

of the Province of Quebec Dominion of Canada.

The Montreal Loan and mortgage Company, promises to pay to or bearer the sum of on the day of , one thousand eight hundred and , at with interest at the rate of *per cent per annum*, to be paid half-yearly on presentation of the proper coupon for the same as hereunto annexed,

Dated at , the day of 18
For the Montreal Loan and Mortgage Company.
C. D. A. B.
Secretary. President.

COUPON.

No. 1.
Half-yearly dividend due of 18 , on
Debenture No. issued by this Company on the
day of , 18 , for at *per cent*
per annum, payable at
For the Montreal Loan and Mortgage Co.
C. D. A. B.
Secretary. President.

CAP. LXIV.

An Act respecting a Company Incorporated under the name of "Le Crédit Foncier du Bas Canada."

[Assented to 24th December, 1875.]

Preamble.

WHEREAS "Le Crédit Foncier du Bas Canada," a body politic and corporate, duly incorporated under the statutes of Canada, 36 Victoria, chap. 102, have, by petition, represented that it is in the interest of such corporation, as well as in that of the public, that their act of incorporation should be recognized by the legislature of Quebec and the powers granted to them should be confirmed and legalized within the province of Quebec, in so far as this legislature can grant powers to the said corporation, and that great advantages would result to the public from the continuance of business within the province of Quebec, of such landed credit company, with sufficient capital for the making of loans for long periods, repayable by means of sinking funds, or for short periods with or without sinking funds, and that such an institution, formed on the model of the best landed credit institutions of Europe, is a boon to the province of Quebec, and have prayed for the passing of an act recognizing that incorporation and confirming within the limits of this province the powers conferred upon them in so far as this legislature can grant such powers, and whereas it is expedient

to grant the prayer of the said petition ; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. The said company incorporated by chapter one hundred and two of the statutes of Canada, passed in the thirty-sixth year of Her Majesty's reign, and known by the name of "Le Crédit Foncier du Bas-Canada," is recognized as a body politic and corporate with all the rights, powers and privileges incidental to corporations by the laws of this province, and the said company shall, within this province, be governed by the provisions and possess and exercise the powers hereinafter mentioned, which are those conferred by their act of incorporation and the act amending it.

Corporation, recognized.
Name.
General powers.

2. The business and affairs of the said company are and shall be conducted and managed by a board of nine directors to be appointed by the shareholders as hereinafter provided.

Management of the business.

3. The capital stock of the said company is and shall be one million of dollars, divided into ten thousand shares of one hundred dollars each ; but the directors of the said company may, in conformity to any decision come to by the shareholders at a general annual meeting, increase the capital stock by the issue of a new series of shares, provided that each new series shall not exceed one million of dollars ; and provided also that no new series of shares shall be issued after the first, unless the full amount of the previous new series shall have been subscribed and paid up ; the subscribers to the first capital stock, their heirs and successors, being entitled to take, by privilege, in the new issue of shares, an amount proportionate to their shares in the first capital stock, and on the same terms and conditions.

Capital stock.
Power to increase the same.
Proviso.
Privileges of the first subscribers.

4. No share-holder of the company shall be liable for or charged with the payment of any debt or demand due from the company beyond the extent of his shares in the capital of the company not then paid up.

Liability, limited.

5. Five directors shall form a quorum for the transaction of business. The directors shall name their president and vice-president, and the said directors shall remain in office until they shall have been replaced by their successors in the manner hereinafter mentioned, unless they cease to be so by one of the following causes, namely : death, resignation, possession of less than ten shares, insolvency, bankruptcy, or arrest for crime or misdemeanor.

Quorum, continued.
President, &c., duration of the office.

- Effect of the absence.** 2. When a director has absented himself from the meetings of the board of directors during three consecutive months, the majority of a quorum of the other directors may, by resolution, declare his office vacant.
- Resignation.** 3. Every director shall have the right to give in writing his resignation of his office, and he shall be immediately replaced in the manner hereinafter provided.
- Vacancy.** 4. Every vacancy in the board of direction, happening in the course of the year, from whatever cause, shall be filled by the unanimous choice of the remaining directors, and the substituted director shall remain in office until replaced at the election of directors by the annual general meeting, but shall remain in office for the time for which the director he replaces had been elected.
- Qualification of the directors,** 6. No person shall be elected a director who shall not be a proprietor of at least ten shares, on which all calls shall have been paid in full, a British subject, and a resident in the Dominion of Canada, and such number of shares shall remain untransferable during the time of his office.
- Shares untransferable.**
- Duration of charge.** 7. The directors shall be elected for three years, but one third in number shall go out of office annually to be replaced by election at the annual general meeting of the present board of directors. Peter S. Murphy, François Benoit and the person who may be chosen to replace Charles J. Coursol shall remain in office for two years after the current year, and Michael C. Mullarky, William H. Hingston, Eugène H. Trudel, Edouard P. Lachapelle, Jeremiah Fogarty and the person who may be chosen to replace William Simpson, shall draw lots to decide which three shall retire at the end of the current year and which other three shall retire at the end of the next year.
- Actual directors retiring.**
- Elections.** 8. The election of directors shall be made at the annual general meeting and shall be by ballot, and decided by the majority of shareholders then present; voting either in person or by proxy.
- Instalments.** 9. The board of directors may, from time to time, make such calls of money upon the respective shareholders in respect of the amount of capital respectively subscribed or owing by them, as they shall deem necessary; provided that thirty days' notice at least be given of each call, and that no call exceed the amount of ten dollars per share, and that successive calls be not made at less than the interval of three months, and that the aggregate amounts of calls made in one year, do not exceed the amount of forty dollars per share; and every shareholder shall be liable to pay the amount of calls so made in respect of the shares held by him, to the persons and
- Notice.**
- Restrictions**

at the times and places from time to time appointed by the company.

10. If any person subscribing for shares in the capital stock of the company is desirous of paying up in advance, either at the time of subscribing, or at any other time, the full amount of his shares, the directors may at any time admit and receive such subscriptions, and the full payment or payments of any number of instalments, upon such conditions as they may deem expedient. Payment in advance.

11. If any share-holder or share-holders shall refuse or neglect to pay any instalment upon his, her or their shares of the said capital stock at the time or times required by the directors as aforesaid, such share-holder or share-holders shall be bound to pay thereon eight per cent interest per annum until effectual payment; and moreover, it shall be lawful for the directors of the company without any previous formality other than thirty days public notice of the intention, to sell at public auction the said shares, or so many of the said shares as shall, after deducting the reasonable expenses of the sale, yield a sum of money sufficient to pay the unpaid instalments due on the remainder of the said shares and the amount of interest due on the whole of them; provided that the said sale shall have been specially authorized by a resolution of the board of directors; and the president, or the vice-president, or the cashier of the company, shall execute the transfer to the purchaser of the shares of stock so sold, and such transfer, being accepted, shall be valid and effectual in law as if the same had been executed by the original holder or holders of the shares of stock thereby transferred. The executors, administrators, curators, paying instalments upon the shares of deceased shareholders shall be indemnified for paying the same. Default to pay instalments. Interests. Sale of the shares. Authorization to that office. Effect of the transfer. Indemnity in certain cases.

12. Notwithstanding anything contained in the preceding section, the company may sue such shareholder, failing to pay, for the amount of the instalments due upon his shares, in any court having competent jurisdiction, and may recover the same with interest at the rate of eight per cent per annum from the day on which such call may have been made payable. Recovery of the instalments.

13. In any action to recover any money due upon any call, it shall not be necessary to set forth the special matter, but it shall be sufficient to declare that the defendant is the holder of one share or more, stating the number of shares, and is indebted in the sum of money to which the calls in arrear shall amount, in respect of one call or more upon one share or more, stating the number and amount of each of such calls, whereby an action hath accrued to the said company by virtue of this act. Allegations in the suit.

Proof re-
quired.

14. On the trial of such action it shall be sufficient to prove that the defendant, at the time of making such call, was the holder of one share or more in the company, and that such call was in fact made and such notice thereof given, as is directed by this act, and it shall not be necessary to prove the appointment of the directors who made such call nor any other matter whatsoever, and thereupon the company shall be entitled to recover what shall be due upon such call with interest thereon, unless it shall appear either that any such calls exceed the amount of ten dollars per share or that due notice of such call was not given, or that the interval of three months between the successive calls had not elapsed, or that calls amounting to more than the sum of forty dollars in one year had been made.

Register shall
be evidence.

15. The production of the register book of shareholders of the company or a certified extract therefrom, signed by the cashier of the company, shall be *prima facie* evidence of such defendant being a shareholder, and of the number and amount of his shares and of the sums paid in respect thereof.

Registers of
the share-
holders.

16. The company shall keep a book, to be called "the register of share-holders," and in such book shall be fairly and distinctly entered, from time to time, the names and additions of the several persons being share-holders of the company, the number of shares to which such share-holders shall be respectively entitled, and the amount of subscriptions paid on such shares; and such book shall be authenticated by the common seal of the company being affixed thereto.

Authentica-
tion thereof.

Certificate of
shares.

17. On demand of the holder of any share, the company shall cause a certificate of the proprietorship of such share to be delivered to such share-holder; and such certificate shall have the common seal of the company affixed thereto, and such certificate shall specify the number of shares in the undertaking to which such share-holder is entitled; and such certificate shall be admitted in all courts as evidence of the title of such share-holder to the share therein specified, nevertheless, the want of such certificate shall not prevent the holder of any shares from disposing thereof.

Authenticity
thereof.

Nature of the
shares.

18. The shares of the capital stock of the company shall be held and adjudged to be personal property, and shall be transmissible accordingly, and shall be transferable at the chief place of business of the company, or at any of its branches which the directors shall appoint for that purpose, and according to such form as the directors shall, from time to time, prescribe; but no

Transfer.

transfer shall be valid and effectual unless it be made and registered in a book or books to be kept by the directors for that purpose, nor until the person or persons making the same shall previously discharge, to the satisfaction of the directors, all debts actually due or contracted and not then payable by him, her, or them, to the institution which may exceed in amount the remaining stock (if any) belonging to such person or persons; and no fractional part or parts of a share or other than a whole share shall be transferable; and when any share or shares of the said capital stock shall have been sold under a writ of execution, the officer by whom the writ shall have been executed shall, within thirty days after the sale, leave with the cashier of the company an attested copy of the writ, with a certificate of such officer endorsed thereon, certifying to whom the sale has been made, and thereupon (but not until after all debts due, or contracted but not then payable, by the original holder or holders of the said shares to the company shall have been discharged as aforesaid), the president, or vice-president, or cashier, shall execute the transfer of the share or shares so sold to the purchaser, and such transfer being duly executed, shall be to all intents and purposes as valid and effectual in law as if it had been executed by the original holder or holders of the said share or shares; any law or usage to the contrary notwithstanding.

Sale by execution.

Validity of the transfer.

19. Shares in the capital stock of the company may be made transferable, and the dividend accruing thereon may be payable in the United Kingdom, or elsewhere, in like manner as such shares and dividends are respectively transferable and payable at the chief office of the company, and to that end the directors may, from time to time, make such rules and regulations and prescribe such forms, and appoint such agent or agents as they may deem necessary.

Shares transferable.

By-laws to that effect.

20. If the interest in any share in the company become transmitted in consequence of the death, or bankruptcy, or insolvency of any shareholder, or in consequence of the marriage of a female shareholder, or by any other lawful means than by a transfer according to the provisions of this act, such transmission shall be authenticated by a declaration in writing, as hereinafter mentioned, or in such other manner as the directors shall require; and every such declaration shall be, by the party making and signing the same, acknowledged before a judge of a court of record, or before the mayor, provost, or chief magistrate of any city, town, borough or other place, or before a public notary where the same shall be made and signed; and every such declaration so signed and acknowledged shall be left with the cashier, or other officer or agent of the company, duly authorized to that effect, who shall

Transmission of interests in the shares in certain cases.

Declaration. Acknowledgement of the declaration.

- Inscription. thereupon enter the name of the party entitled under such transmission in the register of shareholders; and until such transmission shall have been so authenticated, no party or persons claiming by virtue of any transmission shall be entitled to receive any share of the profits, nor to vote in respect of any such share as the holder thereof;
- Proviso. provided always, that every such declaration and instrument as by this and the following section of this act is required to perfect the transmission of a share, which shall be made in any other country than this, or some other of the British colonies in North America, or in the United Kingdom of Great Britain and Ireland, shall be further authenticated by the British Consul or Vice-Consul, or other accredited representative of the British Government where the declaration shall be made, or shall be made before such British Consul, or Vice-Consul, or other accredited representative; and provided also, that nothing in this act contained shall be held to debar the directors, cashier or other officer or agent of the company, from requiring corroborative evidence of any such fact or facts alleged in any such declaration.
- Proviso.

Transmis-
sion of shares
by virtue of
marriage or
by testament,
&c.

21. If the transmission of any share of the company be by virtue of the marriage of a female shareholder, the declaration shall contain a copy of the register of such marriage or other particulars of the celebration thereof, and shall establish the identity of the wife with the holder of such share; and if the transmission has taken place by virtue of any testamentary instrument, or by intestacy, the probate of the will, or the letters of administration or the act of curatorship, or any official extract therefrom, shall, together with such declaration, be produced and left with the cashier or other authorized officer or agent of the company, who shall, thereupon, enter the name of the party entitled under such transmission in the register of shareholders.

Transmis-
sion of shares
in virtue of
decease.

22. If the transmission of any share or shares of the capital stock of the said company, be by the decease of any shareholder, the production to the directors and deposit with them of any probate of the will of the deceased shareholder, or of letters of administration of his estate granted by any court in the dominion of Canada, having power to grant such probate or letters of administration, or by any prerogative, diocesan, or peculiar court of authority in England, Wales, Ireland, India or any other British Colony, or of any testament, testamentary, or testament, dative expedite in Scotland, or if the deceased shareholder shall have died out of Her Majesty's dominions, the production to and deposit with the directors of any probate of his will or letters of administration of his property, or other document of like import granted by

Decease out
of Her Ma-
jesty's domi-
nions.

any court of authority having the requisite power in such matters, shall be sufficient justification and authority to the directors for paying any dividend or transferring or authorizing the transfer of any share in pursuance of and in conformity to such probate, letters of administration, or other such document as aforesaid.

23. The company shall not be bound to see to the execution of any trust, whether expressed, implied or constructive, to which any of the shares of its stock shall be subject; and the receipt of the party in whose name any such share shall stand in the books of the company, or if it stands in the name of more parties than one, the receipt of one of the parties shall from time to time; be a sufficient discharge to the company for any dividend or other sum of money payable in respect of such share, notwithstanding any trust to which such share may then be subject, and whether or not the company have notice of such trust, and the company shall not be bound to see to the application of the money paid upon such receipt, any law or usage to the contrary notwithstanding. Execution of trust.

24. The chief place of business of the said company shall be at the city of Montreal; but the said company shall from time to time, and at all times hereafter, have power and authority, and they are hereby authorized to establish such and so many agencies in any part or portion of the dominion of Canada, or in England, and under such regulations for the management thereof, and to remove the same as the directors of the said company may deem expedient. Principal place of business.
Agencies.

25. The company is authorized to loan and advance by way of loan or otherwise, on the security of immoveable property for a long term, sums of money to be repaid by way of annuities, or for a short term, with or without a sinking fund. Loans and advances.

It shall be lawful for the company to deduct previously from the amounts of its loans a bonus, which shall not at any time exceed two per cent, which bonus may be retained at the outset, or distributed over the whole period for which the loan is made, and in the last mentioned case shall form part of the annuity, the whole as may be settled in the deed between the company and the debtor. Bonus.

26. The annuity shall include :

1. The interest on the capital, which shall not exceed eight per cent per annum ;
 2. The costs of management, which shall not be more than one per cent ;
 3. The amount for the sinking fund.
- Annuity.

The annuity shall be stipulated in the instrument of loan, or the deed executed by the debtor in favor of the company.

Rate of
payment.

27. The rate of payment of the sinking fund shall be calculated so as not to last more than fifty years, with power nevertheless, to the borrower to acquit himself of the whole, or any part thereof, at any time, giving three months' notice of his intention ; the rate of interest (if any) to be allowed by the company to its borrowers on payments made by them on account of sinking fund, shall be such as may be settled by the deeds between the company and its borrowers respectively.

Moneys re-
quired in
advance.

28. The company is authorized to require and receive semi-annually and in advance, all interests, costs of management and annuities arising from its loans and disbursements.

Anticipatory
payment.

29. In case of anticipatory payment, the company shall not be bound to accept and receive any sum under ten per cent of the amount of any loan made, and may require an indemnity which shall be calculated on the difference between the rate of interest stipulated in the deed or in the obligation, and that of the mortgage bond or debenture in circulation at the date of the anticipatory payment, and on the length of time the obligation has still to run, but such indemnity shall not exceed one per cent per annum on the amount of the anticipatory payment, for such time as the obligation or deed might have to run, and shall not in any case exceed the losses which the company might incur in consequence of the said anticipatory payment ; Nevertheless the sum proceeding from such anticipatory payments may be invested in furthering new loans.

Amount of
hypothec,
full privilege.

30. The company shall only lend and advance money on first hypothec of real estate, the value of which shall be at least double the amount of the loan and advance money, and any loan made on hypothec posterior only to the hypothec of the *rentes constituées* under the seigniorial act, or to any privilege or hypothec specially exempted from registration, shall be considered as made on first hypothec ; And the loans and advances to be employed in paying off obligations or debts already registered, shall also be considered as made on first hypothec, when by the effect of such payment, or of the subrogation arising therefrom in favor of the company, the claim of this latter shall rank first and not concurrently with that of any other creditor ; In this last case the company shall keep in hand the necessary amount to effect such payment, but the company may, if it thinks fit, take a deed of sale

Deed of sale
as security.

of any immoveable property which it is desirous of having pledged to it as security in any transaction made, or to be made, and that subject to such clauses and conditions of lease and of reconveyance as may be settled in the deed between the company and its debtor, the clauses of such deed being indispensable and not comminatory. The company may possess any immoveable property so acquired during the whole of the time stipulated in the deed between it and its debtor ; but if the company finally becomes the actual owner of any such immoveable property unconditionally, it shall dispose thereof within five years.

31. The company shall require that property liable to be destroyed by fire be insured at the expense of the borrower, unless the said company holds as security for its claim apart from such property other real estate worth double the value of the sum loaned, and which is not liable to be destroyed by fire ; the deed of loan shall contain a transfer of the amount of the insurance in the event of loss, the property so pledged shall be kept insured during the whole term of the loan ; the company shall have a right to have the insurance made in their own name and the annual premiums paid through their hands ; in the case of a loan redeemable by annuity, such annuity may be increased by so much. Obligation to insure.

32. In the event of loss, the insurance money shall be paid directly to the company. During one year from the date of the settlement of loss, the debtor shall have the privilege of rebuilding. During that period the company may retain the insurance money, as security to the amount of their claims calculated up to the end of the year. Indemnity recognized in case of fire.

After the rebuilding, the company shall pay over the insurance money to the debtor, deducting, however, whatever may be due to it, and if, at the expiration of the year, the debtor has not availed himself of his right to rebuild, or if before that time, he has notified the company that he did not intend to avail himself thereof, thereupon the insurance money shall finally inure to the benefit of the company and shall be imputed on their claim as a payment by way of anticipation.

33. The anticipated payment which shall arise from loss by fire shall not give rise to the indemnity authorized by section 29 of this act in favor of the company ; Nevertheless, whenever the company shall deem that by the effect of the loss, their security shall have been jeopardized, they shall have the right at any time to exact the payment of the balance due. Anticipated payment.

Effect of the
mutation of
properties
affected.

34. Every mutation, either by sale, promise of sale, exchange, donation or other way, of any immoveable charged for the guarantee of any claim of the company shall confer upon the latter the right to exact at any time, the total payment of such claim without any notice or signification; unless the debtor shall, at his own expense, within a month's delay, deposit with the company a registered copy of the deed causing any such mutation, and the new proprietor of such immoveable shall pass in favor of the company, within the same delay and also at his own expense, a new deed or act acknowledging such claim, and have it duly registered; And in the event of such payment for want of compliance with any of the formalities hereinbefore enumerated, the company shall have a right to claim the indemnity authorized in their behalf by section 29 of this act.

Loan to cor-
porations.

35. The company shall also have the power to loan and advance to municipalities, corporations and *fabriques* whatever sums they may be authorized to borrow according to the laws and by-laws by which they are governed.

Issue of
debentures,
&c.

36. The company for the purpose of procuring capital, is authorized to issue and negotiate mortgage bonds or debentures, (*lettres de gage*,) either in or out of this province.

How payable
and made.

37. The mortgage bonds or debentures shall be payable either to order or to bearer, and shall bear interest; and the bearers of such mortgage bonds shall have for the payment of the amount thereof, a priority of claim on the capital of the company over all other creditors.

Lettres de gage payable to order shall be transferable by indorsement, without any other warranty on the part of the indorser than that he is the holder thereof in good faith.

Circulation
of the debentures.

38. The company shall not issue mortgage bonds to a larger amount than that of its hypothecary mortgage claims, of which they shall be deemed to represent the value; and the amount paid in on the subscribed stock of the company shall be kept at all times at one-tenth at least of the amount of such bonds in circulation.

Form, &c.

39. The mortgage bonds shall be in sterling money or currency, and may be delivered in sub-divisions at the option of the directors, and as they may think best for their negotiation.

Interest coupons.

40. The directors may attach interest coupons to the mortgage bonds, and such interest shall not exceed eight per cent per annum.

41. A portion of these mortgage bonds, proportioned to the amount of the sinking fund paid in, shall be annually withdrawn from circulation, the number of those to be redeemed being ascertained by lot (*tirage au sort*), so that all the bonds which have been issued may be withdrawn from circulation at the expiration of the time fixed for their becoming due. Recovery of debentures.

42. The mortgage bonds so designated by lot, as well as those becoming due, shall be redeemed at par with interest in specie to the bearers, at the day and place appointed by the company in notices to that effect published in two newspapers, and they shall cease to bear interest from such day. Idem.

43. The mortgage bonds bearing different rates of interest, or payable at different periods, may be classified separately, and shall be redeemed proportionately to the amount received on the sinking fund, and applicable to each class. Classification thereof.

44. The company shall keep a book, to be called "the mortgage and debenture book," and in such book shall be successively entered the date of loans, and names, occupation and residence of borrowers; the amount of mortgage money advanced; the amount of mortgage bonds or debentures issued; the value, situation and extent of the real estate hypothecated as security, and all other brief particulars deemed necessary. Debenture book.

45. The company may receive deposits bearing or not bearing interest, and shall have the right of retaining from deposits the amount which shall be due by the depositor. Money received in deposit by the company may be invested in or loaned upon the debentures or other securities of this province, or in any municipal debentures. Power to receive deposits.

46. On the fifteenth day of january annually, or such day being a legal holiday, then on the next following day not being a legal holiday, there shall be a general meeting of the shareholders of the company for receiving a report of the state of affairs from the board of directors, electing the directors and transacting any other matter of general interest relating to the management of the company. Annual report.

47. All meetings of the company, or of the directors shall be presided over by the president, and in his absence, by the vice-president, and if both are absent, by a president *pro tempore*, chosen by the majority of the members present, and the cashier shall be *ex-officio* secretary of all such meetings, and in the absence of this latter, the assistant-cashier shall take his place, and the minutes of Meetings.

Record of the
deliberations.

these meetings shall be made and inscribed in a book called "The record of the deliberations of the shareholders and of the directors," and shall be certified, attested and signed in such record by the president of the meeting, and by the secretary of that same meeting.

Right to vote.

48. At all meetings of the company every shareholder shall be entitled to one vote for every share held by him ; and no shareholder shall be entitled to vote at any meeting unless he shall have paid all the calls then payable upon all the shares held by him.

Debenture-
holders not
voters.

49. No person shall, in right of any debenture, be deemed a shareholder, or be capable of acting or voting as such at any meeting of the company.

Mode of
voting.

50. The votes may be given either personally or by proxy, every such proxy being a shareholder, authorized by writing under the hand of the shareholder nominating such proxy ; and every proposition at any such meeting shall be determined by show of hands, or upon demand of any shareholder after such show of hands, by the majority of the votes of the parties present, including proxies, the chairman of the meeting being entitled not only to vote, but to have a casting vote if there be an equality of votes.

Decision.

Proxy.

51. No person shall be entitled to vote as a proxy unless the instrument appointing such proxy have been transmitted to the clerk or cashier of the company two clear days before the holding of the meeting at which such instrument is to be used, and no person shall at any one meeting represent as proxy more than ten shareholders.

Votes of
copartners.

52. If several persons be jointly entitled to a share, the person whose name stands first on the register of shareholders as one of the holders of such share shall, for the purpose of voting at any meeting, be deemed the sole proprietor thereof, and on all occasions the vote of such first named shareholder alone, either in person or by proxy, shall be allowed as the vote in respect of such share, and no proof of the concurrence of the other holders thereof shall be required.

Power of the
directors.

53. The directors may, from time to time, make rules and by-laws for the transaction of the affairs of the company, which rules and by-laws shall be adopted at a general meeting of shareholders, and they shall have and may exercise the powers, privileges and authorities set forth and vested in them by this act, and they shall be subject to and be governed by such rules, regulations and provisions as

herein contained with respect thereto, and by the by-laws made and to be made for the management of the said company, and the directors shall and may lawfully exercise all the powers of the company except as to such matters as are directed by this act to be transacted by a general meeting of the company; they may call any general, special or other meetings of the company, or Meetings. of the directors which they may deem necessary; and they shall, upon requisition made in writing by any number of shareholders holding in the aggregate one-fifth part of the shares of the company, convene an extraordinary general meeting; and such requisition so made by the shareholders shall express the object of the meeting proposed to be called, and shall be left at the company's office, and if the directors do not convene such general meeting within twenty-one days from the date of the requisition, the requisitionists, or any other shareholders having the required number of shares, may themselves convene a meeting. Notice of all extraordinary general meetings shall be published in two newspapers published in the city of Montreal, the one in french and the other in english. The directors may use and affix or cause to be used and affixed the seal of the company to any document or paper which in Seal. their judgment may require the same; they may make Instalments. and enforce the calls upon the shares of the respective shareholders; they may declare the forfeiture of all shares Forfeiture. on which such calls are not paid; they may make any payments and advances of money as they may deem expedient, which are or shall at any time be authorized to be made by or on the behalf of the company, and enter into all contracts for the execution of the purposes of the company, and for all other matters necessary for the transaction of its affairs; they may generally deal with, treat, sell and dispose of the lands, property and effects of the company for the time being, in such manner as they shall deem expedient and conducive to the benefit of the company, as if the same lands, property and effects were held and owned according to the tenure, and subject to the liabilities, if any, from time to time affecting the same, not by a body corporate, but by any of Her Majesty's subjects being of full age; they may do and authorize, assent to or adopt, all acts required for the due exercise of any further powers and authority which may hereafter at any time be granted to the company by the legislature of this province, or for the performance and fulfilment of any conditions or provisions from time to time prescribed by the said legislature in giving such further powers and authority, or in altering or repealing the same respectively, or any of them; but all the powers shall be exercised in accordance with and subject to the provisions of this act in that behalf; provided always that all real Proviso.

estate acquired and held by the said company in virtue of this act, except such as is necessary for the use and occupation of the said company, and the purposes thereof, shall be sold and realized at public auction or private sale by the company at any period not later than five years from the acquisition of such real estate.

Appointment
of officers.

Salaries.

Security.

54. The directors shall name the cashier, assistant cashier and all other subordinate officers of the company, and shall fix their respective salaries and remuneration, and shall take from the cashier security for not less than five thousand dollars, and security for not less than two thousand dollars from any other officer having control of the cash or any monies of the company.

Entries in a
book, re-
quired.

Authenticity.

Books open
for inspec-
tion.

Dividends,
limited.

Contingen-
cies and
improve-
ments.

55. The directors shall cause notices, minutes or copies, as the case may require, of all appointments made or contracts entered into by the directors, to be duly entered in books to be from time to time provided for the purpose, which shall be kept under the superintendence of the directors; and every such entry shall be signed by the chairman of the meeting at which the matter in respect of which such entry is made was moved or discussed at or previously to the next meeting of the company or directors, as the case may be; and a copy of such entry so signed, shall be received as evidence in all courts, and before all judges, justices and others, without proof of such respective meeting having been duly convened or of the persons making or entering such orders or proceedings being shareholders or directors respectively, or of the signature of the chairman, and which last mentioned matters shall be presumed; and all such books shall at any reasonable time be open to the inspection of any of the shareholders.

56. The company shall not declare any dividend whereby their capital stock may be reduced, and shall not pay any dividend exceeding eight per cent per annum, as long as their reserve fund shall not have reached twenty-five per cent of the paid up capital stock.

57. Before apportioning the profits aforesaid, the directors may, if they think fit, set aside thereout such sums as they may think proper to defray preliminary expenses and to meet contingencies, or for enlarging or improving the estate of the company or any part thereof, or promoting the objects and purposes for which they are incorporated, and may divide the balance only among the proprietors, subject nevertheless to the provisions of the next preceding section relating to the reserved fund.

58. No dividend shall be paid in respect of any share until all calls then due in respect of that or any other share held by the person to whom such dividend may be payable, shall have been paid. Dividend.

59. To the payment of the expenses of the company shall be applied in the following order : Sums affected to the payment of expenses.

1. The amount received for preliminary expenses ;
2. The amount received for costs of management.

60. To the payment of the debts and losses there shall be applied in the following order : Debts and losses.

1. The revenues and profits ;
2. The reserve fund ;
3. The shares.

61. It shall be lawful for the directors from time to time to appoint such and so many officers, solicitors and agents, either in this province or elsewhere, and so many servants as they deem expedient for the management of the affairs of the company, and to allow to them such salaries and allowances as may be agreed upon between them and the company, and to make such by-laws as they may think fit for the purpose of regulating the conduct of the officers, solicitors, agents and servants of the company, and for providing for the due management of the affairs of the company in all respects whatsoever, and from time to time to alter and repeal any such by-laws and make others, provided such by-laws be not repugnant to the laws of this province or to the provisions of this act ; and such by-laws shall be reduced into writing, and shall have affixed thereto the common seal of the company, and a copy of such by-laws shall be given to every officer and servant of the company, and any copy or extract therefrom certified under the signature of the cashier shall be evidence in all courts of justice in this province, of such by-laws or extracts from them, and that the same were duly made, and are in force ; and in any action or judicial proceedings it shall not be necessary to give any evidence to prove the seal of the company, and all documents purporting to be sealed with the seal of the company, shall be held to have been duly sealed with the seal of the same. Appointment of officers.
Salaries.
By-laws.
By-laws make proof.
Seal.

62. With respect to any notice required to be served by the company upon the shareholders, it shall be sufficient to transmit the same by post directed according to the registered address or other known address of the shareholder, within such period as to admit of its being delivered in due course of post within the period [if any] prescribed for the giving of such notice, and in order to prove the giving of such notice, it shall be sufficient to Service of notice by mail.

prove that such notice was properly directed, and that it was so put into the post-office.

Signature of
the notices.

63. All notices required by this act to be given by advertisement in newspapers, shall be signed by the chairman of the meeting at which such notices shall be directed to be given, or by the cashier or other officer of the company, and shall be advertised in such newspapers as the directors shall order.

Authentica-
tion of the
documents.

64. Every summons, demand, or notice, or other such document requiring authentication by the company, may be signed by one director, or by the cashier of the company, and the same may be in writing or in print, or partly in writing and partly in print.

Signature of
the deeds.

65. The president, or in his absence, the vice-president, and the cashier, or, in his absence, the assistant cashier, shall sign all deeds and documents to which the company shall be a party; and in the event of both the president and the vice-president, or both the cashier and the assistant-cashier, or all of them, being prevented from signing any such deed or document, either by absence, personal interest, or any other cause whatsoever, such deed or document shall then be signed by such person or persons as the board of directors shall authorize to that effect.

Interpreta-
tion.

66. In this act the following words and expressions shall have the several meanings hereby assigned to them, unless there be something in the subject or context repugnant to such construction, that is to say: words importing the singular number shall include the plural number; and words importing the plural number shall include the singular number; the word "month" shall mean calendar month; the word "cashier" shall include the word "clerk"; the term "real estate" shall extend to lands, tenements, and hereditaments of any tenure; the word "company" shall signify "*Le crédit foncier du Bas-Canada*"; the word "dominion" shall mean "the Dominion of Canada"; the word "province" shall mean the "province of Quebec," the words "mortgage bonds or debentures" shall also apply to sub-divisions (*coupures*) of said mortgage bonds.

Elections and
deeds legaliz-
ed.

67. The elections heretofore made of directors of the company are hereby legalized and confirmed, as are also the nominations and appointments by them of the president, vice-president, notary and other officers of the company, and all deeds, documents and agreements entered into and executed by such directors or officers, on behalf of the said company, are also hereby confirmed.

and shall be deemed good and valid, without prejudice to pending causes (if any.)

¹⁵¹ **68.** The said company shall be known as and under the Name of the name of "*Le crédit foncier de Montréal*," should the par- company. liament of Canada pass an act to change their name to that name; and this change of name shall be operated at such time as may be provided by such act.

C A P . L X V .

An Act respecting the Canada Tanning Extract Company, (limited).

[Assented to 24th December, 1875.]

WHEREAS the Canada Tanning Extract Company, limited, have shown by their petition, that they have obtained under the statute of Great Britain, known as the companies act of 1862, an incorporation under the name of the Canada Tanning Extract Company, limited, to acquire and carry on the trade and business of manufacturing an extract of bark, for tanning, in the province of Ontario and elsewhere;

That the capital of the said company is £100,000 sterling, divided into ten thousand shares of £10 each;

That the said company have acquired lands and buildings and constructed large works and machinery, and acquired patents and patent rights, in the province of Quebec, where they carry on an extensive business and where most of their operations are carried on;

That it is expedient for the said company to carry on their operations, in the province of Quebec, that they should obtain an act confirming their existence and recognizing their incorporation;

That moreover, according to their charter and to the laws of Great Britain, under which they exist, the directors are authorized to borrow such sums of money as they may think proper, so that no more than £10,000 be owing at one time over and above such sums of money as may have been borrowed with the sanction of a general meeting; but that the company may in a general meeting authorize the borrowing of such sums of money, as it shall think fit;

That the money borrowed for the purposes of the company may be raised by a mortgage of the whole or any part of the company's property, or upon such terms or security, as the directors may think fit, and that there may be a stipulation, if approved by a general meeting, that the security may be converted into preference or other shares of the stock of the company;