

thereof, the words : " to the extent only of two thirds of its actual value," and by substituting the following words therefore : " to such extent as may be found necessary."

Power to
borrow
\$100,000.

2. The said Company may borrow such other and further sum of money, not exceeding one hundred thousand dollars, on the security of its property, as may be found necessary to extend and enlarge its present buildings, on such terms and conditions as may be determined by the directors thereof.

Act in force.

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

C A P . L X X X .

An act to incorporate the Coaticook Cotton Company, and to ratify by-law No. 74 of the village of Coaticook granting aid to said company.

[Assented to 31st October, 1879.]

Preamble.

WHEREAS James K. Ward, Robert Benny, John Thornton, Benjamin Austin, Chas. Cassils, William Hobbs, George O. Doak, Gilman Cheney and Charles Garth, have, by their petition, prayed that they and their successors, might be incorporated for the purpose of manufacturing cotton goods and other textile fabrics, at the village of Coaticook, and whereas the municipality of the village of Coaticook, have, by by-law No. 74 of said village, granted aid to said proposed company, in the manner in said by-law set forth, and it is expedient to grant the prayer of said petition, and to legalize and confirm said by-law No. 74; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Incorporation.

1. The several persons hereinbefore named, and such other persons as may become shareholders in the company to be by this act created, shall be and they are hereby constituted and declared to be a corporation, body corporate and politic by the name of the : " Coaticook Cotton Company," and shall continue such corporation, and shall have perpetual succession, and a corporate seal with power to alter and change the same at pleasure, and may sue and be sued, plead or be impleaded in all courts of law, as other corporations may do, and shall have the power to acquire and hold real or immoveable estate, for the purpose of their business, not exceeding

Name.

General powers of the corporation.

the yearly value of twenty thousand dollars, and may sell, alienate, exchange and let and lease the same, and may hold personal property and machinery of all kinds required in their business, and may sell or dispose of their manufactures as ordinary traders.

2. The head office and factory of the said company shall be at the village of Coaticook. Head office.

3. The amount of the capital-stock of said company, shall be one hundred and twenty thousand dollars, in twelve hundred shares of one hundred dollars each. Amount of the capital stock.

4. The said James K. Ward, Robert Benny, Benjamin Austin, John Thornton, George O. Doak, Ananie Hamelin and Phillippe Chalout, shall be the provisional directors of said company, with power to open books of subscription for the stock of said company, at such places as to them may seem meet, and to receive subscriptions for said stock, to allot the same, and to do and cause to be done such other things, in reference to said company, its organization and the management of its affairs, as it may be requisite to do before the first general meeting of stockholders, for the election of officers, as hereinafter mentioned, and with the same effect as might be done by the permanent directors of said company after organization. Provisional directors.

5. As soon as the sum of sixty thousand dollars of the said capital-stock, shall have been subscribed, and ten per cent actually paid in thereupon, and deposited in some one of the chartered banks in Montreal, or at Coaticook aforesaid, it shall be lawful for the provisional directors, to call a meeting in Montreal aforesaid, for the purpose of proceeding to the election of directors of the said company, and such election shall then and there, be made by the holders of the majority of shares voted upon at such meeting and present thereat in person or by proxy, and the persons then and there chosen, shall be capable of serving until the election of directors at or after the first annual meeting of the company. Election of the directors.

6. The affairs of the company shall be managed by a board of seven directors, but no person shall be elected or chosen a director, unless he is a shareholder in the company, to the extent of at least twenty shares in his own right, and not in arrear in respect of any call thereon. Management of the affairs.

Grant of \$20,000, according to certain by-law, declared valid.

7. The grant of a bonus of twenty thousand dollars to the company, by the corporation of the village of Coaticook, by by-law No 74 passed on the 6th day of February 1879, and approved by the electors of the municipality of the said village, on the 27th day of February 1879, (and a copy of which by-law, is annexed to this act, in schedule A,) is ratified, confirmed and declared to be legal and binding upon the said corporation; and the said corporation is authorized to advance and pay the said bonus, subject to the provisions and conditions contained in the said by-law, and all the stipulations of the said by-law, respecting the covenants between the said corporation and the said company shall have full force and effect.

Tax to be collected for certain purposes and duties of the sec.-treas. to that effect.

In order to provide for the payment of the annual interest upon the debentures to the extent of five thousand dollars authorized to be issued by the said by-law, and which issue is hereby confirmed and authorized, and to provide for a sinking fund of four per cent a year, for the extinction of the said debentures, an annual tax of five hundred dollars is hereby imposed upon all taxable real estate in the municipality of the village of Coaticook, and it shall be the duty of the secretary-treasurer to make, each year, in the month of May, until the redemption of the debentures, a special collection roll for the said tax of five hundred dollars, apportioning it on the taxable property, subject thereto, according to its respective value as shown by the assessment roll at the time of the making of each such special collection roll, and to proceed in due course of law to the collection of such annual tax.

Other duties of the sec.-treas.

It shall further be the duty of the said secretary-treasurer to invest, each year, the amount of such sinking fund, and of all revenue from previous investments thereof, in public securities of Canada or of this Province, or in municipal debentures or stock, or in redemption of the said bonds; and any invested money forming part of such sinking fund, shall be deposited by him in a chartered bank or saving's bank on interest.

Idem.

Each year, in the month of May, the said secretary-treasurer shall produce before the council of the said village of Coaticook, an account showing the state of the sinking fund.

Exemption from taxes.

The factories, power and plant of the company, shall be exempted from all municipal taxation for a period of ten years, to be accounted from the first day of January 1879, but should the said company cease manufacturing operations for a period of six months, the then exemption from taxation shall cease.

8. The said Coaticook Cotton Company may borrow, ^{Power to} under the authority of this act, and for carrying its provisions into effect, to the extent of fifty thousand dollars, ^{bor ow.} in such sums and at such rates of interest, as may be legally agreed upon, and for such period or periods as may be found expedient, and may issue, under the hand of the president and the seal of the company, debentures or bonds of the company, to be countersigned by the secretary, for the sum and sums so to be borrowed, payable at such time and times, to the bearer thereof, either within the province or elsewhere, and either in currency or sterling, with interest payable at any time and times specified therein, and with or without coupons annexed, and, if with coupons, such coupons to be signed by the secretary, which shall be payable to the bearer, at the time and times they shall respectively become due; and such bonds or debentures shall respectively become due at the time, and shall be in the form prescribed by any by-law of the company, but the total amount so borrowed, shall at no time, exceed the amount of the then actually paid up-capital of the company. To secure the payment of such debentures, the company is authorized to grant an hypothec by notarial deed, to the party or parties in whose favor the same may be issued, upon real estate describing the same as required by article 2042 of the Civil Code, and mentioning the issue and the amount of debentures secured thereby, which hypothec shall exist in favor of the bearers of such debentures concurrently and shall take rank and priority from the date of its registration.

9. The several provisions of the Joint Stock Companies ^{Joint S. C. G.} General Clauses Act of 1868 and amendments, shall apply ^{C A., apply.} to the present act, in so far as applicable thereto.

10. This act shall come into force from the day of the ^{Act in force.} sanction thereof.

SCHEDULE A.

Province of Quebec. }
Municipality of the Village }
of Coaticook.

At an adjourned general session of the Municipal Council of the village of Coaticook, held in said village of Coaticook, on Thursday, the sixth day of the month of February, eighteen hundred and seventy-nine, in conformity with the provisions of the Municipal Code of the province of Quebec, at which meeting were present Mr.

Mayor Ives, and Councillors Lewis Sleeper, Henry Lovell, Edward H. Akhurst, Michael Mullins, Andrew M. Cruickshanks and Pierre E. Paradis.

It is ordained and resolved by by-law of the council, as follows, to wit:

BY-LAW No. 74.

Whereas by a proposition in writing of date the seventh day of January, eighteen hundred and seventy-nine, Messrs. William Hobbs and Drummond Brothers & Company, of Montreal, have made an offer to organize a company under the name of the: "Coaticook Cotton Company," with a capital of one hundred thousand dollars and upwards, for the purpose of establishing and operating a cotton factory in said village, of the capacity of six thousand spindles;

And whereas the said William Hobbs and Drummond Brothers & Company, have by their said proposition, stipulated that the said municipality of the village of Coaticook, should assist said proposed Coaticook Cotton Company, by a grant of money in time and manner set forth in said proposition in writing;

And whereas, in view of the present depressed condition of real estate in said village, and the serious threatened diminution of the valuation of the taxable property in said village, it is expedient to accept the offer of the said William Hobbs and Drummond, Brothers & Co., be it enacted:

That a grant of twenty thousand dollars be made to said proposed "Coaticook Cotton Company," upon the terms and conditions hereinafter mentioned and set forth, namely: the said proposed "Coaticook Cotton Company" shall be legally organized, with a capital of one hundred thousand dollars to one hundred and twenty five thousand dollars, wherewith they shall purchase the Factory in said village, known as the Tolly Factory, and shall put into same, new cotton machinery and plant costing from fifty thousand to seventy thousand dollars consisting of six thousand spindles and upwards, with corresponding machinery

The said proposed company shall commence manufacturing operations, and at the end of three months, shall employ not less than fifty operatives, and in one year from the time of so starting, they shall employ at least one hundred persons, and at the end of two years, one hundred and twenty five persons, and continuously thereafter, temporary stoppages from any cause excepted, one hundred and twenty five persons to the end of ten years, from the time the said company so commence operations.

Upon the said proposed company, complying with the foregoing conditions, the said municipality will pay them the said grant of twenty thousand dollars, in time and manner following namely : five thousand dollars at the end of three months after the said proposed company have put in the amount of machinery above mentioned, and have been running three months, and employing at the end of such three months, fifty persons.

Fifteen hundred dollars, at the end of one year after the company have commenced manufacturing and are employing one hundred persons.

Fifteen hundred dollars, at the end of two years, from the time the company have commenced operations, and are employing one hundred and twenty-five persons ; and fifteen hundred dollars at the end of every succeeding year thereafter, till the whole twenty thousand dollars is paid ; provided always that the said proposed company continue operations and employed at least one hundred and twenty-five persons continuously, temporary stoppages from any cause not to affect the payment of the grant, if the said company continue in practical operations employing the said number of persons.

The said proposed company shall, as security against loss by fire, transfer to said municipality, a policy of insurance for a term of three years, of three thousand dollars, but in case of loss, the amount recovered on said policy, shall be refunded to said company, if they restore the loss or damage and continue operations as before.

The factories, power and plant of said company, shall be exempted from all taxes for a period of ten years, from the first day of January, one thousand eight hundred and seventy-nine, should they continue in operations during said period as above stated.

Should said proposed company become insolvent at any time, during said term of ten years, or cease manufacturing operations from any cause, for a period of six months, then the payment of said grant, shall cease and lapse, and the said described factories, power and plant of said proposed company, shall immediately thereafter, become liable to taxation as ordinary unexempted real estate.

But in case such manufacturing operations cease during such period of six months, owing to the destruction of the property of said company by fire, the said grant and exemption from taxation, shall not lapse, except for the period during which manufacturing operations are suspended, provided said factories are rebuilt in one year from the time they are so destroyed, and the company continue operations as before.

The head office of said proposed company to be located in said village of Coaticook.

The first payment of five thousand dollars shall be met by municipal bonds or debentures, bearing interest at the rate of six per cent per annum, payable half yearly, capital of bonds payable in eleven, twelve, thirteen, fourteen and fifteen years, one thousand dollars each year, denomination of bonds one hundred dollars each. All subsequent payments to be made in cash.

In the event of temporary stoppages in any one year, exceeding six weeks in the operations of said Coaticook Cotton Company, there shall be deducted a *pro rata* amount from the yearly payment of such year during which the stoppage shall occur.

In the event of the said Coaticook Cotton Company securing, by purchase or otherwise, in their own name, or in the name of other parties, the right of water from the lake at the head of the Coaticook river known as : "Lake Averel," they shall as a further consideration of the aforesaid grant, transfer to said municipality, free of charge, one-third of said right.

The said proposed Coaticook Cotton Company shall, as soon as the same is legally organized, to entitle it to the benefit of this by-law, enter into a contract with the municipality of the village of Coaticook upon the terms and conditions herein set forth.

The amount required to be raised as aforesaid, shall be raised by assessment on the taxable real estate, in said municipality, but said municipal council shall have the right to apply to the payment of said grant, any sums of money which they may receive from other parties or municipalities, by agreement or otherwise, for the purposes thereof, or which they may raise by any special tax or impost for the purpose of meeting and defraying the payments on such grant.

The present by-law shall be submitted to the rate-payers of this municipality, and shall not come into force until approved of by them in the manner prescribed by the municipal code of the province of Quebec.