

purpose ; provided always that nothing in this act shall, in any way, affect mortgages or hypothecs heretofore effected or now existing on said property.

2. This act shall come into force on the day of the Act in force. sanction thereof.

C A P . L V I I .

An act to authorize the “ V. Hudon Cotton Mills Company, Hochelaga,” to appoint trustees to insure its property, for the protection of the holders of the debentures of the said company, and for other purposes.

[*Assented to 9th March, 1878.*]

WHEREAS, by the act 39th Vict., cap. 66, the “ V. Preamb'le. Hudon Cotton Mills Company, Hochelaga,” was authorized to issue debentures to the extent of two hundred and fifty thousand dollars, conveying hypothec on all the property of the said company, and on the machinery, engines, looms, etc., appertaining thereto ; whereas the said company, acting under the authority of the said act, by by-law passed on the 11th March, 1876, hereunto annexed, and forming part of the present act as schedule A, did authorize and decide upon the issuing of its debentures for the sum of two hundred thousand dollars, and whereas with the object of furnishing more ample security to the holders of the said debentures, the said company has, by section 5 of its said by-law, provided for the appointment of trustees to take out and effect an insurance on its said buildings, engines, machinery, etc., so that, in the event of fire, it might draw from the said trustees the amounts arising from such assurances, and to see to their investment and payment to the best advantage of the holders of the said debentures ; and whereas doubts have arisen as to the legality of the said provision of the said by-law ; and whereas in order to remove such doubts, it is expedient to confer upon and to allow to the said company the powers by it exercised by this provision of the said by-law, and to render lawful such provision, as prayed for by the petition of the said company ; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Appointment
of trustees
empowered
to insure the
buildings,
etc.

1. The said *V. Hudon Cotton Mills Company*, Hoche-laga, is hereby authorized, and full power is hereby to it granted, to nominate and appoint one, two or three trustees charged and empowered, either in their own name as such trustees, or in the name of the company, to insure the buildings, engines, machinery, looms, etc., erected and constructed, and to be erected and constructed, on the property of the said company, affected under the above cited act, to the payment of the debentures issued by the said company, and to take out all policies of insurance requisite for that purpose, and to accept and receive the transfer of any insurance already taken out, or to be taken out hereafter, on the said buildings, engines, machinery, looms, etc., and that to the extent of the debentures at any time issued and not redeemed by the said company ; and to renew, or cause to be renewed, the said policy or policies of insurance so taken, whenever occasion may require, during the period for which the said debentures are issued, or during which they shall be and remain at any time in force and unredeemed.

How and by
whom such
appointment
shall be made.

2. The appointment of such trustee or trustees shall be made by the directors of the said company, on resolution by them duly adopted, by a notarial deed ; and in the event of the decease, incapacity, refusal to act, insolvency, or any other disability of one or all of the said trustees, the directors of the said company may, at any time, replace any trustee or trustees incapable, unfit, absent or otherwise disqualified, by a new appointment made in the same manner, and with the same formalities as the first ; and, as soon as such substitution shall have taken place, all the rights resulting from the insurance policies then in force, and all the powers of the trustee or trustees so replaced shall be vested in such new trustee or trustees, and notice of such substitution shall be given without delay to the companies with which they shall have effected the said insurances.

Vacancy.

Notice.

Powers of
trustees.

3. The said trustee or trustees shall have full power and authority to exact and receive from the said company the payment of any premium payable for any insurance or insurances to be effected as above mentioned.

Insurance
policies so
taken out
shall be valid.

4. Every insurance policy so taken out by the said trustee or trustees shall be as valid for all legal purposes, as if it had been taken out in the name of and by the said company itself, and no objections as to want of interest or authority, can be raised ; and in case the said buildings, machinery, engines, looms, etc., should be de-

stroyed or damaged by fire, the whole amount so insured may be recovered by the said trustee or trustees, by suit instituted, in their own name, before any court of competent jurisdiction, and the amount so insured and recovered shall be paid to the said trustee or trustees in their quality as such and to no other person, and shall be thereafter deposited by the said trustees in their aforesaid quality in the office of the Bank of Montreal, at Montreal, or in any other bank, in the said city, which they may deem it advisable to select.

Monies paid to trustees alone.

5. From and out of the moneys by them so collected and deposited, it shall be the duty of the said trustee or trustees to pay to the said company, on the request of the directors thereof, and according as the works progress, the sums necessary to repair the said buildings, machinery, engines, looms, etc., or to rebuild them, in case of complete destruction so as to enable the said company to continue its operations; but, should it be resolved by a regular vote of the shareholders of the said company not to reconstruct the said buildings, then the said trustee or trustees, out of the said sums, shall pay to the holders of the said debentures of the said company the amount thereon due, or the proportion thereof to which each holder may be entitled; and the said trustee or trustees shall afterwards return the said debentures to the said company, to be by it cancelled and annulled as provided by section ten (10) of the said act 39 Vict., cap. 66; and if, after such payment, any balance remain, the said trustees shall hand over the same to the company.

Repair or re-building after accident.

When it has been resolved not to reconstruct.

3. The by-law of the said company passed on the 11th March 1876, (schedule A), in so far as it is consistent with the provisions of the present act, is hereby approved and ratified, and it is declared that the said by-law, has, and has had since the date of its approval and ratification by the shareholders of the said company, to wit, from and since the 29th March 1876, full force and effect for all and every provisions thereof, and every thing or act done in virtue thereof, as well by the said company as by the trustees appointed by it under the said by-law, to wit: Charles Joseph Coursol, esquire, judge of the sessions, and Matthew H. Gault, esquire, president of the Exchange Bank of Canada, or with the said company or the said trustees by any person, company or corporation, are, in so far as the validity of such things or acts may depend on that of the said by-law, approved, ratified and declared legal, and valid for all legal purposes, as if the said by-law had been passed under the provisions of the present act.

By-law of 11 March, 1876, ratified.

Acts ratified.

Act in force. 7. The present act shall come into force on the day of the sanction thereof.

SCHEDULE A.

Dominion of Canada,)
Province of Quebec.)

V. Hudon Cotton Mills Company.

By-law respecting the issue of debentures of this company for two hundred thousand dollars (\$200,000.)

WHEREAS, by an act passed by the Legislature of this Province of Quebec, during its last session, being 39th Vict., cap 66, sanctioned the twenty-fourth of December, in the year of Our Lord one thousand eight hundred and seventy-five, the V. Hudon Cotton Mills Company, Hochelaga, was authorized to issue bonds or debentures, creating and conveying a hypothec and mortgage on the property of the company to the extent of two hundred and fifty thousand dollars, in one or more different issues, as the directors of the said company may deem advisable; and whereas it is in the interest of the said company to avail itself of the powers thereby granted;

It is hereby enacted and ordered by the directors of the said company, at a regular meeting held in the office of the company, on the eleventh of March, in the year of Our Lord eighteen hundred and seventy-six, and by the unanimous consent of the said directors:

1. So soon as the present by-law shall have been approved and ratified by the shareholders of this company, at a general meeting specially called for that purpose, and so soon as a copy of the said by-law shall have been duly registered in the office of the registration division of Montreal, the said company shall issue bonds or debentures, signed by the president and secretary thereof, to the amount of two hundred thousand dollars currency.

2. The said bonds or debentures shall be classed and specified as being the first issue of bonds or debentures authorized by this company.

3. The said bonds or debentures shall create and convey a hypothec and mortgage for the guarantee of their payment on the immovable property hereinafter described, which belongs to and is in the possession of this company, and it is hereby declared to be specially mortgaged and hypothecated to that effect in favour of the holders and creditors of the said bonds or debentures,

and also on the engine, boilers, economiser, looms and plant used by the said company and which are in and upon the property described as follows, to wit :

A lot of land situate and being at Hochelaga in the parish of *La Nativité de la Sainte Vierge*, forming part of the late parish of Montreal, comprising lots numbers thirty-five (35), thirty-six (36), thirty-seven (37) and thirty-eight (38) described as such on the official plan and book of reference of the village of Hochelaga, in the said parish, made and deposited, for registration purposes as required by chapter thirty-seven of the Consolidated Statutes for Lower Canada ; except, however, that portion of the said number thirty-five (35), given in exchange for the said number thirty-six (36) to Dame Sophronie Desroches, wife of Mr. Joseph Léveillé, under deed of exchange passed on the eighth day of January 1873, before L. A. Desrosiers, N. P., and duly registered and described in the said act as follows, to wit :

“ A lot of land situated and being at the said place called Hochelaga, known as the parish of Montreal, containing sixty-three feet in width at its front, sixty-one feet in width at its depth, on the whole depth which may be found between the public road which bounds it in front, to the river St. Lawrence which bounds it in rear, adjoining on one side to the remainder of the lot of the said Victor Hudon and on the other side to François-Xavier Beaudry, with a brick house and other buildings thereon erected.”

The land now hypothecated measures six hundred and fifty-three feet and six inches in front, by an irregular depth and is bounded and abutted as follows, viz. : in front by the king's highway, in rear by the River St. Lawrence, on one side to the south-west, by Desery Street, and on the other side, to the north-east, by that part of lot No 35, given in exchange as above mentioned to Dame Léveillé, and measuring one hundred and thirty-eight thousand feet, more or less, in superficies, the whole English measure, as appears by a plan prepared by M Perrault, esquire, provincial land surveyor, on the 8th May, 1875. Including therein the cotton mill, five storeys in height, in stone and brick, the building for cotton picking and the boiler house thereunto annexed, the chimney, the storehouse, residence and other buildings.

4 The said debentures shall be of the sum of five hundred dollars each, and shall be payable, five years after the date of their issue, at the Bank of Montreal, in the city of Montreal, and shall bear interest at the rate of eight per cent. per annum, payable half-yearly on demand at the above mentioned bank. Interest coupons or

orders shall be attached to the said debentures for such half-yearly interest.

5. In order to give effect to, or to guarantee the payment of the said bonds issued as aforesaid, the directors of the company may appoint one, two or three trustees, with power to insure, either in the name of the company, or in their own name as trustees or to receive from the said company the transfer of several policies of insurance already effected, or which may be effected, for a sum sufficient to cover the amount of the said debentures on the buildings, engines, machinery, &c., &c., and existing on the above property of the said company; and to renew or cause to be renewed, the said policy or policies of insurance, which may expire during the period for which the said debentures are issued.

The said trustees shall have power to collect, or compel the said company to pay the premiums on such insurance, in case of the destruction or damaging of the said buildings, machinery, etc. The amount of the said insurance shall be placed to the credit of the said trustees, in their quality as such, in the Bank of Montreal, in Montreal, or in any other bank as provided by them, in the said city of Montreal, and out of the said moneys the said trustees, on application of the directors of the said company, shall pay to them the amount considered necessary for the repair of the said buildings and machinery, or for the reconstruction of the said buildings in case of total destruction, so that the business of the said company may be carried on; or if, by a vote of the shareholders in the said company, it were decided not to reconstruct the said buildings, etc., the said trustees shall pay, out of the said funds, to any holder of the said debentures, the amount due thereon, or the portion thereof to which he or they may be entitled, and shall thereafter return to the company the said debentures to be destroyed by it, as provided by section 10 of the act authorizing such issue, as well as any balance remaining in their hands;

Provided always that, if all or any part of the debentures were redeemed or destroyed by the said company during the course of the five years, at the expiration of which they would become payable, the insurance then effected, as above provided, may be reduced, by the said trustee or trustees, to the extent necessary to guarantee the payment of the amount due on the unpaid debentures.

Certified a true copy of the by-law passed by the directors of the V. Hudon Cotton Mills Company, on the

11th March last 1876, and approved by the shareholders of the said company at a general meeting duly convened for that purpose and held on the 29th of March last, 1876.

V. HUDON.

President.

F. C. CHARBONNEAU.

Secretary.

C A P . L V I I I .

An act to authorize the sale of immovable property substituted by the late Jean Baptiste Quesnel.

[Assented to 9th March, 1878.]

WHEREAS, in the parish of St. Michel de Lachine, Preamble.
in the county of Jacques-Cartier, on the thirtieth of November, eighteen hundred and sixty-one, by deed of donation, *inter vivos*, then and there passed before L. S. Martin, notary public, and witnesses, Jean-Baptiste Quesnel, in his lifetime, of Lachine aforesaid, farmer, and his wife, *commune en biens*, Dame Adélaïde Valois, did give and grant unto their two sons, Jean-Baptiste and Louis Amédée Quesnel, a farm each, situate in the said parish of Lachine, subject to substitution in favor of their children, and subject also to the payment of certain debts and other charges specified in the said deed, and more particularly to a certain *rente viagère* in favor of the said donors ;

Whereas, at the time of the said donation, the said farms had no other value than for agricultural purposes, and were worth about four thousand dollars each ;

Whereas, since that time the locality of Lachine has become a fashionable summer resort for Montreal families, and the property therein situated has considerably increased in value ;

Whereas the revenue of the said two farms is quite insufficient to provide for the support of the said Jean-Baptiste Quesnel and Louis Amédée Quesnel, and also for the education of their children, and for the satisfaction of the charges imposed upon them by the said donors ;

Whereas the said Jean-Baptiste Quesnel and Louis Amédée Quesnel could considerably increase their income by being authorized to sell the said farms, in lots or otherwise ;

Whereas there are still debts of the donors unsatisfied ;