

Election.

in number, and such other officers as shall, from time to time, seem necessary to the corporation to appoint. They shall be elected at a meeting convened for that purpose, between the first of February and the first of March of each year. The officers already elected shall remain in office, until their successors shall be appointed.

Power to pass by-laws.

4. The corporation shall have power to pass by-laws, not inconsistent with the laws of the province, for fixing the terms of admission of its members, for the government of the same, for the election, appointment and removal of the officers and for the general regulation and management of its affairs.

CAP. LX.

An Act to incorporate "L'Union Sucrière Franco-Canadienne."

[Assented to 30th June, 1881.]

Preamble.

WHEREAS Messieurs Albert Choppin, officer of the Legion of Honor, late prefect, late director in the Ministère de l'Intérieur, and a director of the *Banque Commerciale et Industrielle*, at Paris, in France, Alfred Schacher, sugar manufacturer, Alfred Mauger, civil engineer, Alfred Machèrez, of the *Compagnie de Fives-Lille*, Hector Legru, sugar manufacturer, the scientific council of the corporation, all of Paris, in France, Adolphe Masson, merchant, Joseph O. Lafenière, merchant, both of Montreal, and Louis Tranchemontagne, merchant, of Berthier *en haut*, in the Province of Quebec, have, by their petition, prayed for an act of incorporation for the establishment, by means of capital to be subscribed in France and in other countries, of factories in the Province of Quebec, and more particularly at Berthier (*en haut*), situate within the limits of the said province, for the manufacture of sugar from beet-roots and for other operations connected with the refining of sugar and the sugar trade; And whereas it is expedient to grant their prayer; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

TITLE FIRST.

INCORPORATION OF THE INSTITUTION.

Corporation constituted.

1. A corporation is hereby created and constituted under the name of "L'Union Sucrière Franco-Canadienne."

TITLE SECOND.

OBJECTS OF THE CORPORATION.

2. The objects of the corporation shall be :

1. To undertake the management and profits of an interim corporation, which was formed to secure the construction, at a suitable time, of the factory at Berthier (en haut) and which has been dissolved by its amalgamation with the present corporation, the first object of which is to erect or finish the building of a factory at Berthier (en haut) and to work the same ;

2. To build, purchase or work other factories or refineries ;

3. To take an interest in the building, leasing, management or working of such factories as it may not entirely own ;

4. Finally to undertake all operations, either the manufacture of plant, or the handling and manufacture of the raw material such as lime, animal charcoal, or the acquiring and working of patents connected with the production of sugar, both as relates to the extraction of sugar from beet-roots and the refining of native or imported sugars ;

5. To purchase, acquire and sell or exchange beet-roots, sugar, raw material and the products of its factories manufactories or workshops, as well as all lands adapted to the cultivation of beet-roots ;

6. To cultivate or cause to be cultivated beet-roots or other plants which it may require for the manufacture and refining of sugar ;

7. To establish distilleries of all kinds for the purpose of utilising its molasses or wash and other residue of its factories, and also to extract alcohol from grain, sorghum, maize, and from all produce generally whatsoever ;

8. To operate or work every thing connected with the sugar industry or the cultivation of beet-roots.

TITLE THIRD.

HEAD OFFICE AND DURATION OF THE CORPORATION.

3. The seat or head-office of the corporation shall be at Paris, No. 25, rue du Quatre Septembre. A second head-office shall be established at Montreal, at such place as

shall be designated by the general meeting at the suggestion of the Board of management.

Head-office
may be
changed.

The head-office may also be changed in the same manner.

Duration of
the company.

4. The duration of the corporation shall be thirty years dating from the coming into force of the present act.

TITLE FOURTH.

CAPITAL STOCK, SHARES, INSTALMENTS.

Capital stock.

5. The capital stock shall be ten millions of francs, French currency, divided into twenty thousand shares of five hundred francs. It may be increased by a resolution of the general meeting.

May be
increased.

Shares and
their issue.

6. The capital of ten millions of francs, French currency, shall be composed of successive issues, which shall only be realized as the wants of the society may require.

First series.

7. The first series shall consist of two thousand shares. Of the said two thousand shares composing the first issue, one hundred and twenty-five francs per share are paid up before the passing of this act; two hundred and fifty shall be paid by the 30th June; and the remaining one hundred and twenty five francs shall be subject to the call of the Board of Management.

Payment of.

Founders of
the corpora-
tion.

8. The corporation recognizes certain of its members, as founders of the corporation, who shall be entitled, as such, to the benefits provided for by this act.

Qualities of
founders.

This quality of founder and the advantages connected therewith shall belong ;

1. To the persons who shall subscribe for the first series of shares ;

2. To the members of the Scientific Board (*syndicat d'études*.) represented by Jules Legru, de Douville (S. and O.) France ;

3. To A. J. Lavallée, of Montreal.

Founders'
shares.

9. There shall be four thousand founders' shares. One shall be allotted to each of the shares of the first issue and the remainder to the members of the Scientific Board aforesaid, and to A. J. Lavallée.

Stock certifi-
cates to
founders.

Stock certificates shall be delivered to the founders in order to establish their rights under the first paragraph of section 8 and to facilitate the collection of their share of the benefits determined by section 84.

Stock certificates for founders shall be payable to bearer ^{Payable to bearer.} and they may be transferred in the same manner as shares.

10. For the future successive issues, as in the event of the capital being increased beyond the ten millions of francs, the founders and holders of shares, previously issued, shall have a preferential right to subscribe for the shares to be issued, in the proportion of thirty per cent for founders or their assigns and seventy per cent for shareholders. ^{Preferential rights of founders and shareholders in future issues of stock.}

The allotment of this seventy per cent shall be in proportion to the number of stock certificates held by each shareholder. ^{How allotted.}

11. Those of the shareholders, who do not possess a sufficient number of shares to entitle them to one share in the new issue, may unite to make up the necessary number and thus exercise their rights. ^{Union of shares.}

12. A by-law, drawn up and passed by the board of management, shall determine the delays and the manner in which the benefits set forth in the preceding provisions may be secured. ^{By-law to determine time to claim such right.}

13. The amount of the shares shall be payable in francs, French currency, at Paris or in Montreal, at the dates to be determined by the board of management. ^{Method of payment.}

After the first instalment shall be paid, an interim stock certificate shall be delivered to the subscriber, bearing one of a series of numbers and on which subsequent payments shall be entered. ^{Interim stock certificate.}

14. The calls ordered by the board shall be signified to the shareholders by means of notices published in two journals which publish legal notices at Paris, and at Montreal in two daily newspapers. ^{Notices of calls.}

15. Every sum of money of which the payment is delayed, shall, of right, bear interest and without a suit at law being necessary, for the benefit of the corporation, at the rate of six per cent *per annum* from the date at which such payment became due. ^{Interest on arrears of calls.}

16. 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 Montreal. Fifteen days after such publication, the corporation 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 of management may determine. ^{Sale of shares of parties in arrear on calls.}

- How made.** Such sale, may be made in a lump or in detail, either on the same day or at successive periods, without any putting in default or any legal formalities being necessary.
- Interim certificates of such stock cancelled.** **17.** 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.
- Conditions of negotiable certificate.** **18.** 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.
- Other recourse reserved.** **19.** 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.
- Application of proceeds.** **20.** The proceeds of the sale, after deducting the costs, shall be imputed upon the amount due by the expropriated shareholders, who shall still be liable for the difference, if there be a deficiency, but who shall be entitled to receive the surplus, if there be any.
- Certificates for shares partly paid up.** **21.** The corporation may, in pursuance of a resolution of a general meeting, deliver certificates to bearer, for shares on which fifty per cent is paid up, that is, two hundred and fifty francs.
- Certificates to bearer.** **22.** 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 corporation.
- How negotiated.** **23.** Stock certificates to order shall be negotiable by transfer, granted by the seller and accepted by the buyer.
- Power of attorney to be given to corporation.** When the parties act through an agent, the power of attorney shall be delivered to the corporation.
- Certificate as to signature.** **24.** The corporation may require that the signature of the parties and their capacity to act be certified by a stock-broker in France, or by a notary in Canada.
- Company not responsible for transfer.** **25.** And in no case shall it be responsible for the validity of the transfer.
- Certificate to bearer, how transferred.** **26.** Certificates to bearer shall be transferred by simple delivery.
- Exchange of certificates** **27.** Any shareholder may claim, in exchange for certificates made payable to bearer, a certificate to order. The

board of management shall determine the conditions, the manner, and the cost of effecting such exchange of certificates. A certificate to order may be exchanged for one to bearer. and the method to be followed.

28. The ownership of more than one share, in the name of the bearer, may be established by a collective certificate. Collective certificates.

29. 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.

30. 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.

31. The shareholders shall be liable only for the amount of each share ; no call shall be permitted beyond such amount. Obligations of shareholders.

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

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

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

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. Duties of shareholders.

34. 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. Lost certificates, how replaced.

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

35. The heirs or of a shareholder or their creditors 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 cannot be placed upon property of corporation.

Quotations
upon *bourse*,
&c.

36. Quotations at the bourse in Paris and stock exchange in the Province of Quebec, may be applied for.

TITLE FIFTH.

OBLIGATIONS TOWARDS THE CORPORATION AND OBLIGATIONS OF THE CORPORATION TOWARDS THIRD PARTIES AND THE PUBLIC.

Transfer of
certain
contracts to
corporation.

37. All the benefits of the contracts, entered into by Mr. A. J. Lavallée, are transferred to the corporation on the conditions of the agreement entered into and signed with the interim corporation.

Bank of the
corporation.

38. The corporation undertakes to apply to *La Banque Industrielle et Commerciale*, in France, in consideration of a commission, during the whole duration of the corporation, for all transactions within its competence, in which the corporation is interested, and particularly the issue of such shares as shall not be subscribed for by persons who are already shareholders or by founders who do not exercise their rights.

Certain
persons to be
employed.

39. The corporation shall, during its whole duration, employ the services of Mr. Legru, agent of the Scientific Board (*Syndicat d'étude*) and of Mr. A. J. Lavallée, whose duties have been determined by the agreement with the interim corporation, but on the condition that the said H. Legru, A. J. Lavallée and also the Scientific Board, undertake to refrain from any transaction which might prejudice the objects of the corporation, as regards the manufacture of beet-root sugar in the Province of Quebec.

Conditions.

TITLE SIXTH.

MANAGEMENT OF THE CORPORATION.

SECTION 1.—BOARD OF MANAGEMENT.

Board of
management.

40. The corporation shall be managed by a board of management, composed of from seven to ten members, elected from amongst those shareholders who hold at least fifty shares.

Directors how
appointed.

41. The directors shall be appointed at the general meeting of the shareholders, who may also appoint honorary presidents and members.

First board of
management.

Nevertheless a first board of management has been appointed: they are the persons mentioned in the preamble. This latter board shall remain in office until the first general meeting to be held after the incorporation.

42. Before entering into office, each of them shall prove that he is possessed of fifty shares, on which all instalments, then due, shall have been paid. These shares shall remain affected by privilege, as security for his good management and shall not be transferable, while he remains in office.

Duties of members of board before entering office.

43. The directors, shall be elected each year at the stated general meeting. Retiring directors are re-eligible.

Election of directors.

In the event of resignation or of a vacancy occurring, the board may appoint a successor.

Vacancies.

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 those elected to replace others.

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

Certificate of attendance.

44. The Board of Management shall be divided into two committees, one at Paris and the other at Montreal, with distinct powers as set forth in the 47th and following sections.

Division of board into 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 ; but there shall always be three members in the most numerous and two in the least numerous committee.

Number of Members of committees.

The Board of Management is invested with the most ample powers for the management of the affairs of the corporation.

Powers of board.

45. The proceedings shall be recorded separately at Paris and at Montreal ; the number of votes shall be counted and that committee shall preponderate which shall have the most votes.

Minutes of proceedings.

46. 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.

Joint action of both committees.

47. The Board of Management, acting as set forth in section 45 :

Duties of board.

1. Shall pass by-laws for its internal management and determine the amount of the cost thereof ;

By-laws for internal management.

2. Shall appoint and remove the various heads of departments of the corporation, the technical or judicial boards, the manager, superintendents of factories and the

Employ, &c., officers, &c.

principal employees; shall determine their duties, fix their fees, salaries and qualifications; determine the amount of the security they shall give, and, if necessary, authorize it to be repaid.

Board may
suspend, &c.,
employees.

48. The Board of management shall have the right, in the cases provided for by the agreement, to suspend the permanent employees from office, until the next general meeting which shall finally give its decision in accordance with the provisions of section 85 and 86 and such meeting shall determine the new duties to be assigned to them.

Yearly
financial
statement to
be prepared.

49. 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;

Application of
certain fund.

2. It shall determine the use to be made of the sinking fund and the reserve and provident fund;

Calls.

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

Acquisition of
lands, &c.

4. It shall authorize the acquisition of lands for new establishments or for those already in existence, and generally all acquisitions of immovable property; it shall approve the plans for buildings to be erected and the contracts for erecting the same, or for the plant of the factories, whether the same be new or old;

Regulate
cultivation,
&c.

5. It shall regulate all undertakings respecting cultivation and the acquiring of all patents;

Authorize
sales, &c.

6. 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;

Approve
sales of goods,
&c.

7. It shall approve all sales of goods to be delivered, except those which may be made for purchases of raw sugar for refining, all contracts for supplies of raw material, the value of which may exceed one hundred thousand francs, which may be made for more than one year, and generally all contracts which would, in any wise, be contrary to the rules or forms previously adopted by the board.

Deliberate on
all questions
respecting
loans

8. 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 extension of the duration of the corporation or its amalgamation with any other.

9. 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 corporation. Make rules, &c.

50. It shall be the duty of the Montreal committee of the board of management to supervise the working of the corporation in the province of Quebec, and more especially : Duties of Montreal committee.

1. To manage and supervise, in accordance with the general rules laid down by the board of management, all the interests of the corporation in the province and, in particular, to conclude all existing agreements, except such as are within the province of the board, to effect also all current sales of the goods produced by the corporation, except contracts to deliver other than those which may be made for purchases of raw sugar for refining ; To manage the interests of corporation in province.

2. To see to the keeping of the accounts and to supervise the movements of the funds, the management and working of the factories in the province of Quebec, subject always to the rules agreed upon by the board ; to supervise the cash and store-houses ; Supervise monetary affairs of corporation in province.

3. To appoint cashiers, accountants and other factory employees in Canada, other than managers. Appoint cashiers, &c.

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

1. To execute all orders for purchase of plant given by the Board ; Purchase plant.

2. To make arrangements for the transportation of such plant ; Arrangements for transportation of plant.

3. To attend to the effecting of loans if need be ; Effect loans.

4. To pay the dividends in Europe ; Pay dividends in Europe.

5. To see to the placing on the market of the new shares, which may not be taken up by founders or shareholders ; Place shares on the market.

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

Committees
may effect
short loans.

52. Each of the Committees of Paris and Montreal shall have power to effect short date loans, which shall not be permanent loans, to the extent of two hundred and fifty thousand francs, French currency.

Election of
President and
Vice-President
of board.

53. The Board of Management shall elect a President and Vice-President.

Election of
President and
Vice-Presi-
dents by
committees.
Meeting of
board.

54. The Paris Committee and the Montreal Committee shall likewise each elect a President and Vice-President.

How called.

55. The Board of Management shall meet as often as the interests of the corporation may require and at least once a month. Its meetings shall be called by the President or Vice-President or by the Director who shall fill their place.

When the
meetings of
committees
are held.
Resolutions
binding.

56. The Paris and Montreal Committees shall meet in their respective meeting-rooms.

When a resolution shall have been passed by each of the Committees, the resolution or decision shall be valid.

Absent
directors may
vote by proxy,

57. A Director who is absent may be represented at the meetings of the board, so called by the 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.

Or in writing.

Directors who are absent may also give their vote in writing.

Decisions of
Board.

58. Decisions of the Board of Management shall be taken by an absolute majority of the votes.

Casting vote.

When the votes are equal, the president shall have a casting vote.

As to com-
mittees.

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

Minutes to be
kept.

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.

Entry of
decisions of
committees.

When the proceedings are concluded in Canada they shall be entered in the Paris register and *vice-versa*.

Copies how
certified.

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

Members not
personally
liable.

60. The members of the board of management shall not incur any personal or joint and several liability in the performance of their duties; they shall be responsible only for the proper execution of their trust.

61. No director shall, directly or indirectly, transact business with the corporation, without the consent of the general meeting. Nevertheless the directors are authorized so to do, in cases where such business is connected with their professional specialities and an exception is made as regards machine shops.

Directors
cannot
transact
business with
corporation.
Exception.

62. A special account of such transactions must be submitted, each year, to the general meeting.

Account of
such trans-
actions.

63. In no case shall a director, who is authorized to transact business with the corporation, hold a mandate of the corporation, nor have greater powers than the other directors generally. In this category the functions of the president and vice-president of the committees are not included.

Restriction of
powers of
directors in
certain cases.

SECTION II.—THE CENSORS.

64. Three censors (*commissaires censeurs*), shall be appointed by the general meeting. They shall remain in office for the space of one year; they may always be re-elected.

Appointment
and decision
of office of
censors.

In case of the death, absence, illness or retirement of one of the censors, steps shall at once be taken by the remaining censors to replace him.

Death, &c.,
provided for.

Before entering into office, each of them must prove that he is the holder of twenty shares. Such shares shall remain affected by privilege, as security for his good management, and shall not be transferable while he remains in office.

Duties before
entering office.

65. The provisions of this act, respecting the counters or checks given for every time they are present, shall apply to the censors as well as to the directors.

Certificates of
attendance.

66. The duty of the censors shall be to see to the strict observance of the provisions of this act, and to the ordinary and industrial working of the society;

Powers and
duties of
censors.

They shall be entitled to be present at the meetings of the board and of those of the committees and to give their opinion;

They shall examine the yearly accounts and inventories and certify to their correctness;

The books and accounts, and generally all documents of the corporation, shall be submitted for their examination, at their request;

They may, at any time, examine the cash, securities and vouchers of the corporation;

They shall make an annual return to the general meeting; which return shall be printed and distributed to the members at the meeting;

The censors shall have the right, when they unanimously decide upon it, to have an extraordinary general meeting called.

TITLE SEVENTH.

GENERAL MEETINGS.

General meetings.

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

How composed.

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

Who may take part thereat.

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

List of shareholders.

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

Examination of list.

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 Paris and at Montreal.

Annual meeting when and where held.

70. The general meeting shall be held before the thirty-first of July 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.

The general meeting, in such case, shall decide the place where the general meeting shall be held in the following year.

Special meetings.

In the case of a special general meeting, such place shall be that in which ordinary general meetings are held.

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

First general meeting.

71. A first general meeting shall be held in Paris, day for day, two months after the date of incorporation, at Paris or at Montreal, called by notice published in a daily newspaper published in Montreal and in Paris, thirty days before the date of such meeting.

Meetings how called.

72. The ordinary and special meetings shall be called at least sixty days before-hand, by a notice inserted in a daily newspaper in Paris, and in another in Montreal.

Notice.

Such notice shall specify the date of the meeting.

73. Shares to order shall be counted in one of the above Shares to orders how counted.
two categories, according as the holder shall reside in
America or in France.

74. The meeting shall be regularly constituted when Meeting of when constituted.
one-fourth of the shares forming the capital stock is repre-
sented thereat.

75. If the condition, provided for in the preceding section, If meeting fails calling of second.
is not fulfilled, the board of management shall, a second
time, call a general meeting, within an interval of at
least one month.

76. All the proceedings of members, present at the Proceedings at second meeting.
second meeting, shall be valid, whatever may be the
number of the shares which they represent.

TITLE EIGHTH.

ACQUISITION OF REAL ESTATE OR OTHER BENEFITS.

77. The corporation may acquire and possess such real Corporation may acquire real estate, &c.
estate as may be necessary, for its offices for the adminis-
tration of its affairs, in the Province of Quebec

The corporation may, for the purposes of its business,
acquire and hold any real estate it may think proper, in the
said province.

It may lease, hypothecate and sell all such real estate
acquired by it.

The corporation may moreover lawfully receive all
municipal or other bonuses or grants.

TITLE NINTH.

INVENTORIES AND ANNUAL STATEMENTS OF ACCOUNT.

78. The corporation's financial year shall end on the End of financial year.
30th of April.

At the end of the financial year, a general statement of Statement of assets and liabilities, &c.
the assets and liabilities shall be prepared, under the
supervision of the board of management And further, a
statement shall also be prepared between the period at
which the refining of imported sugar shall cease, and that
at which the refining of native sugar shall be commenced.

79. The accounts shall be prepared by the board of Accounts, &c., prepared.
management

They shall be submitted to the general meeting of the How submitted.
shareholders, who shall approve or reject the same, and
shall determine the dividend to be paid, after having heard
the report of the board and that of the censors.

TITLE TENTH.

DIVISION OF PROFITS, RESERVE AND PROVIDENT FUND.

Profits. **80.** The net proceeds, after deducting all charges, shall constitute the profits of the corporation.

Application of percentage of profits; for maintenance, &c. **81.** When the difference between the receipts and expenditure is once established for each factory or establishment connected with the corporation, there shall be levied on such difference an amount equal to one tenth of the value of the plant in each establishment. This amount shall be credited to a special account for maintaining, and if necessary, wholly or partially replacing such plant. This amount shall cease to be levied, as soon as the credit side of the account shall attain to the amount of the value of the plant.

For reserve fund. **82.** In addition to the sum so levied, there shall be taken from the general profits of the corporation an amount equal to five per cent. of the profits. This amount shall form a reserve fund which shall constitute a reserve fund to the extent of one-half of the capital.

Dividends. Afterwards, a dividend shall be paid the shareholders of the extent of eight per cent on the capital stock allotted.

Provident fund. **83.** The board of management may, moreover, form a special provident fund and determine in which manner shall be invested the sums composing such fund.

Division of surplus profits. **84.** The surplus profits, if any, shall be divided into three parts, namely:

1. Fifty per cent. for the shareholders as an extra dividend;
2. Ten per cent. for the board of management;
3. Forty per cent for the founders.

TITLE ELEVENTH.

RULES AND REGULATIONS.

Calling of meetings to make, &c., rules, &c. **85.** When the general meeting shall be called upon to vote on the adoption or amendment of the rules or regulations, the notices calling such meetings shall contain a summary mention thereof.

Certain number of shares must be represented at meeting. **86.** The proceedings at such meeting shall not be valid, unless carried by two-thirds of the votes, representing at least one-third of the shares issued.

87. The by-laws or regulations must not be contrary to the laws of the Province of Quebec, nor to the provisions of this Act; and those to take effect and be executed in France must not be in conflict with the laws of that country.

TITLE TWELFTH.

DISSOLUTION AND LIQUIDATION OF THE CORPORATION.

88. If the real estate and other securities, representing the capital of the corporation, are sufficient, or more than sufficient to repay to the shareholders the amount of their shares, the whole shall be considered as belonging to the shareholders; if they are insufficient, the shareholders shall take the difference from and out of the reserve fund.

89. That which remains of the statutory reserve fund and the securities representing the capital of the corporation sufficient to repay the shareholders, if the securities representing the capital have been insufficient for such repayment, shall be considered as accumulated profits and shall be divided amongst the shareholders and the persons holding the founders' shares. The provident fund shall always be considered as accumulated profits and the founders' shares shall be entitled thereto, even before the capital is integrally repaid.

TITLE THIRTEENTH.

ORGANIZATION AND FINAL CONSTITUTION OF THE CORPORATION.

90. The persons mentioned in the preamble shall open in Paris and in Montreal, subscription books for the first issue of shares in 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 shares, forming the first issue in proportion to the amount of each one's subscription.

91. For all future issue of stock every subscriber shall, when he subscribes his name, make an election of domicile in France or in the province of Quebec.

Notice shall be given to each subscriber of his allotment, by a letter addressed to the domicile indicated and sent by post.

Within five 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

Amount to be paid. that purpose, twenty five per cent upon the amount of the shares allotted to him.

Shareholders. The subscribers who shall pay twenty five per cent shall become shareholders.

Election of directors, &c., at first meeting. **92.** At the first meeting, provided for by section 71 of this act, the persons mentioned in the preamble shall elect the first directors, and the meeting itself shall elect the censors, and thereupon the corporation shall be duly organized and finally constituted.

TITLE FOURTEENTH.

PRIVILEGE.

Privilege granted to corporation. **93.** A privilege for twenty years, dating from its final organization, is granted to the corporation and to the Scientific Board (*Syndicat d'études*.)

Nature of such privilege. Such privilege shall consist in the Government of the Province of Quebec binding itself not to authorize the formation, within the limits of its territory, of any other corporation for the manufacture of beet-root sugar in any way represented in any country outside of the British Empire.

TITLE FIFTEENTH.

COMING INTO FORCE.

Act in force. **94.** This act shall come into force on the day of its sanction.

C A P . L X I .

An Act to incorporate the Eastern Townships Colonization and Credit Company.

[Assented to 30th June, 1881.]

Preamble.

WHEREAS the persons hereinafter named have, by their petition, prayed for an act of incorporation constituting them a company by the name and style of "The Eastern Townships Colonization and Credit Company," with power to acquire, clear and improve lands and to perform various undertakings connected with the colonization and cultivation of land, and the investment of capital in this province, and specially in the Eastern Townships; 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: