

amended ; and whereas it is expedient to grant the prayer of the said petition ; Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

S. 4, 29 V., c. 86, amended in french version.

1. Section 4, of the act 29 Victoria, chapter 86, is amended, by striking out, in the eighth line thereof, in the French version, the word : "*actionnaires*," and inserting in lieu thereof the word : "*directeurs*."

S. 4, further amended.

2. Section 4, of the said act, is also amended, by adding, in the twelfth and thirteenth lines thereof, after the word : "meeting," the following words : "or represented by proxies who may or may not be shareholders."

S. 4, further amended.

3. Section 4, of the said act, is also amended, by adding after the word : "company" in the fourteenth line thereof the following words : "and all persons holding shares in trust shall be entitled to vote upon them, and may be represented by proxy in the same manner as any other shareholder."

S. 4, further amended.

4. Section 4, of the said act, is also amended, by striking out, in the twenty-third line thereof, the words : "absence from the province," and inserting in lieu thereof the following words : "or absence from four consecutive meetings of directors, covering a period of at least three months, without any reason found sufficient by the board of directors."

Act in force.

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

C A P . L V I I .

An Act to confirm the Act of the Dominion Parliament, 41 Vict., chap. 41, intituled : "An act to incorporate "*La société de construction du comté d'Hochélag*a," as a permanent building society, and for other purposes," and to declare valid the provisions of the said act and to give effect thereto.

[Assented to 24th July, 1880]

Preamble.

WHEREAS, a certain building society was, in 1875, incorporated under the provisions of the act, chapter 69 of the consolidated statutes for Lower Canada, as a permanent building society, under the name of : "*La société de construction du comté d'Hochélag*a," was accordingly regularly organized and began business as such permanent building society ;

Whereas previously, to wit : in 1874, another building society, had been incorporated, under the provisions of the said chapter 69, of the consolidated statutes for Lower Canada, under the name of : “ *La société de construction nationale*,” had been likewise duly organized in consequence thereof and had commenced business as such building society ;

Whereas, on the 8th February, 1876, the two societies, to wit : “ *La société de construction du comté d’Hochélag*a ” and : “ *La société de construction nationale*,” having thus been incorporated and regularly organized, having since their incorporation and organization, worked as such, until the said day, 8th February, 1876, and on the said day being in full operation, did then, by an authentic deed, passed before Mtre. Robillard, notary, at Montreal, after having fulfilled the formalities required by the statute of this Legislature, passed in the 39th year of the reign of Her Majesty, chapter 61, intituled : “ An Act to amend chapter 69 of the consolidated statutes for Lower Canada, respecting building societies ” in providing for the means of their union or fusion, did according to the provisions of the said act, duly unite in order to form one only under the name of : “ *La société de construction du comté d’Hochélag*a,” for all the purposes, objects and intentions of the said act, whose every formality and condition they have fulfilled, in order to render such union and fusion valid, and whereas on the 10th May, 1878, the two societies formed but one, under the above mentioned name of : “ *La société de construction du comté d’Hochélag*a,” which said society was in full operation ;

Whereas, on the said day, 10th May, 1878, to wit, in the forty first year of Her Majesty’s Reign, the federal statute, mentioned in the title of this act, was passed under chapter 41, of the statutes of the federal parliament, held in the said forty first year of Her Majesty’s Reign, was sanctioned by the Governor General of the Dominion of Canada, in the name of Her Majesty, with the title above mentioned : “ An act to incorporate “ *La société de construction du comté d’Hochélag*a,” as a permanent building society, and for other purposes,” which said federal statute, as printed in the book of statutes of the said federal parliament, is as follows :

An Act to incorporate “ *La société de construction du comté d’Hochélag*a ” as a permanent building society and for other purposes.

WHEREAS “ *La société de construction du comté d’Hochélag*a,” incorporated under the provisions of ^{Preamble of this act.}

the act chapter sixty-nine of the consolidated statutes for Lower Canada, has existed in the city of Montreal, since the month of June, one thousand eight hundred and seventy-five; whereas the subscribed appropriation capital of the said society is one million five hundred thousand dollars, and the amount paid thereon is about fifty-nine thousand four hundred and fifty dollars; and whereas its existence on a solid and durable basis is of great interest to all its shareholders; and whereas the said society has, by the petition of its president and directors, prayed for certain powers and changes which would greatly contribute to its prosperity and to the security of persons holding shares therein, and of the public with whom its business is transacted and whereas it is expedient to grant the prayer of the said petition; Therefore, Her Majesty, by and with the advice and consent of the Senate and the House of Commons of Canada, enacts as follows:—

- Constitution of the corporation. 1. The said "*La société de construction du comté d'Hochélag*," and all its present members, their successors and assigns for ever, are hereby constituted a corporation and permanent building society, under the name of: "*La société de construction de comté d'Hochélag*," having its principal place of business or office in the city of Montreal, and may, by that name, sue and be sued, and shall enjoy all the rights, powers and privileges granted to permanent building societies by the act, chapter sixty-nine of the consolidated statutes for Lower Canada, and by all other acts affecting such societies, and shall be held to all the duties and obligations imposed on such societies by the said acts.
- Name.
- General powers.
- Rights and powers vested in society. 2. All moveable and immoveable property, shares or stock, obligations, debts, rights, claims and privileges generally whatsoever of the said "*La société de construction du comté d'Hochélag*," shall continue vested in the said society, incorporated as a permanent building society as aforesaid, under its said name, and shall continue to be held and maintained by or against the said society, and belong to it, to all intents and purposes, as if this act had not been passed; and all proceedings commenced by the said society may be continued without any change whatsoever.
- Officers continued in office.
- By-laws continued. 3. The president, directors and officers, of the said "*La société de construction du comté d'Hochélag*," now in office, shall so continue in the said society, until replaced, in conformity with the by-laws of the society. The present by-laws of the said society, which are in conformity with the law, shall continue in force until amended or repealed by the said society.

4. And whereas, under the system hitherto followed in the said society, the capital thereof consisted of the whole amount of the shares subscribed for by its shareholders, and such capital was to be advanced by appropriation, from time to time, during the existence of the society, to shareholders, holding the winning number at a drawing of lots to be carried out under the supervision of the board of directors of the society, or whose number obtained, at a bidding, the privilege of appropriation, and whereas, under the aforesaid system of appropriation, a certain number of shareholders have already received in advance, the amount of their shares, and consequently the said shareholders are bound to repay in full the amount so by them received, less what they may have previously paid upon their said shares, and consequently the said shares cannot now be reduced, unless with the consent of such shareholders and by providing a new and special means for the discharge of the obligations of such borrowing members towards the society, it is further enacted : that the appropriation capital stock of the said society, subscribed for by shareholders, who have received no appropriations, shall be reduced to ten per centum of the amount by them so subscribed ; and the capital subscribed by borrowing shareholders shall remain at the full amount of the original subscription. Non-borrowing shareholders, that is to say, those who have not received appropriations, shall be bound to complete the said amount of ten per centum on the total of the shares by them originally subscribed for, by paying to the society such an amount as may be requisite to form such ten per centum, with what they have already paid, in instalments not exceeding ten per centum of the balance by them so owing, and payable at such periods as may, from time to time, be fixed by the directors ; provided, that such instalments shall not be payable at shorter intervals than three months. Borrowing shareholders shall continue to make their payments in the same manner and on the same terms and at the same periods as set forth in their obligations entered into with the Society, until such time as each and all of their said obligations shall have been completely and entirely satisfied and fulfilled. Nevertheless, the Directors of the Society may make such arrangements with such borrowing shareholders as they shall think proper to convert into an obligation to pay a fixed sum, agreed upon and determined between them and such borrowing shareholders, all and every the debts and obligations of such borrowing shareholders, as aforesaid,—the whole in conformity with the provisions of the first section of this Act ; and thenceforth, such borrowing shareholders shall cease to be shareholders

Further pre-
amble.

and shall become simple borrowers, and their shares shall be absolutely cancelled and annulled, to all intents and purposes whatsoever.

Capital stock. 5. The capital stock of the society, reduced as hereinbefore enacted, shall be and form the permanent capital stock of the said society, together with the old permanent stock, and shall be divided into shares of fifty dollars each : and each share shall entitle the holder thereof to one vote ; but no shareholder shall be entitled to vote at any meeting, unless he shall have paid all the calls upon all the shares held by him.

Power to increase capital. 6. The said Society may, by a resolution of the Directors, confirmed at a general meeting of the shareholders, increase its permanent capital, and may, as often as it thinks proper, open classes of temporary shares ; and nothing in this Act shall operate to deprive the society in that respect of any rights and privileges conferred by general acts affecting such societies.

Open classes of temporary shares. Power to convert temporary into permanent shares. 7. Any member of the society may, at his option at any time, and in the manner to be regulated by the directors, convert his temporary shares into fixed and permanent shares in the stock of the society, either before or after the same shall have been fully paid up.

Shares charged in favor of society. 8. All shares, whether permanent or temporary, in the said society and all profits thereon shall be specially, and by prior privilege to any other creditors, charged with and liable for any claims the society may have against the proprietors of such shares, and the same may be retained and confiscated by the society, according to law, if the shareholder indebted to the society fails to discharge his debt or obligation. The shares of the said society may also be seized and sold in the same manner and with the same formalities as shares in bank stocks.

Shares may be seized and sold. System of appropriations discontinued. 9. The system of appropriations, hitherto followed in the said society, shall be totally discontinued, and the said society may invest its moneys in any real security, or in the public securities of the Dominion or of any of the provinces thereof or on the security of debentures of any municipal corporation. The society may also accept, in addition to such hypothecary securities, any personal or other security offered as collateral security for loans made by the society.

Power to make and alter by-laws. 10. The society shall have power to make, alter, repeal and re-enact, from time to time, by-laws for the regulation of its business, by a majority of two thirds of the votes of its members, present in person or represented by proxy, at a general meeting of the members of the society held for that purpose at the call of the President or of three Directors, by public notice, inserted in two newspapers, pub-

lished in the city of Montreal, one in the French language and the other in the English language, three times a week for two consecutive weeks, before the day of the said meeting ; and at such meeting and at all other meetings of the members of the society, the members shall vote in the manner provided by this act and by the by-laws of the society.

11. The Directors of the society may, each year, at the period of the division of profits, reserve out of the profits of the permanent capital, a certain sum not to exceed two per centum of the amount of such capital, when the net profits do not exceed ten per centum, and, at their discretion, if the profits exceed ten per centum ; which sum shall form the permanent reserve fund of the society, and shall be set apart to meet all losses or extraordinary or unforeseen expenditure incurred by the society, the responsibility of which devolves on the permanent shareholders." Reserve out of profits to form reserve fund.

Whereas, moreover, the said : "*La Société de construction du comté d'Hochélag*," anew incorporated under that name, has recommenced and continued its operations in virtue of the said act, and in conformity with its provisions, has fulfilled all the formalities and conditions thereof, claiming the benefits of all the powers, privileges and prerogatives granted to it by the said act, and was in full operation at the time when, under the authority of the statute of this province, chapter 32, passed in the session of this legislature, held in the forty-second and the forty-third years of the Reign of Her Majesty, it went into liquidation, which is not yet finished and which is still pending ; Preamble.

Whereas, finally, doubts have arisen as to the constitutionality of the said act of the federal parliament, above mentioned, inasmuch as the said federal parliament may have exceeded its powers, by passing the said act, the subject matter and provisions of which belong to the exclusive jurisdiction of this Provincial legislature, in virtue of the "British North America Act, 1867," the said : "*La société de construction du comté d'Hochélag*," has, by the petition of Thomas Gauthier, Edmond Joseph Bourque, Charles, Edouard Schiller, all three of the city of Montreal, the liquidators appointed in virtue of the said provincial act, 42-43 Vict., chap. 32, prayed for the confirmation and ratification of the said federal act ; and whereas, as well in the interest of the public as in that of the said society, of the members who compose it and of the third parties interested, it is expedient to accede to the said demand and grant the prayer of the said petition ; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Federal act,
41 V., c. 41,
confirmed.

1. The said federal act, in its entirety, and all the clauses, provisions and dispositions therein contained, are confirmed and declared valid, as well for the past, and dating from its sanction, as for the future, as if there existed no doubt as to its constitutionality;

Powers, &c.,
confirmed.

2. All the powers, privileges and prerogatives granted, and all the duties, obligations and restrictions imposed by the said act, as well upon the said: "*La société de construction du comté d'Hochelaga*," as upon its members, its creditors and interested third parties, are declared valid and vested with legal sanction, both for the past and for the future, and the same shall apply to all the proceedings, subscriptions, rules, operations, acts and confiscations made by the said: "*La société de construction du comté d'Hochelaga*," as well since its incorporation as a permanent building society, as since its foundation and its amalgamation with the above mentioned: "*La société de construction nationale*," made by the said society, its said members and interested third parties; provided always that all such proceedings, subscriptions, by-laws transactions, operations and confiscations have been made in conformity with the by-laws of the said society and the statutes governing such building societies, the said society may proceed to liquidation, recommence its operations and, to all legal intents and purposes whatsoever, act as they may deem fit, as if there had never existed any doubt as to the constitutionality of the said federal act, and as if, instead of having been enacted by the said federal parliament at the time and in the manner set forth, it had been so enacted by this legislature.

Liquidation.

Provisions of
41 V., c. 41,
re-enacted.

3. And, if need be, Her Majesty, by and with the advice and consent of this Legislature, enacts anew all and every the clauses, provisions, and dispositions of the said act, with the preamble and the title thereof, as if, *mutatis mutandis*, all and every, the clauses, provisions and dispositions thereof were herein specially repeated.

Not to affect
pending cases
and coming
into force.

4. This act shall not affect pending cases and shall come into force on the day of its sanction.