

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;

commercial securities, municipal and other debentures and stocks of incorporated companies ;

**Acquire securities ;** 2. Acquire, by purchase or otherwise, all securities on which it is authorized to loan monies ;

**Transfer &c., securities ;** 3. Make over or give as guarantee, under any title whatsoever, all securities which it may acquire ;

**Encourage &c., industries &c.** 4. Encourage by means of loans the undertaking of any enterprise connected with industry, manufactures, ship-building, machinery, chemistry, physics, printing and publishing ;

**Encourage &c., mining &c.** 5. Encourage by means of loans of the working of all mines, quarries, mineral springs, (petroleum etc.) water powers and fisheries ;

**Undertake &c., public works ;** 6. Tender for, undertake and carry out all public and municipal works ;

**Acquire immovables for that purpose ;** 7. Acquire and possess all immovables required for the above purposes, and lease, hypothecate or sell the same ;

**Receive grants ;** 8. Receive all grants from the state or from municipalities ;

**Act as agents ; &c.** 9. Act as agents and do, on behalf of persons and companies, all that they are authorized to do ;

**Undertake issue of capital &c. ;** 10. Undertake the issue of the capital of all companies, the placing on the market of their shares or debentures and obtain all necessary subscriptions. accept all mandates to control and superintend the operations of any company, and proxies to represent them when necessary.

### TITLE III.

#### *Head office and business of the company.*

**Head office.** 3. The head-office of the company shall be at Montreal, in Canada. It may be transferred anywhere else on a resolution of the board of management ; but the company shall at all times have an office in the province of Quebec.

**Business of the company.** 4. The business of the company shall be transacted in the province of Quebec, or elsewhere, and for that purpose, branch offices may be established wherever the same may be determined, in accordance with the provisions of this act.

**Company may apply for power to** 5. The company may apply to any competent authority, whenever the same may be necessary, to obtain the re-

quired permission for the full and complete exercise of the powers hereby conferred upon it. carry out this act.

#### TITLE IV.

##### *Capital.—Shares.—Instalments.—Founders' Shares.*

6. The capital stock shall be sixty millions of francs, Capital stock. French currency, divided into one hundred and twenty thousand shares of five hundred francs each. It may be increased by a resolution of the general meeting, Increase thereof. in conformity with the laws in force in this province.

The capital shall be composed of successive issues. The first issue shall consist of at least five thousand shares. Issue of stock. First and subsequent issues.

The other issues shall be determined by the board of management.

7. It shall not be necessary that all the instalments on a previous issue be called up to enable another issue to be made. Payment of instalments.

8. Nevertheless the company shall not commence its operations, before five thousand shares have been subscribed and one-fourth of the amount thereof has been paid up. Commencement of operations of company.

9. The amount of the shares shall be payable at Paris or at Montreal, or at any of the branch offices on such terms as may be determined by the board of management. Shares when payable.

10. After the first call shall be paid up, there shall be delivered to each subscriber a provisional stock-certificate, bearing one of a series of numbers, and upon which all subsequent payments shall be inscribed. Provisional stock certificates after payment of first call.

11. The calls, ordered by the board of management, shall be made known to the shareholders, by means of advertisements inserted, fifteen days beforehand, in two of the daily newspapers published in Paris and in Montreal. Notice of calls.

12. Every sum of money, of which the payment is delayed, shall bear interest at the rate of six per cent *per annum*, from the date at which such payment became due. Interest upon over due sums.

13. If the instalments upon one of the calls on stock are not paid when due, the numbers of the provisional stock-certificates of those who are in arrear shall be published in daily newspapers of Paris and of Montreal. Publication of numbers of provisional stock certificate in arrear for calls.

Such shares may then be sold.

**14.** Fifteen days after such publication, the Company shall have the right to sell such shares on account of and at the risk and peril of the parties in arrear, in such manner as the board may deem proper.

How.

Such sale may be made in detail or in a lump, either on the same day or at successive periods, without any putting in default or any legal formalities being necessary.

Such certificate void when sold.

**15.** The provisional certificates of the stock so sold, shall, *de jure*, become void; and new ones shall be delivered to the purchasers under the same numbers.

Certificates cease to be negotiable if calls do not thereon appear to be paid.

**16.** Every provisional 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 provisional certificates.

Legal recourse of company preserved.

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

Application of proceeds of sale.

**18.** 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.

**19.** The Company 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, say, two hundred and fifty francs.

Whence taken and how numbered and signed, &c.

**20.** Certificates to bearer shall be taken from a register with counter-foil; they shall be numbered consecutively, and bear the signature of two directors, and the seal of the Company.

Transfer of stock certificates to order how effected.

**21.** Stock 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 company.

Certificate required in certain cases.

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

Company not responsible for validity of transfer.

**23.** In no case shall it be responsible for the validity of the transfer.

**24.** Certificates to bearer shall be transferred by simple delivery. Transfer of certificates to bearer.

**25.** 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. Exchange of certificates.

**26.** The ownership of more than one share, in the name of the bearer, may be established by a collective certificate. Ownership of more than one share to name how established.

**27.** Every share shall give its holder a right in the ownership of the assets of the company and to a share in the profits, in proportion to the number of shares issued. Right of shareholders.

**28.** Payment of the dividends upon any share, either to order or to bearer, shall be valid, if made to the holder of the certificate. Validity of payments of dividends.

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

**30.** Every share shall be indivisible, and the company shall recognize but one owner for each share. Co-proprietors of a share shall be required to be represented by one and the same person. Shares indivisible.

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

The possession of a share shall *de jure* entail compliance with the by-laws or regulations of the company and the decisions of the general meetings. Holders of shares bound by by-laws &c. of company.

**32.** In the event of any stock-certificates to bearer being lost, the company 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 the certificates and the rights of the claimants, and also until all legal formalities have been observed. Loss of certificates to bearer.

**33.** The board of management shall determine the conditions on which certificates to order, which have been spoiled or mislaid, shall be replaced. Loss of certificates to order.

**34.** The heirs or creditors of a shareholder cannot, Seals &c., can-

not be affixed  
to company's  
property by  
heirs &c., of  
shareholders.

under any pretext whatsoever, require the affixing of seals upon the property and securities of the company, nor interfere in any way with the management thereof. They shall, for the exercise of their rights, abide by the financial statements of the company and the proceedings of the general meeting.

Founders.

**35.** The company recognizes, as a founder thereof, every person who has contributed towards its organization as mandatory of a scientific board (*syndicat d'études*). Such person shall be entitled, as founder, to the benefits provided for by section 96 of this act.

Founders'  
shares.  
Stock certifi-  
cates therefor.

**36.** There shall be ten thousand founders' shares.

Stock certificates to bearer shall be delivered to the founders, in order to establish their rights under the preceding section, and to facilitate the collection of their share of the benefits, determined by section 96 of this act.

Rights of hold-  
ers of found-  
ers' shares.

**37.** For the first, as for future successive issues, and in the event of the capital being increased beyond the sixty millions of francs, the holders of founders' shares shall have a preferential right to subscribe, at par, for the shares to be issued, in the proportion of twenty per cent of the amount of the issues.

Allotment of  
preferential  
stock.

**38.** The allotment of this preferential stock shall be in proportion to the number of stock certificates held by each shareholder.

Number of  
shares for cer-  
tain purposes.

**39.** Those holders of founders' shares who do not possess a sufficient number thereof to entitle them to one in the new issue, may unite to make up the necessary number and thus exercise their rights.

By law re-  
specting found-  
ers' shares  
&c.

**40.** A by-law, drawn up and passed by the board of management, shall determine the delays and the manner in which the benefits, set for thin the preceding provisions, may be secured.

## TITLE V.

### *Management of the Company.—Board of Management.*

Management  
of company.

**41.** The company shall be managed by a board of management, composed of from eleven to twenty five members, elected by the general meeting from amongst the holders of twenty five shares or more, as may be decided by the general meeting.

**42.** The number of directors, from eleven to twenty five, shall, from time to time, be fixed by by-law. Until otherwise provided, the board of management shall be composed of directors, appointed by the persons mentioned in the preamble.

Number of directors to be fixed by by-law; number until so fixed.

**43.** The board of management, to succeed the provisional directors, shall be appointed by the subscribers to the capital as soon as such subscription is complete.

Appointment of board of management.

Before entering into office, each of them shall prove that he is possessed of fifty shares. These shares shall remain in his possession, while he continues in office.

Qualification of members of board.

**44.** The directors shall be appointed for six years. One third of their number shall go out of office every year.

Duration of and retire from office.

It shall be decided by lot which of the directors shall retire for the first and second thirds, and, afterwards, they shall retire by seniority. They may at any time be re-elected. Nevertheless the first third of the board of management shall go out of office at the end of the fourth year, the second third at the end of the fifth, and the remaining third at the end of the sixth year.

Retiring directors to be chosen by lot.

**45.** Any vacancy, occurring among the directors through death, resignation or otherwise, shall be temporarily filled up by the board; and the next ensuing general meeting shall definitively elect a successor.

Vacancies on board.

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

Duration of office of replacing director.

**47.** The Board of Management shall be divided into two committees, one at Paris or elsewhere, and the other at Montreal, with distinct powers, as set forth in sections 55 and 56.

Division of board into two committees.

The Paris committee shall be the most numerous, if there be more shareholders in France and *vice-versa* that of Montreal, if there be more shareholders in America.

Relative number of members of both boards.

**48.** The Board of Management shall be invested with the most ample powers for the management of the affairs of the company.

Powers of Board.

For the decisions of the whole board, the proceedings shall be taken separately at Paris and at Montreal; the number of votes on both sides shall be counted and the party who has the largest number of votes shall prevail.

Decisions of whole board; how arrived at.

Joint action of  
both commit-  
tees.

**49.** The joint action of both committees shall be secured, by exchanging communication of their proceedings, by the next mail after each meeting, and the monthly transmission of statements showing the operations of the past month.

General  
powers of  
board.

**50.** The Board of Management, acting as set forth in section 47, may ;

Pass by-laws for its internal management and determine the amount of the cost thereof ;

Appoint and remove the various heads of departments of the Company, judicial boards, the managers ; determine their duties, fix their fees, salaries and qualifications, etc.

The Board of Management shall, each year if necessary, prepare a financial statement of the undertaking or the general plan of operations to be followed, the annual inventories as well as the various necessary inventories which may be made during the year, the various accounts to be laid before the general meeting, and determine the amount of the dividend or sums to be advanced on account thereof ;

It shall determine the use to be made of the reserve fund ;

It shall determine the calls upon stock and the successive issue of new shares within the amount of the capital ;

It shall authorize the acquisition of all objects, in connection with new business as that already in existence, and generally all acquisitions of immovable property ;

It shall authorize all alienations of securities, forming part of the capital stock, either by sale, transfer or by investment in stocks, as well as all liquidations of joint-accounts ;

It shall finally deliberate on all questions to be submitted to the general meeting, such as loans, the amendments or additions to be made to the by-laws, the anticipated dissolution or extending of the duration of the Company or its amalgamation with another ;

It shall decide upon the orders of proceeding at general meetings and the propositions to be submitted to them ;

It shall pass rules with respect to the delegation of its powers to any of its members, or to the officers or agents of the Company.

Place of meet-  
ings of board.

**51.** The board of management shall meet either at the head office or in one of the branch offices, or in such other place as may be determined.

Division into  
committees.

**52.** It may subdivide itself into committees, which will have all or part of the powers pertaining to the board. These committees shall meet either at the head-office, one of the branch offices or elsewhere.



**53.** The board of management shall, at all times, have the power of opening branch offices in any of the cities of Canada and everywhere else, where it may deem advisable. Branch offices.

**54.** The powers hereinbefore conferred upon the board of management shall only indicate and not limit its rights. Powers not limitative.

**55.** It shall be the duty of the Montreal committee of the board of management to supervise the working of the company in Canada and more especially : Duty of Montreal board.

1. To manage and supervise, in accordance with the general rules laid down by the board of management, all the interests of the company in Canada ;

2. To see to the keeping of the accounts and to supervise the movements of the funds, in Canada, subject always to the rules agreed upon by the board ;

3. To appoint tellers in Canada ;

4. To pay the dividends to shareholders in Canada.

The duty of the Paris committee shall be to superintend the working of the company in Europe. Its duties shall be:

1. To decide upon the advisability of doing new or taking up old business and to finally determine the conditions thereof ;

2. To see to the placing on the market of new shares of incorporated or amalgamated companies ;

3. To attend to the investing of loans, if need be ;

4. To pay the dividends in Europe ;

5. To cause a synopsis of the books of the company to be kept and also to keep, in duplicate with the Canadian Committee, registers for the transfer of shareholders' and founders' shares.

**56.** Each of the Committees of Paris and Montreal shall have power to effect short date loans, which shall not be permanent loans. Power of both committees to effect short loans.

**57.** The Board of Management shall elect a President and Vice-President. Election of President and Vice-President by Board.

**58.** The Paris Committee and the Montreal Committee shall likewise each elect a President and Vice-President. Election of President and Vice-President by both committees.

**59.** The Board of Management shall meet as often as the interests of the company may require. Its meetings shall be called by the President, or Vice-President or by the Director who shall fill their place. Meetings of board and how called.

Place of meeting of committees.  
Validity of decisions.

**60.** The Paris and Montreal Committees shall meet in their respective meeting-rooms. When a resolution, affecting the whole board, shall have been passed by each of the committees, or that, in any other manner, every director shall have had an opportunity of giving his vote, the resolution or decision shall be valid.

Absent director may be represented by proxy.

**61.** A Director who is absent may be represented, at the meetings of the board, so called by committees, by means of special mandate given to one of his colleagues or to a person attending the meeting of the board. No person shall, as proxy, have more than three votes at the board.

Decisions by majority.  
Voting by president.

**62.** Decisions shall be taken by an absolute majority of the votes. The president votes only when the votes are equal.

Same as to committees.

The same shall apply to the decisions of the Committees, on subjects within their competence.

Minutes of proceedings.

**63.** 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 and by another director.

Copies &c., how certified.

Copies or extracts from such minutes, which are required to be produced in court or elsewhere, shall be certified by a director.

Members of board not personally responsible.  
May contract with corporation.

**64.** The members of the board of management shall not incur any personal or joint and several liability in the performance of their duties; they may enter into agreements with the company directly or as regards third parties.

### *Management.*

Ordinary management.

**65.** The ordinary affairs of the company may be managed by a manager or council, chosen by the board of management, if the latter have adopted such measure.

Duties of manager.

He shall, if the council so decide, attend the meetings of the board of management or committees.

Powers of directors &c., to be determined by board.

**66.** The powers of the directors or boards shall be determined by the board of management.

### *Auditors.*

Auditors and their duties.

**67.** There shall be appointed, every year, by the general meeting, one or more auditors, who may be shareholders or not, whose duties shall be to make a report to the next

annual general meeting of the state of the company, from the balance sheet and the accounts handed in by the directors.

**68.** The first auditors shall be appointed at the general meeting. They shall be allowed a remuneration, which shall be fixed, each year, by the general meeting. Appointment and remuneration of auditors.

**69.** These auditors shall meet at the place appointed by the board, for the purpose of verifying the statements of the assets and liabilities of the company, which shall have been prepared. During the three months previous to the time appointed for holding the general meeting they shall have the right to examine the books and the operations of the company. Meeting of auditors and their duties.

**70.** The inventory, balance sheet and statement of profit and loss shall be placed at their disposal a sufficient length of time before the meeting. The auditors shall have the right, when they unanimously decide upon it, and after having given notice to the board of directors, to have an extraordinary general meeting called. Inspection of balance sheet, &c., by auditors. Power to call meetings.

## TITLE VI.

### *General meetings.*

**71.** The general meeting, regularly constituted, shall represent the whole body of the shareholders. The ordinary general meeting shall be held in each year during the first six months. General meeting represents shareholders ; When held.

**72.** The meetings shall be called, by means of a notice, inserted in a daily newspaper in Paris and in another in Montreal, at least thirty days previous to the meeting. Notice of meetings.

**73.** The meeting shall be held either at the head-office or in any other place indicated in the notice convening the meeting and determined by the board of directors. Meetings where held.

**74.** Extraordinary meetings may also be convened either by the board of directors or by the auditors, under section 70 of this act. Extraordinary meetings.

**75.** The general meeting shall be composed of all the shareholders holding five shares, who shall have deposited their stock certificates before the meeting, in accordance with the formalities prescribed by the board. General meeting how composed.

Right to vote. **76.** Shareholders shall be entitled to one vote for every five shares, two for every ten, and so on.

Who can hold proxies. **77.** No one can be represented, except by a proxy, who is a shareholder of the company. Forms of powers of attorney, determined by the board of directors, shall be supplied to the shareholders. Regular powers of attorney must be deposited before the time of the meeting.

When meetings constituted. **78.** The meeting shall be regularly constituted when one-fourth of the shares, forming the capital stock, is present or represented thereat.

If first meeting fail second may be called. If the above condition is not fulfilled, when the first meeting is called, a second one may be called under the same formalities. 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.

Notice for such meeting.

Proceedings valid. 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.

Officer to preside at meetings. **79.** The meeting shall be presided over by the president of the board, or in the event of his being unable to do so, by such other member as the board may appoint for that purpose.

Scrutineers. **80.** The two shareholders, holding the largest number of shares, amongst those who are present, shall be requested to act as scrutineers.

Secretary. The board shall appoint the secretary.

Majority to decide. **81.** The resolutions shall be carried by a majority of the votes of the members present.

Chairman votes when votes are equal. When they are equal the chairman shall have a casting vote.

List of members to be kept. **82.** A list of the members present shall be kept, which shall contain the names and residences of the shareholders and the number of shares they hold: communication thereof shall be given to every person requiring the same.

Subjects to be considered how determined. **83.** The order of proceedings shall be determined by the board.

Meeting confined to such matters. Only such subjects as are mentioned therein shall be considered.

First meeting of shareholders. **84.** A first general meeting of the shareholders shall be

convened within the six months following the call required to enable the company to commence operations.

85. The report of the board of management, on the position of the affairs of the corporation, shall be read to the meeting as also that of the auditors on the position of the company, the balance sheet and accounts. Report to be submitted and power of meeting.

It shall determine the dividend, if any, to be paid.

It shall appoint the new directors in the place of those retiring, as well as the auditors for the ensuing year.

It shall definitely decide upon all things touching the interests of the company and confer all necessary powers upon the board of management or upon the auditors.

It shall determine the value of the counters given to the directors for their attendance.

86. General meetings, called for the purpose of considering amendments to the charter, the increase of the capital stock beyond sixty million francs by the issue of new shares, the creation and issue of bonds, propositions for alienating the immovables and property of the company, or for amalgamating with other companies by receiving shares from the latter as representing their contribution, shall not be regularly constituted nor validly deliberate, unless they be composed of a number of shareholders representing at least one-half the capital. General meetings for certain purposes, to be composed of a number representing certain proportion of capital.

87. If a first general meeting, convened for any of the above purposes, should not represent such half, recourse must be had to a meeting composed of all the shareholders, without exception, who shall be convened by a fresh notice; and the proceedings of such meeting shall be valid, whatever may be the number of stock certificates represented by each shareholder, even if he have only one. If first meeting convened does not represent such proportion, subsequent meeting to be held.

88. The members, present in person or by proxy, shall, in such case, proceed by the majority of the votes, one being allowed for each certificate, whether held by the member in his own name or by proxy. Voting by members.

## TITLE VII.

### *Inventories and annual statement.*

89. The company's financial year shall commence on the first of January and end on the thirty-first of December. Company's financial year.

As an exception, the first year's operations shall cover the period between the constitution of the company and the thirty-first of December of the same year. First year.

Half yearly  
statement by  
board.

**90.** The board of management shall prepare, every six months, a statement giving a synopsis of the assets and liabilities of the company.

Auditors to  
have commu-  
nication  
thereof.  
Yearly inven-  
tory.

Such statement shall be at the disposal of the auditors.

Statements  
&c., to be at  
disposal of  
auditors.

**91.** There shall further be made out at the end of each financial year, an inventory showing the movable and immovable properties of the company, as well as its assets and liabilities.

**92.** The inventory, balance-sheet and profit and loss account shall be at the disposal of the auditors, on the fortieth day at the latest, before the general meeting; they shall be presented at such meeting.

Report of audi-  
tors to be de-  
posited; when  
and where.

**93.** At least fifteen days before the holding of the general meeting, the report of the auditors shall be deposited at the place where the general meeting is to be held. Communication thereof, as well as of the inventory and the list of shareholders, shall be given to all of the latter who may require it.

## TITLE VIII.

### *Division of profits.*

Application of  
profits.

**94.** The proceeds of the business shall be first employed in meeting the general expenses and generally all the charges incurred by the society; the remainder shall constitute the net profits. Out of these the general meeting may place a certain sum at the disposal of the board to be by it distributed, at its discretion, amongst all or some of the employees of the company.

**95.** There shall afterwards be levied :

Further appli-  
cation of pro-  
fits.

Reserve fund.

1. An amount destined to form a reserve fund for extraordinary and unforeseen expenses. The proportion of such amounts shall not be less than five per cent of the net profits. This amount shall cease to be levied in years when the reserve fund reaches one fourth of the capital;

1st dividend.

2. Six per cent of the sums paid up on the shares, to pay the shareholders a first dividend, in lieu of interest.

Division of  
balance of  
profits among ;

**96.** The balance of the profits, remaining after the two above amounts are levied, shall be allotted as follows :

Shareholders ;

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

2. 10 per cent to founders' shares, under sections thirty Founders ; five and thirty six ;

3. 10 per cent to the board of management, as an event- Board of  
ual additional remuneration for their care and labor, over management.  
and above the counters and fees for attendance at board  
meetings or for acting as delegates, and the whole shall  
be distributed amongst the various members at the dates  
and in the proportion which the board, by a majority of  
the votes of its members, shall itself determine.

97. The payment of dividends, in lieu of interest, and Time and  
that of the supplementary dividends, shall be effected at manner of pay-  
the times and in the manner determined by the board of ment of divi-  
management, and in one or more instalments, as it may dends.  
deem advisable and expedient.

98. The council may even, at any given period, Allotment du-  
and if it considers that the condition of the company's ring year of  
affairs justifies it, make allotments of acquired and realized dividends.  
dividends apply to the current year.

99. Any dividend, which may not be claimed within Forfeiture of  
five years from the date of its becoming due, shall be for- unclaimed di-  
feited for the benefit of the company. vidends.

## TITLE IX.

### *Amendments to the by-laws.*

100. The general meeting, convened and composed as General meet-  
prescribed in the preceding title six, may lawfully ing may  
make and apply for all amendments to the present amend by-  
by-laws, which may be considered necessary, alter laws, &c.  
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 de-  
bentures, 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 dis-  
solve 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 ad-  
visability and necessity thereof is shewn.

## TITLE X.

*Dissolution—Liquidation.*

**101.** In the event of the company losing three-fourths of its subscribed capital, its dissolution may be resolved upon at a special general meeting. In such case of loss, the board of management shall submit the question of the dissolution of the company to the general meeting.

**102.** The general meeting shall, on the proposal of the board, decide the mode of liquidation.

**103.** The liquidators may, even without a resolution of the general meeting, transfer to another company the rights and obligations of the dissolved company.

**104.** During the liquidation, the powers of the general meeting shall continue as if the company still existed.

**105.** Suits, affecting the general and collective interest of the company, cannot be taken against the board of management or one of its members, except in the name of the whole body of the shareholders and in virtue of a resolution of the general meeting.

**106.** Every shareholder, who wishes to take such a suit, shall, one month at least before the ensuing general meeting, communicate the same to the board, who shall be bound to place the motion on the list of subjects to be discussed at such meeting.

**107.** If the motion is thrown out by the meeting, no shareholder shall bring the matter before the courts in his individual interest; if it be carried, the general meeting shall appoint one or more trustees to carry on the suit.

**108.** All services in such cases shall be upon the trustees alone.

No individual service can be made upon a shareholder.

**109.** In cases of suit, every shareholder shall be obliged to make an election of domicile in Montreal or Paris, and all notices and services shall be lawfully made at the Court House, in Montreal, and, in Paris, at the office of the Attorney for the Republic, within the civil division of La Seine.