
requisite to
negotiability
of certificates.

13. Every *interim* certificate which does not contain a mention of the payment of the calls due thereon, shall cease to be negotiable. This condition shall be stated in the *interim* certificates.

Legal proceed-
ings may also
be taken.

14. The steps hereinabove authorized to be taken shall not prevent the corporation from having recourse, at the same time, to the ordinary proceedings at law.

Proceeds of
sale how
applied.

15. The proceeds of the sale, after deducting the costs, shall be imputed upon the amount due by the expropriated shareholder, who shall still be liable for the difference, if there be a deficiency, but who shall be entitled to receive the surplus if any there be.

Certificates to
bearer.

16. The corporation may, in pursuance of a resolution of a general meeting or of the board of management, deliver certificates to bearer, for shares on which fifty per cent is paid up, that is, two hundred and fifty francs.

Whence taken.

17. Certificates to bearer shall be taken from a register with counterfoil; they shall be numbered consecutively and bear the signature of two directors, and the seal of the corporation.

Transfer of
certificate to
order.

18. Certificates to order shall be negotiable by transfer, granted by the seller and accepted by the buyer. When the parties act through an agent, the power of attorney shall be delivered to the corporation.

Certificate as
to signatures.

19. The corporation may require that the signature of the parties and their capacity to act, be certified by a stock-broker, in France, and by a notary in Canada.

Corporation
not responsible
for validity of
transfer.

20. In no case shall the corporation be responsible for the validity of the transfer.

Transfer of
certificate to
bearer.

21. Certificates to bearer shall be transferred by simple delivery.

Exchange of
certificates
and conditions
thereof.

22. Any shareholder may claim, in exchange for certificates made payable to bearer, a certificate to his order and *vice versa*. The board of management shall determine the conditions, the manner, and the cost of effecting such exchange of certificates.

Ownership of
general shares
to bearer how
established.

23. The ownership of more than one share, in the name of the bearer, shall be established by a collective certificate.

24. Every share shall give its holder a right in the ownership of the assets of the corporation and to a share in the profits, in proportion to the number of shares issued. Rights of shareholders.

25. Payment of the dividends upon any share, either to order or to bearer, shall be valid, if made to the holder of the certificate. Payment of dividends to whom made.

26. The shareholders shall be liable only for the amount of each share ; no call shall be permitted beyond such amount. Liability of shareholders limited.

27. Every share shall be indivisible and the corporation shall recognize but one owner for each share. Shares indivisible.

Co-proprietors of a share shall be required to be represented by one and the same person. Representation of co-proprietors.

28. The rights and obligations, appertaining to shares, shall follow the certificate into whatsoever hands it may pass. Certain rights &c., follow the certificates.

The possession of a share shall of right entail compliance with the by-laws or regulations of the corporation and the decisions of general meetings. Obligations of holders of shares.

29. In the event of any stock-certificates to bearer being lost, the corporation shall not be obliged to replace them or to pay the interest or dividends due thereon, until it has been furnished with satisfactory proof of the loss of such certificates and of the rights of the claimants, and also until all legal formalities have been fulfilled. Loss of stock certificates to bearer.

30. The board of management shall determine the conditions on which certificates to order, which have been spoiled or mislaid, shall be replaced. Loss, &c., of stock certificates to order.

31. The heirs or creditors of a shareholder cannot, under any pretext whatsoever, require the affixing of seals upon the property and securities of the corporation, nor interfere in any way with the management thereof. They shall, for the exercise of their rights, abide by the financial statements of the corporation and the proceedings of general meetings. Seals, &c., not to be affixed to corporation property by heirs, &c., of shareholder. Rights of heirs how exercised.

TITLE FIFTH.

MANAGEMENT OF THE CORPORATION.

BOARD OF MANAGEMENT.

SECTION I.

32. The corporation shall be managed by a board of management, composed of from nine to fifteen directors, Management of the corporation.

President and vice-president. who shall annually elect, from amongst their number, a president and a vice-president.

Number of directors to be established by by-law. The number of directors, from nine to fifteen, shall, from time to time, be fixed by by-law or regulation.

Number until so established. Until otherwise provided, the board shall be composed of fifteen directors.

SECTION II.

Residence of president and vice-president. **33.** The board of management shall elect a president and a vice-president; one residing in France and the other in Quebec.

Meeting of board. **34.** The board of management shall meet as often as the interests of the corporation may require.

Division of board into two committees. **35.** The board of management shall be divided into two committees, one of them in Paris, the other in Quebec, with distinct powers hereinafter mentioned.

Members of committee. The Paris Committee shall be more numerous if there be more shareholders in France and, *vice-versa*, the Quebec Committee, if there be more shareholders in America.

Place and date of meetings of committees. **36.** The Paris and Quebec Committees shall hold their meetings at their respective offices. When proceedings, interesting the whole board, have been adopted by each Committee or, if in any other way, each director has been called upon to cast his vote, the proceeding or decision is complete.

Representation of absent directors. **37.** Every director, who is absent, may be represented, at the meetings of the Board, duly convened in committees, by special powers of attorney given to one of his colleagues or other person present at such meeting of the Board. No director, acting under such power of attorney, shall have more than three votes at the meeting.

Minutes. **38.** The proceedings shall be recorded by minutes entered in a register and signed by the president, the vice-president or the director who shall fill their place.

Appointment of directors. **39** The directors shall be appointed at the general meeting of the shareholders.

Appointment of first board and duration of office. Nevertheless, the first board of management shall be appointed by the persons mentioned in the preamble. This latter board shall remain in office for three years.

Qualification of directors. Before entering into office, each of them shall establish that he is possessed of fifty shares. These shares shall remain affected by privilege, as security for his good man-

agement and shall not be transferable, while he remains in office.

40. One third in number of the directors shall go out of office every year, after the third year. Retiring directors.

It shall be decided by lot which of the directors shall retire during the three years next after the first three, and, afterwards, they shall retire by seniority. They may always be re-elected. How chosen.

Any vacancy, occurring among the directors, shall be temporarily filled up by the board; and the next ensuing general meeting shall definitively elect a successor. Vacancies on board.

The director, who shall be appointed in the place of another, shall remain in office only during the remainder of his predecessor's term of office. Duration of office of replacing director.

41. The directors shall, for every time they are present, receive a counter or check, of which the value shall be determined by the general meeting. Presence counters.

42. The board of management shall have the most extensive powers for the management of the affairs of the corporation. Power of board of management.

It shall pass by-laws for its internal management and determine the amount of the cost thereof.

It shall appoint and remove the officers and employees of the corporation, determine their powers, and fix their fees, salaries and gratuities, etc.

It shall decide upon :

1. The general conditions on which loans shall be granted;

2. The preliminaries, forms and conditions of loans intended for the working of the corporation or the management thereof;

3. Calls upon shares issued and the issue of new shares;

4. The general rules to be followed in the investment of funds;

5. The annual statement of accounts to be submitted to the general meeting;

6. The determining the amount of the dividend and of the sums to be advanced on account thereof;

7. The amounts to be credited yearly to the reserve fund and to the provident fund and the method of investing them;

8. The establishment or closing of branch offices or agencies;

9. The amalgamation of the corporation with other companies;

10. Its anticipated dissolution;

11. The propositions to be submitted to the general meeting: with respect to the increase of the capital, the adopting of by-laws or regulations for the government of the corporation, for the direction and management of its affairs and the amendments or additions which it may be advisable to make in connection therewith;

12. All amendments to be made to the present act, which shall previously be submitted to the general meeting;

13. The creation and issue of obligations or bonds; the date of their issue;

14. It shall submit, each year, to the meeting a report upon the accounts and the financial position of the corporation, which report shall be printed and distributed to the members at the meeting;

15. It shall determine the dividends or the amounts to be distributed, the investment of its reserve fund and the calls upon its stock;

16. It shall authorize the different purchases for transactions existing or to be created, the purchase of immovable properties, alienation of property forming part of the capital of the company, either by sale or otherwise;

17. It shall determine the manner and mode of repayment of loans.

Division of
board into
committees.

43. It shall have the power to subdivide itself into sub-committees, invested with all or part of the privileges of the board. These sub-committees shall meet either at the head-office of the company or at one of its branches or elsewhere.

Branches.

44. It shall always have the right to open branches wherever it shall deem proper.

General power
of board.

45. It shall, in a word, decide upon all questions which relate to the management of the corporation.

Powers men-
tioned are not
imitative.

The powers, hereinabove given to the board of management, shall only be indicative and not limitative of its rights.

SECTION III.—PARIS COMMITTEE.

46. The members of the board of management, residing in France, shall be the delegates or representatives of the corporation, for all its business which may be transacted in Europe.

Members of board in France represent the society.

Such delegates and representatives shall act under the name of the "Paris Committee."

They shall establish an office in the city of Paris at such place as they may deem advisable.

Office to be established.

47. The said committee shall appoint its chairman and make rules for its internal management.

Appointment of chairman.

The same rules, established for the validity of the proceedings of the board, shall apply to those of the committee.

Certain rules applicable.

The Paris committee shall meet as often as it may deem advisable.

Meeting of Paris Committee.

The Quebec committee shall communicate to the said committee, by the first mail, after each of its meetings, the minutes of the proceedings of such meeting.

Communication of proceedings.

The Paris committee, shall perform the same office with respect to the Quebec committee.

The same.

The board shall obtain the advice of the Paris committee upon all questions set forth in sections 37 and 39, and in addition, upon all loans and transactions, of which the amount shall exceed forty thousand dollars or two hundred thousand francs.

Advice of Paris committee to be obtained in certain cases.

All loans, granted to one and the same person, and of which the aggregate shall amount to forty thousand dollars or two hundred thousand francs, shall be considered as a single loan to the like amount.

Loans to one person to certain amount shall be considered as one loan.

In the event of the Quebec committee differing in opinion from the Paris committee, the decision, to be valid, shall be carried by a three fourth's majority of the members of the entire board of management.

Difference in opinion of committees.

The Paris committee shall give its opinion, within a delay of one month, at the most, from the date on which the notice was mailed from Quebec; if, in such case, the committee does not reply, within such delay, the decision of the board shall be considered as having been approved.

Delay to give opinion.

The Paris committee is specially charged with the sale and investment of the bonds of the corporation in Europe.

Sale, &c., of bonds in Europe.

48. The Paris committee shall have a register for the transfer of the shares of the corporation and shall forward a list of transfers effected therein, to the office of the corporation in Quebec, in order that a complete register may be preserved there of all the shares to order in the said corporation.

Register for transfer of shares.

SECTION IV.—QUEBEC COMMITTEE.

Duties of Quebec committee.

49. The Quebec committee is charged to look after the business of the company in Canada and more especially :

1. To manage and look after, in conformity with the general by-laws of the board of management, all the interests of the company in Canada ;

2. To superintend the keeping of the Canadian account books and to control the fluctuation of funds and monies in Canada ;

3. To appoint paying tellers in Canada ;

4. To see to the payment of dividends to the Canadian shareholders ;

5. It shall appoint, subject to the approval of the Paris committee, a manager, who shall be charged with the administration of the business of the Company. This manager must establish that he holds one hundred shares, which shall remain affected by privilege as security for his management, and shall not be transferable while he remains in office. He shall do all things rendered necessary by the affairs of the company and authorized by the board of management.

THE CENSORS.

Appointment of censors.

50. Two censors, who shall hold twenty-five shares, shall be appointed every three years by the general meeting. They may always be re-elected.

Remuneration of censors.

In case of the death, absence, or illness of one of the censors, he shall be replaced by the board of management : The censors' remuneration shall be determined by the general meeting.

Their duties.

The duty of the censors shall be to see to the strict observance of the provisions of this act. They shall have the right to be present at general meetings and at those of the respective committees and to give their opinion. They shall examine the yearly accounts and inventories and certify to their correctness.

Examination of accounts.

The accounts, and all documents of the corporation, shall be submitted for their examination, at their request. They may, at any time, examine the cash, securities, vouchers and all other documents of the corporation. They shall make an annual return to the board of management, which return shall be printed and distributed to the members.

The censors shall have the right, when they unanimously decide upon it, and after having informed the board of management thereof, to have a special general meeting called.

May call special general meetings in certain cases.

TITLE SIXTH.

GENERAL MEETINGS.

51. The general meeting, regularly constituted, shall represent the whole body of the shareholders.

General meeting to represent all shareholders.

It shall be composed of all the shareholders holding at least twenty five shares.

How composed

In order to be entitled to take part in the proceedings of the general meeting, the shareholders must have held such twenty-five shares, at least thirty days before the day appointed for the meeting.

Quality required to take part in.

The list of shareholders, having a right to take part in the general meeting, shall be prepared by the board of management. It shall show, opposite the name of each shareholder, the number of shares which he holds.

Preparation of list of those who may take part in general meetings.

This list shall be open to the examination of such shareholders as wish to examine it, at least ten days before the day fixed for the meeting, at the office of the corporation in Quebec, at the office of the Paris committee.

Examination of list by shareholders.

52. No one can be represented, except by a proxy, who is a member of the meeting.

Who may be proxies.

53. The general meeting shall be held before the thirtieth of January in each year, either at Quebec or at Paris, in France, according as there may be more shares to order held, and stock certificates to bearer deposited in the Province of Quebec or in France, thirty days before the date of the meeting.

Term and place of general meeting.

54. Special meetings shall, moreover, be held whenever the board of management deems it necessary, or the censors unanimously require the same.

Special meetings when held.

55. The meetings shall be called at least sixty days beforehand, by a notice inserted in a daily newspaper in Paris, and in one in the Province of Quebec.

Notice calling meetings.

Such notice shall specify the date of the meeting, as well as the place where holders of shares, payable to bearer, are to deposit their certificates, at least thirty days before the date of the meeting.

Contents of notice.

56. The meeting shall be regularly constituted when one-fourth of the shares forming the capital stock is represented thereat.

When meeting regularly constituted.

Second meeting to be called in certain cases. If this condition is not fulfilled, when the meeting is first called, a second may be called under the same formalities.

Delay for calling such meeting. In such case the delay between the calling of the meeting, and that on which it shall be held, shall be reduced to twenty days.

Proceedings at second meeting. All the proceedings of members, present at the second meeting, shall be valid, whatever may be the number of the shares which they represent, but only with respect to the subjects mentioned on the orders of the day drawn up for the first meeting.

Officers of meeting. **57.** The officers of the meeting shall be the chairman, two scrutineers and a secretary.

Who shall preside. The president of the board of management shall be, *ex-officio*, the chairman of the meeting; in his default, the meeting shall be presided over by the vice-president or, in the absence of both, by the director designated by the board.

Who shall act as scrutineers. The duties of scrutineer shall be performed by the two shareholders who shall represent, either in their own name or as proxies, the greatest number of shares, and if they refuse, then by the two shareholders next in order, and so on until two have accepted.

Appointment of secretary of meeting. The chairman and the two scrutineers shall appoint the secretary.

Report of board to be submitted to meeting. **58.** The report of the board of management, on the position of the affairs of the corporation, shall be read to the meeting, as also, if necessary, the remarks of the censors.

General powers of meeting. The meeting shall approve or reject the annual accounts, and shall definitely fix the amount of the dividends.

It shall appoint the directors and censors, whenever it is necessary to replace them.

It shall take into consideration, when the proposition is submitted to it, the advisability of increasing the capital of the corporation, and also the rules and regulations for the government of the corporation, and for the administration and management of its affairs, and also the amendments or additions to be made to them.

Finally, it shall definitely decide upon all things touching the interests of the corporation, and, by its resolutions, confer, upon the board of management, the necessary powers for such cases as have not been provided for.

Decisions binding on all shareholders. **59.** The decisions of the meeting shall bind all shareholders, even those who are absent or who differ in opinion.

60. The proceedings shall be recorded by minutes, ^{Minutes to be} entered in a special register and signed by the officers of ^{kept.} the board.

61. The proof of the proceedings of the general meet- ^{How proceed-} ing, shall, as far as third parties are concerned, be derived ^{ings are pro-} from copies or extracts, certified as such, by the president ^{ved as to third} or vice-president. ^{parties.}

62. The shareholders, present or represented by proxies, ^{Decisions to be} shall, in this case, decide by the majority of votes; each ^{by majority.} share counting for a vote, either by itself or by proxy.

TITLE SEVENTH.

INVENTORIES AND ANNUAL STATEMENT OF ACCOUNT.

63. The corporation's financial year shall commence ^{On Financial year} the first of January and end on the thirty-first of Decem- ^{of corporation.} ber.

64. The board of management shall prepare, every six ^{Half yearly fi-} months, a statement of the assets and liabilities of the ^{ncial state-} company. Such statement shall be placed at the disposal of ^{ment to be pre-} the censors. ^{pared.}

65. At the end of the financial year, an inventory shall ^{Yearly inven-} be prepared containing the amount of movable and immo- ^{tory to be pre-} vable properties, as well as the assets and liabilities of the ^{pared.} company.

66. The inventory, the balance sheet and the profit and ^{Statements,} loss account, shall be placed at the disposition of the censors ^{&c., to be} on the thirtieth day, at the latest, ^{given to cen-} before the general meeting. ^{sors, and when,} They shall be presented at that meeting.

67. Eight days before the general meeting, the report ^{Report of cen-} of the censors shall be deposited at the place where ^{sors when and} such ^{where to be} meeting is to be held, and communication thereof, and of ^{deposited.} the inventory and list of shareholders, shall be given to the members, if they require it.

TITLE EIGHTH.

OBLIGATIONS AND BONDS.

68. The corporation may create and issue obligations ^{Issue of obli-} to represent the loans to government, municipal and school ^{gations.} corporations, *fabriques* and church trustees, and public

securities and bonds or debentures of municipal and school corporations, or all other matters approved of by the board of management.

By-laws respecting such issue.

69. The creation, the manner of issue, the negotiation, the investment, the rate of interest, the redemption and the reimbursement of obligations, shall be determined by by-law of the board of management, which shall be valid for every purpose whatsoever.

Amount of obligations to be limited.

70. The total amount of the obligations shall not exceed the amount of loans made by the company to the government, to municipal and school corporations, to *fabriques* and church trustees, and of the public securities, and of the bonds or debentures of municipal and school corporations and others.

Guarantee of payment of such obligations.

71. The reimbursement of such obligations shall be guaranteed, in addition to the ordinary assets of the company, by special warranties, which the latter holds for the loans and for the public securities and bonds and debentures which they represent.

Recourse of holders of obligations.

72. Holders of obligations, in addition to their right of action for debt against the corporation, may exercise every lawful recourse to obtain the realization of the securities pledged for their payment.

TITLE NINTH.

ACQUISITION OF REAL ESTATE.

Corporation may hold real estate.

73. The corporation may acquire and possess such real estate, as may be necessary for its offices for the administration of its affairs, in the Province of Quebec, but the value of such real estate, acquired in each division, for such purpose, shall not exceed, at the time of such acquisition, the sum of twenty five thousand dollars, Canadian currency.

Amount limited.

May sell, &c., the same.

It may lease, hypothecate and sell such real estate.

TITLE TENTH.

AMENDMENTS TO THE BY-LAWS.

Power of general meeting to amend by-laws, &c.

74. The general meeting, convened and composed, as prescribed in the preceding title six, may lawfully make and apply for all amendments to the present by-laws, which may be considered necessary, alter the name of the company, decide upon its dissolution, upon the increase of the

capital stock and of the working capital, by the issue of new shares and debentures, decide upon wholly or partially alienating the immovable property and the effects of the company, decide upon its amalgamation with another company, by exchanging a portion of its stock for money or for the shares of such new company, and, for that purpose, to dissolve it even; to decide also upon any amalgamation under the same conditions in all other cases of dissolution; and moreover to decide in all the other extraordinary cases, above provided for, and even in all others when the advisability and necessity thereof is shewn.

TITLE ELEVENTH.

DIVISION OF PROFITS.

75. The net proceeds, after deducting all charges, shall constitute the profits of the corporation. Profit of the corporation.
From and out of such profits there shall be taken : How divided.

1. Five per cent from the total amount, to form a reserve fund ; Reserve fund.

2. The sum necessary to allow the shareholders five per cent, upon the amount of their paid up instalments ; Interest on paid up capital.

3. If deemed advisable, a sum which shall not exceed twenty per cent of the net profits, for the formation of a provident fund ; Provident fund.

4. A certain sum may also be placed at the disposal of the board of management, to by them distributed among all or some of the employees of the company. Gratuities to employees.

The surplus profit shall be distributed as follows : Division of surplus, among :

1. 80 per cent to the shareholders, and it shall be allotted to them in proportion to the respective number of their shares ; Shareholders ;

2. 10 per cent to founders' shares ; Founders ;

3. 10 per cent to the board of management. Board of management.

When the reserve fund shall amount to one-fourth of the capital stock, the percentage, of which it is formed, shall cease to be obligatory. If such reserve is encroached upon, such percentage shall again be reserved. Provido if reserve fund reaches a certain amount.

The reserved fund is destined to provide for unforeseen circumstances. Employment of reserve fund.

76. Any dividend, which may not be claimed within five years from the date of its becoming due, shall be forfeited for the benefit of the company. Forfeiture of dividend, unclaimed for a certain time.

DISSOLUTION AND LIQUIDATION.

77. The corporation is dissolved by resolution of the general meeting of the shareholders.

Dissolution of the corporation. In the event of the corporation having lost, in addition to its reserve fund, one third of its capital stock, the dissolution and liquidation of the corporation shall be proceeded with, unless the shareholders consent to pay up the loss on the capital.

78. When the dissolution and liquidation of the corporation shall have been decided upon, the general meeting of the shareholders shall determine the method of liquidation to be followed; it shall also appoint liquidators.

Method of liquidation to be decided upon by general meeting. If the general meeting does not come to any decision on this point, this dissolution and liquidation shall be proceeded with under the laws in force in the Province of Quebec.

79. The general meeting shall retain its powers during the liquidation of the corporation.

Powers of general meeting during liquidation. The board of management shall cease to have any powers as soon as the liquidators are appointed.

TITLE TWELFTH.

ORGANIZATION AND FINAL CONSTITUTION OF THE CORPORATION.

80. The persons, mentioned in the preamble, shall open, in Paris and in Quebec or elsewhere, subscription books for the first issue of shares of the capital stock, at such place and for such time, as they may deem advisable; after the closing of the books, they shall allot the ten thousand shares forming the first issue, in such manner as they may deem proper.

Opening of subscription books. Notice shall be given to each subscriber of his allotment, by a letter, addressed to the domicile, which he has indicated, and sent to him by mail.

Notice of allotment of shares. Within thirty days from the date at which such letter was sent to his address, each subscriber shall pay, into the hands of the person or banking institution designated for that purpose, ten per cent upon the amount of the shares allotted to him.

Payment by subscribers. The subscribers who shall pay ten per cent shall become shareholders.

Subscribers on payment become shareholders. As soon as the first issue of shares shall have been allotted and ten per cent upon the amount issued shall

General meeting when cer-

have been paid up, the person specially selected for such purpose, among those mentioned in the preamble, shall call a general meeting of the shareholders, by notice inserted in one of the daily newspapers at least ten days before the date of such meeting.

tain amount)
is paid in of
subscribed
capital.

At such meeting the persons, mentioned in the preamble, shall elect the first directors and the censors, and thereupon the corporation shall be duly organized and may commence its operations.

Election of
first directors
&c.

C A P. L X X X V I.

An act to incorporate the "*Crédit Mobilier Canadien*."

[Assented to 27th May, 1882.]

WHEREAS the Honorable Pierre Garneau, merchant, member of the Legislative Assembly of the province of Quebec and formerly a member of the Executive Council of the same, Alphonse Desjardins, member of the House of Commons of Canada, president of *La Banque Jacques Cartier*, of Montreal, Robert J. Leckie, of Sherbrooke, manufacturer, Hector Legru, of Paris in France; le Comte de Wazieres, *rentier*, also of Paris, have, by their petition prayed for an act of incorporation for the establishment, by means of capital to be subscribed in France, in the province of Quebec and elsewhere, of a general company of industrial and commercial credit, (*credit-mobilier*) to further the increase of manufactures, the development of the natural resources of commerce and financial transactions, under the name of the "*Crédit Mobilier Canadien*;" and it is expedient to grant their prayer; Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

Preamble.

TITLE I.

Incorporation of the company.

1. A company is hereby created and constituted under the name of the "*Crédit Mobilier Canadien*."

Constitution
and name of
corporation.

TITLE II.

General powers of the company.

2. The company may:

Powers given
to company to:

1. Advance money, as loans or otherwise, to any person or corporation, without security, or on personal, government or

Advance
money;