

Not obliged to
sell certain
property.

3. All laws and statutes to the contrary notwithstanding such Loan and Landed Credit Company shall not be held to sell before the expiration of ten years, to be reckoned from the day of the sanction of this act, the properties which it has been obliged to buy from its debtors, in order to protect its interests; and the said company shall also have ten years, to be reckoned from the day of its acquisition to dispose of such properties, which it shall be obliged to acquire in future from its debtors to protect its interests.

Right of voting
by shareholders.
etc.

4. All laws and by-laws to the contrary notwithstanding, at all general and special meetings of the shareholders or members of this company, every shareholder or member, including the chairman of the meeting, shall have one vote for each share held by him, for at least thirty days before the day of the meeting, and he may so vote in person or by proxy; and in all cases where the votes shall be equal, the chairman of the meeting shall, in addition, have a casting vote.

Date of coming
into force of
this act.

5. This act shall not have full force and effect of law until it shall have been approved, confirmed, and ratified, by a resolution, passed at a general meeting of the members of the said Loan and Landed Credit Company, called for that purpose, in conformity with section 6 of its act of incorporation, 35 Victoria, chapter 109; the said resolution to be adopted by at least two thirds of the members present or represented by proxy at such meeting, and this act shall take effect from the day fixed by the said resolution.

Resolution
duly certified
to make proof

Such resolution certified by the president and the cashier of the said loan and landed credit company, shall be proof of the contents thereof.

C A P. L X.

An Act to incorporate the "*Crédit Foncier Franco-Canadien.*"

[Assented to 24th July, 1880.]

Preamble.

WHEREAS, Count Raphael Maximilien Cahen d'Anvers, Knight of the Legion of Honor, banker, 59, *rue de la Victoire*, Paris, in France; Edmond Jean Joubert, officer of the Legion of Honor, vice-president of the board of management of *La Banque de Paris et des Pays-Bas*, 3 *rue d'Antin*, Paris, in France; Charles Louis Sautter, Knight of the Legion of Honor, manager of *La Banque de Paris et des Pays-Bas*, 3 *rue d'Antin*, Paris, in France; Etienne Mo-

ranges, 7, *rue de la Bibliothèque*, Versailles, France; the Honorable Joseph Adolphe Chapleau, of the city of Montreal, in the Province of Quebec, Dominion of Canada; the Honorable Etienne Théodore Paquet, of the city of Quebec; Jonathan S. C. Würtele, of the city of Montreal, Queen's Counsel, officer of Public Instruction of France, and Louis Napoléon Carrier, of the town of Lévis, notary, registrar of the county of Lévis, have, by their petition, prayed for an act of incorporation, for the establishment, by means of capital to be subscribed in France, and in the Province of Quebec, of an institution of landed credit, having for its object to supply real estate owners, in this Province, who may desire to borrow upon hypothecary securities, with the means of paying their indebtedness, by long term annuities, and with the right to issue and negotiate obligations or bonds, bearing interest yearly and repayable at par, or with prizes or premiums: And whereas, it is expedient to grant the prayer of their petition: Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

TITLE FIRST.

INCORPORATION OF THE INSTITUTION.

1. A corporation is hereby created and constituted under the name of "*Crédit Foncier Franco-Canadien*." Corporation constituted.

TITLE SECOND.

OBJECTS OF THE CORPORATION.

2. The objects of the corporation shall be:

Objects of the corporation:

1. To loan, upon hypothec ~~"to owners of real estate, situate within the Province of Quebec"~~, sums of money, repayable either at long date, by annuities, or at short date, with or without a sinking fund. Loan upon hypothec.

2. To loan, upon the security of hypothecary or privileged claims ~~"affecting immovables situate in the Province of Quebec"~~, sums of money, payable either at long date, by annuities, or at short date, with or without a sinking fund. Loan upon hypothecary security.

3. To loan, upon hypothec or otherwise, to municipal and school corporations, to *Fabriques* and trustees for the construction or repair of churches, ~~in the Province of Quebec~~, such sums of money as they may be authorized to borrow, and repayable either at long date, by annuities, or at short date, with or without a sinking fund. Loan to corporations, &c., with or without hypothec.

Acquisition by transfer, &c., hypothecary claims.

4. To acquire, by subrogation or transfer, hypothecary or privileged claims upon immovables situate in the Province of Quebec.

Generally to develop loans upon real estate.

5. In a word, to perform all operations intended for the development of loans upon immovables in the Province of Quebec.

Purchase of bonds of corporations, &c.

6. To purchase bonds or debentures issued by municipal and school corporations in the Province of Quebec, and by incorporated companies doing business in the province, and to resell the same, if deemed advisable.

Loans to government.

7. To make loans to the government of the Province of Quebec, and purchase public securities of the Province, and to resell the same, if deemed advisable.

Creation and negotiation of obligations, &c.

8. To create and negotiate, as representing its operations, obligations or bonds, to an amount which shall not exceed that of the sums of money due by its borrowers, and the value of the bonds or debentures and public securities in the possession of the corporation.

TITLE THIRD.

HEAD OFFICE AND DURATION OF THE CORPORATION.

Seat of society.

3. The seat or chief office of the corporation shall be at Quebec, at such place as shall be designated by the board of management.

Branch offices.

A branch office shall be established in the city of Montreal; and other offices may be established at such other places in the Province of Quebec as the board of management may deem advisable.

Duration of society.

4. The duration of the corporation shall be limited to ninety nine 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 twenty five million francs, French currency, divided into fifty thousand shares of five hundred francs each. It may be increased by a resolution adopted at a special general meeting.

Shares, their issues.

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

Payment of first issue.

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

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

Issue of remaining shares.

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

Proportion of payment.

" The new shares shall not be allotted below par.

Price of new shares.

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

Calls.

7. The subscribers to the capital stock, to the extent of the fifty thousand shares mentioned in section 5, shall be the founders of the corporation, and shall, as such, be entitled to the benefits mentioned in sections 8 and 116, of the present act.

Rights of founders of the corporation.

Stock-certificates shall be given to the founders to establish their rights, under the first paragraph of section 8, and to facilitate their obtaining their share of the profits, specified in section 116.

Stock-certificates.

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

Form of.

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

Percentage of founders and shareholders in certain cases.

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

Allotment of proportion of shares.

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

Union of shares.

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

Regulation respecting above provisions.

9. The amount of the shares shall be payable in francs, French currency, at Paris, or at ~~Quebec~~, at such dates as may be fixed by the board of management.

Shares in what currency payable and when.

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

Interim stock-certificates.

Canada

Calls how
notified.

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

Interest on
moneys over-
due.

10. 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.

Interim
stock-certifi-
cates may be
advertised in
certain cases.

11. If the instalments upon any of the calls on stock are not paid when due, the numbers of the interim stock-certificates of those who are in arrear shall be published in one of the daily newspapers of Paris and of Quebec. 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, on the Stock-Exchange, in Paris, through a stock-broker, if they are quoted on the Stock-Exchange, and if not, through any other public officer in France.

How such sale
shall be 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.

Such certifi-
cates so sold
shall be can-
celled.

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.

Condition re-
quisite to ne-
gotiability of
certificates.

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 lawful
proceedings
may be taken.

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

Proceeds of
sale and when
paid.

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 to
bearer.

12. 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.

Whence taken.

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.

13. Stock certificates to order shall be negotiable by transfer, granted by the seller and accepted by the buyer.

Transfer of stock-certificates to order.

When the parties act through an agent, the power of attorney shall be delivered to the corporation.

Power of attorney in certain cases.

The corporation may require that the signature of the parties and their capacity to act, be certified by a stock-broker, and in no case shall it be responsible for the validity of the transfer.

Formalities required.

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

Transfer of stock-certificates to bearer.

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

Exchange of certificates.

Conditions.

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

Ownership of several shares.

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

Right of shareholders.

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

Liability of shareholders.

19. 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.

Duty of co-proprietors.

20. The rights and obligations appertaining to shares shall follow the certificate into whatsoever hands it may pass.

Rights to follow certificates.

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

Shareholders to comply with by-laws, &c.

21. 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

Loss of stock-certificates to bearer.

such certificates and of the rights of the claimants, and also until all legal formalities have been fulfilled.

Loss of certificates to order

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

Seals, &c., cannot be affixed to corporation property by heirs, &c., of shareholders.

22. The heirs or creditors of a shareholder cannot, under any pretext whatsoever, require the affixing of seals upon the property and securities of the corporation, nor interfere in any way with the management thereof.

Their rights.

They shall, for the exercise of their rights, abide by the financial statements of the corporation and the proceedings of general meetings.

TITLE FIFTH.

MANAGEMENT OF THE CORPORATION.

SECTION I.—BOARD OF MANAGEMENT.

Management of the corporation.

23. The corporation shall be managed by a board of management, composed of from nine to fifteen directors, who shall annually elect, from amongst their number, a president and a vice-president.

President and vice-president.

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

Number of directors ;
Until otherwise provided.

Until otherwise provided, the board shall be composed of fifteen directors.

Directors how and when appointed.

24. The directors shall be appointed at the general meeting of the shareholders.

First board and duration of office.

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

Qualification of directors.

Before entering into office, each of them shall establish that he is possessed of fifty shares. These shares shall remain affected by privilege, as security for his good management and shall not be transferable, while he remains in office.

Retire of directors ;

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

By lot.

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

May be re-elected.

Vacancy in board.

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

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.

Term of office
of replacing
director.

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

Certificate of
presence at di-
rectors' meet-
ings.

27. 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.

Meeting of
board of man-
agement.
How called.

No resolution can be adopted, unless three fourths of the directors, residing in Canada, are present or represented. Directors residing in foreign parts, or those who are absent, may be represented at the meetings of the board by special mandate given to one of their colleagues. No director shall, as proxy, have more than three votes at the board.

Resolution how
adopted.

Number of
proxies to be
held.

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

Absent direct-
ors.

The Directors composing the Paris Committee, hereinafter mentioned, may, without waiting until the decisions of the board are communicated to them, take part in the voting by correspondence.

Paris commit-
tee may take
part in voting.

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

Decisions how
taken.

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

Casting vote.

28. 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 the secretary.

Minutes how
kept.

Copies or extracts of such minutes, which are required to be produced in court or elsewhere, shall be certified by the president or vice-president.

Certified
copies be au-
thentic.

29. The board of management shall, in concert with the committee in Paris, have the most extensive powers for the management of the affairs of the corporation.

General
powers of the
board of man-
agement.

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

By-laws.

It shall appoint and remove the managers, officers, and employees of the corporation, shall determine their powers and fix their fees, salaries and gratuities; it shall also determine the amount of the security which they shall give and, if necessary, authorize it to be repaid.

Appoint and
remove officers,
&c.

It shall, if need be, authorize the purchase of immovable property in the Province of Quebec for the purpose of

Authorize pur-
chase of pro-
perty.

establishing its offices therein and the sale of such immovables and of those acquired in payment or for the protection of their claims.

Other powers It shall decide upon :

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

2. The preliminaries, forms and conditions of loans intended for the working of the corporation or the management thereof, with or without hypothec.

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

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

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

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

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

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

9. The amalgamation of the corporation with other companies.

10. Its anticipated dissolution.

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

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

13. The rules under which the managers shall in general administer the affairs of their respective divisions.

14. The creation and issue of obligations or bonds ; the date of their issue ; the rate of interest, which shall not exceed that authorized by law in the Province of Quebec ; the date of the re-payment thereof ; the number of drawings (*tirages au sort*) and the amount of the prizes or premiums, the percentage whereof, together with the interest thereon, shall not exceed the rate authorized by law. \\\

15. The agreements, transactions, compromises, investments, transfers of State securities (*rentes sur l'Etat*) and others ; cancellation of hypothecary or privileged claims without payment being established ; the abandonment of all real or personal rights ; discontinuance of oppositions and cancellation of the registration of hypothecs, without previous re-payment.

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

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

30. The Board of management shall decide upon applications for loans and other transactions, and grant or refuse them; but it shall refer to the Paris Committee all those the amount whereof exceeds twenty thousand dollars, Canadian currency, or one hundred thousand francs, French currency. Applications for loans, &c. Proviso, as to loans over a certain amount.

31. The board of management may appoint and remove, when it sees fit, a "local board" in each division; such local boards shall be composed of three or a greater number of directors; they shall exercise the powers of the board relating to applications for loans or proposals for the transfer of hypothecary or privileged claims, the amount of which does not exceed ten thousand dollars, Canadian currency or fifty thousand francs, French currency; but the board of management may limit the importance of the applications and proposals which it may have to consider. Appointment, &c., of local board.

repeated

It is necessary that an absolute majority be present to render the proceedings of the local board valid. Quorum.

The board may also delegate a portion of its powers to be exercised, as well in the Province of Quebec as in France, to one or more persons, by special mandate, but only for a determined object and for a limited space of time. Delegation of powers in certain cases.

32. 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. Responsibility of members of board of management.

SECTION II —PARIS COMMITTEE.

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

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

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

Appointment
of chairman.

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

Rules, &c.

The same rules, established for the validity of the proceedings of the board, shall apply to those of the committee. *Article 20*

Meeting of
committee.

The Paris Committee shall meet as often as it may think advisable.

Communi-
cation to the
board of man-
agement and
committee.

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

Paris board.
Advice to be
obtained by
board from
committee.

The Paris Committee, shall be under the same obligations with respect to the board of management in Canada.

The board shall obtain the advice of the Paris Committee upon all the questions set forth in sections 29 and 31, and in addition upon all loans and transactions, of which the amount shall exceed twenty thousand dollars ~~or~~ one hundred thousand francs.

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

In the event of
difference of
opinion.

In the event of the board of management in Canada differing in opinion with the Paris Committee, the decision, to be valid, shall be carried by a three fourths majority of the members of the entire board of management.

Delay to give
opinion by
committee.

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

If not received
decision to be
considered as
approved.

Sale, &c.,
bonds in
Europe.

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

Register of
committee.

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

SECTION III.—THE CENSORS.

Appointment
of censors.
Duration of
office.

36. Three Censors shall be appointed by the general meeting. They shall remain in office for the space of three years, and one third in number shall go out of office; they may always be re-elected.

Death 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.

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

The provisions of section 26 of this act shall apply to the censors as well as to the directors. Application of section 26.

37. The duty of the censors shall be to see to the strict observance of the provisions of this act.

They shall be entitled to be present at the meetings of the board and of the Paris Committee and to give their opinion.

They shall control the creation and issue of obligations or bonds.

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.

38. They shall make an annual return to the general meeting, which return shall be printed and distributed to the members at the meeting. Annual return to be made.

39. The censors shall have the right, when they unanimously decide upon it, to have a special general meeting called. May call special general meetings.

SECTION IV.—MANAGEMENT IN THIS PROVINCE.

40. For the management of business, the Province shall be divided into two divisions. One shall be designated by the name of the "Quebec Division," and its place of business or office shall be in the city of Quebec; the other shall be designated under the name of the "Montreal Division," and its place of business or office shall be in the city of Montreal. Province divided into divisions. "Quebec Division." "Montreal Division."

The first of such divisions shall include the territory to the east of the Rivers St. Maurice and Nicolet, and the other, the territory to the west of such rivers. Territory comprise 1.

41. Nevertheless, the board of management may, if it deems proper, subdivide such divisions and form others, and establish offices in the new divisions. Subdivision of these divisions.

42. The affairs of each division shall be administered by a manager who may also be a director. Manager on each division.

This document is a copy of the original and shall be kept in the office of the corporation. On the 1st day of January 1881, the amount of the employee's salary was \$100.00. In case of the employee's death, the amount of the salary shall be paid to the employee's heirs.

the
Duties of
manager.

Security for
management.

the
Powers of
manager.

43. Before entering into office, ~~every~~^{the} manager must prove that he holds one hundred shares. Such shares remain affected by privilege, as security, for his good management and shall not be transferable while he remains in office.

44. The manager shall make rules for the internal discipline of his office and shall see to their observance.

He shall carry out the decisions of the board of management, relating to the administration of affairs ~~within his division.~~

He shall be the representative of the corporation, as regards third parties, in all matters which come under his management.

in concert
He shall sign cheques, drawn upon the bank ^{of} in which the funds of the corporation are deposited ~~within his division~~; endorse securities, made payable to order; pay sums due by the corporation; take the necessary steps to recover sums due to it; give instructions for the institution of suits, and proceedings which the affairs of the corporation may render necessary; sign, in the name of the corporation and on its behalf, contracts of loan, subrogation, transfers and deeds of purchase and sale; give and receive discharges for sums received or paid out, execute and sign, in the name and on behalf of the corporation, all discontinuances and cancellations authorized by the board of management; and shall, in a word, perform, within his division, all and every the acts of administration required by the affairs of the corporation.

at the head -
May have
deputy;

45. The manager may, with the permission of the board of management, require the assistance of and be represented by a deputy; but he shall be responsible for all his acts and the consequences thereof.

All powers delegated by him shall be special and temporary.

manager may suspend the employees in his
shall refer the matter to the board of man-

replace any employees who may

ence or inability to act of any
vide a temporary substitute.

of each year, the man-
agement of the operations of
during the preceding year.
mitted to the board of man-

in his division

agement who, after having examined it, shall forward it, with its observations thereupon, to the censors.

48. The president shall, after the appointment of a manager by the board of management, execute in duplicate, a procuration, countersigned by the secretary, authorizing him to act, within the limits of his powers, for and in the name of the corporation. Duties of president.

A duplicate of the procuration shall be deposited in the office of the Provincial Secretary, and the latter shall give notice, in the Quebec Official Gazette, of such appointment and of the deposit of the procuration.

All registrars and all courts in the Province, shall be held, after such notice, to receive all deeds passed by the manager, within the limits of his powers, and before the publication, in the Gazette, of a notice of a revocation of the procuration, as sufficient, without requiring any proof of his power to act. Effect of notice &c.

TITLE SIXTH.

GENERAL MEETINGS.

49. The general meeting, regularly constituted, shall represent the whole body of the shareholders. General meeting, what it is.

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

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

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

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

50. No one can be represented, except by a proxy who is a member of the meeting. Who may be proxies.

51. The general meeting shall be held before the ~~thirtieth~~ ^{thirty first} of April in each year, either at ~~Quebec~~ or at Paris, in France, according as there may be more shares to order held, and stock certificates to bearer deposited in the ~~Province of Quebec~~ or in France, thirty days before the date of the meeting. Annual meetings.

Head office in Canada

Special meet-
ings.

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

Notice of call-
ing meetings.

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

What notice
must contain.

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

Shares to order shall be counted in one of the two above categories, according as the holder shall reside in the Province of Quebec or in France.

Every shareholder, who is not a resident of either of these two countries, shall be considered as residing in France.

When the number of shares deposited shall have once been ascertained, the board of management shall, by a notice inserted in one of the daily newspapers of Paris, and in one published in the Province of Quebec, at least fifteen days before the date of the meeting, indicate the place at which such meeting shall be held.

When meeting
constituted.

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

In default of
first, a second
meeting may
be called.

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

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

Proceedings at
second meet-
ing.

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

Officers of
meeting.

56. The officers of the meeting shall be the chairman, two scrutineers and a secretary.

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

The duties of scrutineer shall be performed by the two shareholders who shall represent, either in their own name

or as proxies, the greatest number of shares, and if they refuse, then by the two shareholders next in order, and so on until two have accepted.

The chairman and the two scrutineers shall appoint the secretary.

57. The report of the board of management, on the position of the affairs of the corporation, shall be read to the meeting, as also, if necessary, the observation of the censors. Report of board, to be read. That of censors.

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

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

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

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

58. The decisions of the meeting shall bind all shareholders, even those who are absent or who differ in opinion. Decision, binding.

59. The proceedings shall be recorded by minutes, entered in a special register and signed by the officers of the meeting. Minutes, to be kept.

60. The proof of the proceedings of the general meeting, shall, as far as third parties are concerned, be derived from true copies or extracts, certified as such, by the president or vice-president. Proof of proceedings.

TITLE SEVENTH.

OF LOANS AND OTHER TRANSACTIONS.

61. The corporation shall effect hypothecary loans of two kinds. Loans by corporation.

The first shall be repayable at long date, by annuities calculated so as to extinguish the debt in a space of ten years at the least, and fifty years at the most.

The second shall be repayable, at short date, within a period less than ten years, with or without a sinking fund.

Conditions of
loans.

62. The corporation shall lend to proprietors of immovables only on first hypothec, constituted seigniorial rents and equivalent ground rents being alone excepted.

Loans, by which debts already registered are to be repaid, shall be considered as made on first hypothec, when, by the fact of such payment or the subrogation made in favor of the corporation, the hypothec so created shall be the first and without concurrence.

In such cases, the corporation shall keep in its possession sufficient funds to meet such payment.

Loans cannot
be effected on
certain pro-
perty.

63. Loans cannot be effected by the corporation on the following :

1. Theatres.
2. Mines and quarries.
3. Woodlands.
4. Undivided immovables, if the hypothec be not established on the whole of such immovables, with the consent of all the co-proprietors.

5. Immovables of which the usufruct and the mere ownership are not vested in the same person, unless all those having any rights in the property consent to the creation of the hypothec.

This provision relates to the management only, and shall not affect the validity of the hypothec.

Security re-
quired.

64. The corporation shall accept, as security, only those immovables of which the revenues are deemed sufficient.

Amount of
loan.

65. The amount of the loan shall not exceed one half of the estimated value of the immovable hypothecated.

Annual reve-
nue, to equal
annuity.

66. The annuity, which the borrower may oblige himself to pay, shall not exceed the apparent nett revenue of the property.

Interest, not to
exceed legal
rate.

67. The rate of interest, to be charged on all sums loaned, shall be determined by the board of management ; it shall not exceed the rate authorized by the laws in force ~~in~~ the Province of Quebec.

What annuity
shall include.

68. The annuity, as well of long as of short date loans, stipulated in the contract of loan, shall include :

1. Interest ;
2. The sinking fund, determined by the rate of interest and the duration of the loan ;
3. An annual allowance for cost of management, which can not exceed one per cent per annum of the principal loaned.

69. The annuities shall be payable, half-yearly, at the dates fixed by the board of management, but when the first instalment is due the borrower shall only pay the interest for such part of the six months which shall have elapsed, from the time of the effecting of the loan until the payment of such first instalment. Payment of annuities.

70. Every half yearly instalment of an annuity, if not paid when due, shall of right and without any putting in default being necessary, bear interest, for the benefit of the corporation, at the same rate as the loan itself. Interest, to run, if not paid when due.

The same shall apply to all costs of suits, from the day upon which they have been paid, whether settled by consent or taxed, incurred by the corporation, in order to obtain payment of its claim. Costs.

The non-payment of the sums due half-yearly on such annuity, shall give the right to exact the balance of the loan, without any putting in default being necessary. Balance may be required in case of non-payment.

71. Debtors shall have the right to discharge their debts before they become due, whether in whole or in part only. Anticipated payment.

Anticipated payments shall give rise to an indemnity in favor of the corporation, which shall not exceed three per cent of the capital repaid before coming due. Indemnity in Case of. *Months*

72. The borrower shall be obliged to inform the corporation, within a delay of one month, of any total or partial conveyances which he may have made. Conveyance, to be notified to corporation.

In default of his informing the corporation of such facts, within the above mentioned delay, the corporation shall have the right to exact the repayment of the balance of the loan; moreover, it shall have a right to the indemnity fixed by the last paragraph of section 71. Effect of default.

73. The borrower shall, likewise, inform the corporation, within the delay above mentioned, of any deterioration which the immoveable hypothecated may have suffered. Deteriorations, to be notified.

If the deterioration seriously affect the interests of the corporation, it may exact the repayment of the balance of the loan. If serious.

In default of such notice, the repayment shall carry with it, a right to the indemnity authorized by the last paragraph of section 71; when the borrower shall have given notice of the deterioration, the repayment shall be exacted without indemnity. Default of such notice.

74. Properties liable to destruction by fire, shall be insured against fire, at the expense of the borrower. Insurance against fire.

Section 20.

Contents of
deed of loan &c.

The contract of loan shall contain a transfer of the amount of the policy, in case of loss.

The insurance must be kept up during the entire continuance of the loan.

Policy to be in
name of cor-
poration.

The corporation may require that the policy of insurance be made out in its name, and that the amount of the annual premiums be paid by it. In such case, the amount of the annuity shall be increased to that extent.

Loss, to whom
payable.

In case of loss, the amount of the policy shall be paid over directly to the corporation.

Anticipated
payments in
case of loss.

Anticipated payments, arising from fires, shall not carry with them any right to the indemnity authorized by the last paragraph of section 71.

Repayment if
security
diminished.

If the corporation considers that its security is endangered from the effects of the fire, it may exact the payment of the balance of the loan, but without indemnity.

Loans, to be not
less than a cer-
tain amount.

75. The corporation shall not grant any loan for an amount of less than two hundred and fifty dollars, currency of Canada.

Currency of re-
payments.

76. Loans shall be effected and be repayable at the current rate of exchange in, or in currency of Canada.

Application of
rules of this
title.

77. The rules laid down in this title shall apply to loans made upon the security of hypothecary or privileged claims; and those which relate to the rank of the hypothec and to the nature and value of the immovable offered as security, shall also apply in cases of acquisition by means of subrogation or transfer of such claims.

Loans to cer-
tain corpora-
tions.

78. Loans to municipal and school corporations, *fabriques* and church trustees may be made, either in cash or in bonds.

TITLE EIGHTH.

PROCEEDINGS UPON APPLICATIONS FOR LOANS.

Documents to
be produced
upon applica-
tions for loans.

79. Every person who applies for a loan and every person who proposes to transfer a hypothecary or privileged claim, shall produce :

1. The title deeds of the real estate offered as security and a statement showing, as far as practicable, how the property has been held for thirty years past;

2. The deeds of lease, if any there be, together with a statement of the rents paid in advance;

3. A declaration of the revenues from and charges upon the property;

4. A certificate of the secretary-treasurer, shewing the assessed value and the amount, if any, due for municipal and school taxes;

5. The memorial of registrations or registrar's certificates showing its position with reference to incumbrances; and

6. A declaration of his civil status, or of that of the owner of the property hypothecated; and the marriage contracts if any there be.

80. The manager shall cause a valuation of the property, offered as security or hypothecated for the claim, to be made by a valuator, who shall examine the property and take all necessary steps to establish the value thereof. Valuation of property.

The valuation shall be made on the double basis of the nett revenue and of the price which it would bring, if sold. How to be made.

The valuator shall report upon the value of the security offered, and give his opinion as to the advisability of granting the application for a loan. Report of valuator.

81. Applications for loans upon hypothec and proposals for transfer of hypothecary or privileged claims, shall be submitted, together with the documents in support thereof, and the valuator's report, to the board of management. Proceedings upon certain applications.

The board shall examine the value and soundness of the security, and shall grant or refuse the application or proposal. If it grants it, it shall determine the amount and the conditions of the loan and the dates of repayment, or the price and conditions of the transfer.

82. If the board of management grants the application or accepts the proposal, it, together with the title-deeds, the memorial of registration, or registrar's certificate, showing the position with reference to incumbrances and the other vouchers produced, shall be referred, to the solicitor of the corporation. Proceedings if application, granted.

The solicitor shall verify the title-deeds, the position of the property with reference to incumbrances, and the civil status of the borrower or of the person who has given the hypothec and shall report the result of his examination, and give his advice as to the acceptance of the application for a loan, or the proposal for a transfer.

83. The board of management shall examine the solicitor's report. If the title is valid, the board shall authorize the manager to make such loan or complete such transfer. Same after solicitor's report.

If amount exceeds a certain sum.

Nevertheless, when the application for a loan or the proposal exceeds twenty thousand dollars, Canadian currency, or one hundred thousand francs, French currency, the board shall refer the matter, together with the report of the valuator and that of the solicitor to the Paris Committee; it shall, at the same time, submit its observations thereon, if it thinks proper.

Contracts of loan how signed.

84. The contract of loan shall be signed by the manager and by the borrower, and the transfer shall be signed by the manager and the assignor, and, as far as practicable, it shall be accepted by the debtor.

Contents of contract of loan.

The contract of loan shall contain: an obligation in favor of the corporation for the amount of the sum borrowed; a description of the property hypothecated and of how the ownership was acquired; a transfer, in favor of the corporation, of the policy of insurance against fire, in cases where there are, amongst the properties hypothecated, some which are liable to destruction by fire; a declaration of the position of the property with reference to incumbrances and of the civil status of the borrower. If the loan is effected for the purpose of paying off debts, there shall be an undertaking to that effect; if there be any dower, there shall be a renunciation of the same by the wife or children; a deposit of the sum borrowed, until the position of the property, with reference to incumbrances, has been verified, and a delay for the final completion of the loan.

Registration.

85. Registration shall be effected in favor of the corporation against the property hypothecated, and the hypothec shall rank from the day on which the registration was made, although the amount may have been paid over afterwards; and a certificate of the registrations, effected since the date of that which was filed with the application, shall be obtained.

Duty of solicitor.

The solicitor shall afterwards ascertain the position of the property, with reference to incumbrances, and also the borrower's rights of ownership, at the date when the registration was effected, and shall report thereon to the manager. If, at the date when the registration is effected, the borrower's rights of ownership have not changed, and if no obligation has been registered subsequent to the date of the certificate of registration filed, or if the incumbrances subsequently registered are to be repaid by means of the loan, the monies to the amount of the loan shall be paid over.

If further registrations appear.

In cases where registrations or real rights appear which alter the situation of things, as declared and accepted, then the application shall not be followed up; the contract of loan shall be resiliated and the registration in favor of the corporation, cancelled.

85. In the case of a transfer of hypothecary or privileged claims the transfer shall ~~be~~ registered; and when it has not been accepted by the debtor, it shall be served upon him; the price shall be paid only after the solicitor has reported that everything is in order; otherwise, the claims shall be re-assigned.

Transfer of claims.

87. All costs and expenses rendered necessary by the application for a loan or proposal for a transfer shall be defrayed by the person making such application, or proposing such transfer, even when the loan is not effected or the transfer does not take place.

Who shall pay costs &c.

88. Applications for loans by municipal and school corporations, *fabriques* and church trustees, and proposals for the sale of bonds or debentures of municipal or school corporations, or of incorporated companies, shall likewise be subject to examination and approval by the board of management.

Applications by certain corporations.

Such applications and proposals shall, in the first place, be referred to the valuator, in order that he may ascertain the value of the securities, either hypothecary or personal, as the case may be.

To whom referred.

They shall afterwards, if the board accepts them, be referred to the solicitor, in order that he may examine into and verify the powers of the corporation, *fabrique*, trustees or company and the validity of the bonds or debentures; and when there is an offer of hypothecary security, he shall examine into the right of ownership to the property offered as security, and its position with respect to incumbrances.

Further proceedings on such applications.

The provision contained in the last paragraph of section 83 shall apply to such applications and proposals.

89. Applications made by the Government for loans and proposals for the sale of public securities ~~of the Province~~ shall likewise be subject to examination and approval by the board of management.

Applications by government.

If the board accepts them, they shall be referred to the solicitor in order that he may examine into and verify the powers of the Government, or the validity of the public securities.

To whom referred.

The provision contained in the last paragraph of section 83 shall also apply to such applications and proposals.

Application of section 83.

90. When the board of management has appointed a local board, the latter shall be vested with all the powers of the board with respect to applications for loans and proposals for the transfer of hypothecary or privileged

Power of local board in certain cases.

claims, the amount whereof does not exceed ten thousand dollars, Canadian currency, ~~or fifty thousand francs, French currency~~, save and except the limitations which shall be imposed by the board under in conformity with section 31.

Power of general meeting with respect to provisions of Title 8.

91. A general meeting of the shareholders may, at the suggestion of the board of management, modify or even cancel the whole or part of the provisions contained in the present Title VIII.

TITLE NINTH:

OBLIGATIONS OR BONDS.

SECTION I.—GENERAL PROVISIONS.

Issue of bonds.

92. The corporation may create and issue obligations of two kinds :

Real estate obligations.

The first shall be created to represent the operations of the corporation, with the exception of loans to government, to municipal or school corporations, *fabriques*, and church trustees, and public securities and bonds or debentures of municipal and school corporations, in hand : they shall be known as "real estate obligations."

Special obligations.

The second shall be created to represent the loans to government, municipal and school corporations, *fabriques* and church trustees, and public securities and bonds or debentures of municipal and school corporations, in hand : they shall be known as "special obligations."

Categories of bonds.

93. The obligations created by the corporation, shall be subdivided into six categories :

1. Those redeemable at par, with a fixed term for redemption, without prizes ;

2. Those redeemable with premiums at a fixed term for redemption without prizes ;

3. Those redeemable at par, within a definite delay, without any period being fixed for their redemption before such delay, and by means of a drawing of numbers without prizes ;

4. Those redeemable at par, with a right to participate in prizes, within a definite delay, without any period being fixed for their redemption before such delay, and by means of a drawing of numbers ;

5. Those redeemable with a premium, within a definite delay, without any period being fixed for their redemption before such delay, and by means of a drawing of numbers, without prizes ;

6. Those redeemable at par, with a premium and a right to participate in prizes, within a definite delay, without a period being fixed for their redemption before such delay, and by means of a drawing of numbers.

The board of management shall determine the duration Drawings &c. of the delay and the date of the drawings.

94. The prizes and premiums attached to such obligations and payable when they shall be withdrawn from circulation, shall not exceed two per cent per annum on the capital, represented by the series of such obligations; ~~and the aggregate amount of the interest and of the percentage for prizes or premiums, shall not exceed the rate of interest authorized by the laws in force in the Province of Quebec.~~ Prizes &c.

The board of management shall determine the importance and the method of apportionment thereof.

95. The drawing of the obligations which are to be repaid, shall be effected by lot, in presence of the censors. Drawing how affected.
or by one of them

96. Within eight days from such drawing, the numbers drawn shall be posted up in the office of the Paris Committee, and published in one of the daily newspapers of Paris. Publishing of numbers.
= and up -

97. The obligations designated by lot, shall be redeemed on the day indicated in the notice published. Redemption of bonds.

From and after such day, the interest upon such redeemable obligations shall, cease to run. Interest to cease.

98. The obligations redeemed by such drawing of numbers shall be, at once, cancelled by means of a stamp. Cancellation of bonds.

They shall be destroyed, in the presence of the president, or of his representative, and of one of the censors. Destruction of bonds.

A minute of such operation shall be kept of record. Minute to be kept.

99. The obligations redeemed by the corporation by anticipated payments, shall, at once be stamped with a special stamp, and they can be replaced in circulation only by a resolution of the board of management. Cancellation of obligation redeemed by anticipation.

In all cases, they shall participate in the drawing of numbers.

100. The obligations shall be payable, either to order or to bearer. Obligations how payable.

The obligations payable to order shall be transferable in the same manner as that indicated for the transfer of shares to order, in accordance with the provisions of section 13. Obligations to order.

Transfers. The corporation shall not, in any case, be responsible for the validity of transfers.

Obligations to bearer. Obligations payable to bearer shall be transferable by simple delivery.

Amount of obligations. **101.** No obligation shall be issued for an amount less than ~~three~~ hundred francs, French currency.

Interest upon. **102.** The obligations shall bear interest, the rate and the date and manner of payment whereof shall be determined by the board of management, but such interest shall not exceed the rate authorized by the laws in force in the ~~Province of Quebec~~.

Payment to holder of certificate. Whatever may be the form of the obligations, the payment of the interest thereon to the holder of the certificate shall be lawful.

Obligations, how represented. **103.** The obligations shall be represented by documents of evidence taken from a register with a counter-foil.

Seal upon. They shall be signed by two directors and shall bear the seal of the corporation.

Interest, to be mentioned. **104.** The interest upon obligations, the premiums or prizes, and the sinking fund shall all be set forth upon the document of evidence.

SECTION II.—REAL ESTATE OBLIGATIONS.

Amount of real estate obligations. **105.** The total amount of the real estate obligations cannot exceed the amount of the bonds and debentures in hand, and of the claims held by the corporation, after deducting loans made to Government, municipal and school corporations, *fabriques* and church trustees and public securities and bonds or debentures of municipal and school corporations, in hand.

Security of real estate obligations. **106.** The real estate obligations shall be secured by the assets of the corporation, with the exception of claims specially affected to the redemption of special obligations.

Recourse of holders of such bonds. **107.** Holders of real estate obligations shall have no other recourse, for the recovery of the principal and interest due thereon, than that which they may exercise against the corporation directly.

SECTION III.—SPECIAL OBLIGATIONS.

Amount of special obligations. **108.** The total amount of the special obligations cannot exceed the amount of loans made by the corpora-

tion to the Government, to municipal and school corporations, to *fabriques* and to church trustees and public securities and bonds or debentures of municipal school corporations, in hand.

109. The security for the repayment of the special obligations shall, in addition to the ordinary assets of the corporation, consist in the special warranty which the latter holds for the loans and public securities and bonds or debentures which they represent.

Security of special obligations.

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

Recourse of holders of special obligations.

TITLE TENTH.

ACQUISITION OF REAL ESTATE.

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

Corporation may acquire real estate.

It may lease, hypothecate and sell such real estate; it may also, for the protection of its investments, purchase the immoveables hypothecated in its favor; but it shall sell such immoveables, so acquired in payment or for the security of its claims, within seven years from the acquisition thereof.

Lease &c. same. Shall sell same within certain time.

TITLE ELEVENTH.

INVENTORIES AND ANNUAL STATEMENTS OF ACCOUNT.

112. The corporation's financial year shall commence on the 1st of January, and end on the 31st of December.

Financial year.

The first term shall include, in addition to the year current when the corporation commences its operations, the whole of the following year also.

First term what to include.

113. At the end of the financial year, a detailed general statement of the assets and liabilities shall be prepared, under the supervision of the board of management. And further a summary statement of the assets and liabilities shall also be prepared every six months.

Statement at end of year. Assets and liabilities.

Accounts by
whom prepar-
ed.
To whom sub-
mitted.

The accounts shall be prepared by the board of management.

They shall be submitted to the general meeting of the shareholders, which 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 TWELFTH.

DIVISION OF PROFITS, RESERVE FUND AND PROVIDENT FUND.

Profits.

114. The nett proceeds, after deducting all charges, shall constitute the profits of the corporation.

Disposal of
profits.

115. From and out of such profits there shall be taken :

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

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

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

Of surplus
profit.

116. The surplus profit after deducting the above, shall be distributed as follows :

1. Six per cent to the directors ;

2. Six per cent to the founders ;

3. And the balance to the shareholders, namely eighty eight per cent of such surplus.

If reserve
reaches certain
figure.

117. When the reserve fund shall amount to one-fourth of the capital stock, the percentage, of which it is formed, shall cease to be set aside. If such reserve is encroached upon such percentage, shall again be set aside.

Reserve fund
and what used
for.

The reserve fund is destined to provide for unforeseen circumstances.

TITLE THIRTEENTH.

OF THE RULES OR REGULATIONS.

Special notice
in certain
cases.

118. 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.

The proceedings at such meeting shall not be valid, unless carried by two-thirds of the votes, representing at least one-third of the registered shares.

119. The rules 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.

By-laws, not to be contrary to law.

120. The rules or regulations shall have full force and effect, only when they shall have been approved by the Lieutenant Governor in Council, and published over the signature of the Provincial Secretary, in the Quebec Official Gazette.

Approval and publication of by-laws.

TITLE FOURTEENTH.

DISSOLUTION AND LIQUIDATION OF THE CORPORATION.

121. The corporation shall be dissolved at the expiration of the time fixed by section 4, unless by resolution of the general meeting, voting in the manner prescribed in the last paragraph of section 118, its continuance be authorized.

Dissolution of corporation.

122. The continuance of the corporation shall be submitted, at the latest, to the general meeting of the shareholders during the course of the year preceding that in which it would otherwise cease to exist.

Continuance of corporation.

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

If certain portion of capital lost, corporation, to be dissolved.

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

Proceedings for dissolution and appointment of liquidators.

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

Laws under which dissolution shall take place.

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

Powers of gen. meeting during liq.

The board of management shall cease to have any powers as soon as the liquidators are appointed.

Board of management.

TITLE FIFTEENTH.

ORGANIZATION AND FINAL CONSTITUTION OF THE CORPORATION.

Stock sub-
scription
books.

126. The persons mentioned in the preamble shall open, in Paris and in Quebec, 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 five thousand shares, forming the first issue, in such manner as they may deem proper.

Elec. of dom.
in France.

Each subscriber shall, when he subscribes his name, make an election of domicile in France.

Notice of al-
lotment.

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

Payment by
subscriber.

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 that purpose, ten per cent upon the amount of the shares allotted to him.

Shareholders.

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

General meet-
ing, to be call-
ed after cer-
tain payments.

As soon as the first issue of shares shall have been placed and ten per cent upon the amount issued shall have been paid up, the person, specially selected for such purpose among those mentioned in the preamble, shall call a general meeting in Paris of the shareholders, by notice inserted in one of the daily newspapers in Paris, at least ten days before the date of such meeting.

Who shall
elect directors
at first meet-
ing and
organize.

At such meeting 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 may commence its operations.

TITLE SIXTEENTH.

PRIVILEGE.

Privilege of
corporation.

127. A privilege for fifty years, dating from its final organization, is granted to the corporation.

In what it
consists.

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 landed credit society, in any way represented in France.

TITLE SEVENTEENTH.

COMING INTO FORCE.

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

CAP. LXI.

An Act to amend the Charter of the City of Montreal.

[Assented to 24th July, 1880.]

WHEREAS the corporation of the city of Montreal, Preamble.
have, by their petition, represented that it is expedient to make certain amendments to the charter of the said city and the acts amending the same; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. Sub-section 10, of section 123, of the act of the Quebec §. 10, of s. 213, of 37 V., c. 51, amended.
Legislature, 37 Victoria, chapter 51, intituled: "An Act to revise and consolidate the charter of the city of Montreal, and the several acts amending the same," is amended, by adding the following words: "And to prevent and punish the destruction of insectivorous birds in the said city."

2. Sub-section 26, of the said section 123, is amended, by §. 26, of s. 123, amended.
adding the following words at the end thereof: "And places for the sale or purchase of second hand goods, wares or merchandise."

3. Sub-section 36, of the said section 123, is amended, by §. 36, of s. 123, amended.
inserting, before the word: "dogs," in the eighth line thereof, the words: "or unlicensed."

4. Sub-section 60, of the said section 123, is amended, by §. 60, of s. 123, amended.
inserting after the word: "same," in the seventh line, the following words: "to punish persons who use such vehicles and refuse to pay the fare as established by the said tariff."

5. The said section 123 of the said act, is amended, by §. 123, amended, by adding §. 67.
adding the following sub-section at the end thereof :

"67. To authorize the chief of police or any other chief officer of the corporation of the said city, to issue and sign any of the licences, which the council of the said city may grant, under the authority of any such by-laws, and to prescribe therein the manner in which the said licences shall be issued and enregistered."