

appointing executors, or by the document creating a substitution or a trust, the administrators are obliged to indemnify the parties to whom they are accountable for losses caused by the depreciation of the securities invested in, under pain of coercive imprisonment, subject to the provisions contained in the code of civil procedure. otherwise made.

3. In the case of fraud in making investments in the securities mentioned in section 1, administrators are responsible for the damage caused by their fraud under the like pain of coercive imprisonment. Responsibility for damages in case of fraud.

C A P . X X X I .

An Act respecting the Voluntary Winding Up of Joint Stock Companies.

[Assented to 31st October, 1879.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. Any Joint Stock Company incorporated by letters, patent issued under "The Joint Stock Companies Incorporation Act," (31 Vict., Chap. 25,) or to which "The Joint Stock Companies General Clauses Act," (31 Vict., Chap. 24) applies, may be wound up voluntarily, whenever the directors may deem it expedient that the company shall be dissolved. Voluntary winding up of joint stock companies.

2. The directors shall thereupon convene a general meeting of the shareholders, mentioning in the notice, that the dissolution of the Company will be proposed at such meeting. General meeting respecting dissolution.

3. The resolution of the directors, declaring it to be expedient that the Company should be wound up voluntarily, shall be submitted to the general meeting of the shareholders, and if such meeting pass by a majority representing not less than two thirds of the stock, a resolution that the Company shall be wound up voluntarily and dissolved, then the Company shall forthwith subsist and carry on business for the purpose only of winding up its affairs. Resolution of directors, submitted. Formalities. Effect of dissolution.

4. The corporate state and corporate powers of the Company, shall continue until its affairs are wound up. Corporate powers, continued.

Appointment
of liquidators.

5. At the general meeting, a liquidator or liquidators shall be appointed for the purpose of winding up the affairs of the Company and of distributing its assets; and thereupon the board of directors shall cease to exist.

Vacancy in
office of
Liquidators.

6. If any vacancy occurs in the office of liquidator by death, resignation or otherwise, the Company may, in general meeting, fill up such vacancy; and such general meeting may be convened by the continuing liquidator or liquidators, or by any shareholder. The Company may also, in general meeting convened by any three shareholders, on notice mentioning that the removal of the liquidators or of any liquidator will be proposed, remove such liquidator or liquidators, and appoint another or others in his or their place.

Removal of
Liquidators.

Appointment
of liquidators
by the Court

7. In default, at any time, of the shareholders appointing or replacing a liquidator or liquidators, any Judge of the Superior Court in the district where the company has its chief office or principal place of business may, on application of a shareholder, after a default of fifteen days, appoint a liquidator or liquidators.

The Judge may also, on due cause shown, remove any liquidator; and he may, after a default of fifteen days, on the part of the shareholders to do so, appoint another.

Registration
of notice of
the resolution
on winding
up.

8. Notice of the resolution passed by the shareholders for the winding up and dissolution of the Company, shall be registered forthwith in the office of the Prothonotary of the Superior Court for the district, and in the Registry Office for the Registration Division, in which the Company has its chief office or principal place of business; and notice thereof shall also be given to the Provincial Secretary, and be published by him in the "Quebec Official Gazette."

Duties of
liquidators
and their
powers
generally.

9. The liquidator or liquidators shall take into his or their custody, and under his or their control, all the assets of the company, and shall have power, subject however, to such limitations as may be determined by the resolution of the shareholders for the dissolution of the company, to do the following things:

1. To bring or defend any action, or other judicial proceeding in the name and on behalf of the company;

2. To carry on the business of the company, so far as may be necessary for the beneficial winding up of the same, and to collect all moneys due to it;

3. To sell the moveable and immoveable property of the company, by public auction or private contract, and either in block or in parcels; provided that, at a general

meeting of the shareholders, the majority shall have given their consent to a sale in block ;

4. To execute, in the name and on behalf of the company, all deeds, acquittances, receipts and other documents ;

5. To draw, accept, make or endorse bills of exchange or promissary notes, in the name and on behalf of the company ; and to raise upon the security of the assets of the company, from time to time, any requisite sums of money ; and,

6 To do and execute all such other acts and things as may be necessary for winding up the affairs of the company and distributing its assets, including the power to compromise, at discretion, all claims and rights appertaining to the company.

10. When several liquidators are appointed, their powers may be validly exercised by the majority of them.

When several liquidators are appointed.

11. The liquidator or liquidators shall first pay the debts of the company, and the costs, charges and expenses of winding it up, and shall afterwards distribute the balance of the proceeds of the assets among the shareholders, according to their rights and interest in the company.

Payment of debts, &c.

12. The liquidator or liquidators shall recover and collect unpaid calls, in full or proportionately as the case may require, from shareholders in default, should he or they deem it necessary ; but in case of the non-collection in whole or in part of such unpaid calls, the shareholders in default shall only rank in the distribution when those who have paid more, shall have been ranked for the excess so paid by them.

Collection of sums due.

13. The shareholders shall determine the remuneration of the liquidator or liquidators ; and also whether or not he or they shall give security for his or their administration, specifying when security is to be given and the amount thereof.

Remuneration of liquidators.

14. In the event of the winding up continuing for more than one year, the liquidator or liquidators shall call a general meeting of the shareholders, at the end of the first year, and at the end of each succeeding year, or as soon thereafter as may be convenient ; and he or they shall lay before such meetings an account, showing his or their acts and dealings, and the manner in which the operations for the winding up have been conducted during the preceding year.

If winding up lasts over a year.

Statement
after winding
up. Duties of
liquidators.

15. As soon as the affairs of the Company are fully wound up, the liquidator or liquidators shall make up an account showing the cash on hand at the date on which the Company was placed in liquidation, the property of the Company disposed of, the amounts realized, the sums paid, and generally the manner in which such winding up has been conducted, and shall attest the same before a justice of the peace; and thereupon, he or they shall call a general meeting of the Company for the purpose of laying such account before the shareholders, and of having the same confirmed.

Notice to
Prov. Sec.

16. The liquidator or liquidators shall make a return to the Provincial Secretary of such meeting having been held, and also of such meeting having confirmed the account showing the manner in which the winding up has been conducted. The Provincial Secretary shall cause such return to be registered in the registers of the Province; and forthwith on the registration thereof, the Company shall be dissolved.

Notice of
dissolution by
Prov. Sec.

17. The Provincial Secretary shall, without delay, publish a notice of the dissolution of the Company in the "Quebec Official Gazette;" and the liquidator or liquidators shall also forthwith register a notice of the dissolution, in the office of the Prothonotary of the Superior Court for the district, and in the registry office for the registration division, in which the Company had its chief office or principal place of business.

Registration
of notice of
dissolution.

Deposit with
Prov. Treas.
of debts and
dividends
unclaimed
and unpaid.

18. Within thirty days after the date of the dissolution of the Company, the liquidator or liquidators shall deposit with the Treasurer of the Province, the amount of all debts and of all dividends which may then be unclaimed and unpaid, with a statement thereof attested before a justice of the peace; and the money so deposited, shall be treated as a deposit under the act respecting judicial and other deposits, (35 Vict., Chap. 5,) and when claimed shall be paid over to the person or persons entitled thereto.

Deposit of
books of
accounts, &c.

19. Within the same period of thirty days, the liquidator or liquidators shall deposit the books, accounts and documents of the Company, and also the sworn account submitted to the shareholders and confirmed by them, showing the manner in which the winding up has been conducted, and a duplicate of the sworn statement of the moneys deposited with the Treasurer of the Province, in the office of the prothonotary of the Superior Court for the district in which the Company had its chief office or principal place of business.

20. If the liquidator or liquidators neglect to deposit the moneys with the Treasurer of the Province, or to deposit the books, accounts and documents as provided in sections 18 and 19, he or they severally, shall be liable to a penalty not exceeding ten dollars for every day during which he or they are in default. Neglect to deposit.

21. Liquidators shall be bound to render their accounts and to pay over the moneys for which they are accountable, under the same obligations and penalties as a curator to the property of a dissolved corporation under the civil code and the code of civil procedure. Rendering of accounts.

22. Articles 368, 372 and 373 of the Civil Code, are modified in the particulars contained in this act. Arts 368, 372 and 373, c.c. modified.

23. This act shall have force and effect from the day of its sanction. Act in force.

C A P . X X X I I .

An act establishing further provisions relative to Building Societies in the Province of Quebec, and providing for the liquidation of their affairs.

[Assented to 31st October, 1879.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. It shall be the duty of the Directors of every Building Society in the Province of Quebec, to declare and pay half-yearly dividends to the permanent shareholders, of such part of the profits of the Society as they shall deem expedient ; but no dividend or bonus shall be declared or paid out of the capital stock of the Society, nor shall any dividend exceeding eight per cent. per annum be paid until the Society has a reserve fund equal to at least twenty per cent. on the paid up permanent capital stock,—all bad and doubtful debts having, previous to the calculation of such reserve fund, been first deducted. Dividends, Not to impair capital. Rate, limited.

2. The capital stock of the Society may be increased from time to time, by resolution of the directors, who may impose such restrictions and conditions respecting the subscription of such new permanent or temporary shares as they may deem expedient,—such resolution, however, to be approved by the shareholders at a general meeting, called for the purpose, and to remain inoperative until so approved. Increase of capital stock.