

No. 80, class B., thus represents the said sum of \$5,000.00 of hypothecary obligations, being granted for the aggregate amount of the said obligations.

ROBERTSON,
Treasurer, P. Q.

Office of the Treasury Department,
Quebec, this 25th April, 1875.

Form F is included in form B.

C A P . L X X X I I I .

An Act to incorporate the Eastern Townships Land and Improvement Company.

[Assented to 23rd February, 1875.]

WHEREAS the persons hereinafter named, have petitioned for an act of incorporation, to establish an association to be called the "Eastern Townships Land and Improvement Company," whereby powers may be conferred on the said association for the purpose of buying, selling or leasing landed and other property, for the clearing and improving of farms and wild lands, for undertaking draining, sewerage and other work of a like nature, and for acquiring, constructing and carrying on manufacturing establishments, for undertaking the construction of any public or private work, for the purpose of establishing a building or subscription fund, to which persons may subscribe or pay in money for investment or for building purposes, and from which payments may be made for said purpose, and also to act as an agency; 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 Honorable Matthew H. Cochrane, of the township of Compton, Senator of the Dominion of Canada; Alden W. Kendrick, of the said township of Compton, merchant; Charles King, of the town of Sherbrooke, Brigade Major; Andrew Paton, of Sherbrooke aforesaid, manufacturer; and Robert N. Hall, of Sherbrooke aforesaid, advocate, (who shall be provisional directors,) and all other persons and bodies corporate who shall, from time to time, be possessed of any share or shares in the company, shall form and are hereby constituted an incorporate association, by the name of the "Eastern Townships Land and Improvement Company," with all the rights and powers hereinafter named, necessary to properly carry out the objects of the association and incident to such corporations.

Preamble.

Certain persons incorporated.

Name of the corp.

Capital stock. **2.** The capital stock of the company shall be one hundred thousand dollars, divided into one thousand shares of one hundred dollars each, and may be increased from time to time by a vote of two-thirds of the shareholders present at any meeting called for that purpose; provided the said two-thirds of the shareholders shall represent at least one-half of the then paid up stock of the company; and before the company shall go into operation, one-half of the stock shall be subscribed, and ten per cent thereon paid in.

Issue of stock in exchange of properties. **3.** The company shall have power to issue any part of their stock or shares as unassessable and paid up shares for any property, movable or immovable, that they may desire to acquire, for the purposes of the company, as authorized by the said act; and the holders of such shares shall not be liable in respect thereof to any assessment, call or remedy by any creditor of the company whatever; provided always, that such issue of stock shall represent a fair estimate of the value of such property.

Liability.

Classes of shares. **4.** The directors may issue the shares of the capital stock or such number thereof as they may see fit, from time to time, and may issue the shares in one or more classes or denominations, and distinguish the same as may be convenient; and may determine out of what profits dividends shall be declared and paid upon the whole stock, or upon such class or classes respectively; and upon their so doing the profits derived or losses arising from investments or transactions under one class of stock, shall not be participated in or borne by the owners of any other class of stock as such; provided that the directors may in an equitable manner apportion the expenses of management among all classes of stock, should there be more than one class thereof.

Dividends, &c.

Proviso :

Different ends of the company. Power to acquire. **5.** The company shall have power to acquire and hold by purchase, lease or other legal title, any real estate or personal property necessary or requisite for the carrying out of the undertakings of such company, to clear and improve farms and wild lands, to undertake drainage or sewerage, either upon their own lands or those of other persons or corporations, to acquire, construct, maintain or carry on manufacturing establishments, to undertake the construction of any public or private work; to construct, erect, build, and maintain tenement or other houses or other buildings and premises; and to lease, let, sell, convey and dispose of the said property, or such part thereof as the company may deem for its advantage and the public convenience; and also, shall have power to acquire and use or dispose of every description of material

To construct.

To lease, &c.

for building purposes; and shall have power to lend ^{To lend.} money on security by mortgage on real estate, or on Dominion or Provincial Government Bonds, stocks or other securities, or on the stocks of chartered banks in the Dominion; the company may acquire, hold and dispose of ^{To buy public securities.} public securities, stocks, bonds, or debentures of any corporate bodies, the bonds and debentures and other evidence of debt of the Dominion or Provincial Government, municipal debentures, or debentures issued by the government in exchange for those of any town, city or municipality, constituted and ground-rents, and any moneys secured by privilege, hypothec, mortgage, pledge or otherwise, and on the titles and evidences thereof; and for the foregoing purposes they may execute such assignments or other instruments as may be necessary for carrying the same into effect. The company may effect or cause to be ^{Insurances.} effected such insurances as may be necessary to protect all its interests; and shall be invested with all the powers, ^{General powers.} privileges, and immunities necessary to carry into effect the intentions and objects of this act, and which by law are incident to such corporations.

6. The company may act as an agency and trust company, ^{Transactions as agents, &c.} and may hold, invest, and deal in its own name or otherwise with such real estate, moneys, mortgages, hypothecs, securities, or evidences of debt, as shall, from time to time, be transferred or delivered to the company upon trust or as agents, and may exercise all the rights which the parties so transferring or delivering the same might or could exercise, and the company may give such guarantee as may be agreed on for repayment of principal or interest, or both of any such moneys, mortgages, hypothecs, securities or evidences of debt.

7. The company may hold such real estate as, being ^{Power to hold.} mortgaged or hypothecated to them, may be acquired by them for the protection of their investments, and may, from time to time, sell, mortgage, lease, or otherwise dispose of the same.

8. The directors may obtain money for the purposes of the company, from time to time, at such rates of interest, and upon such terms as may be agreed upon, and for that purpose, may make or cause to be made, bonds or other instruments under the common seal of the company, for sums of not less than one hundred dollars, which may be payable at any place, and either to order or bearer, and may have interest coupons attached; provided that the company shall not exercise the powers conferred by this section until at least twenty thousand dollars of their capital ^{To contract loans.} ^{Proviso:}

Loans limited. stock shall have been paid up; and, provided also, that the aggregate of the sum or sums so obtained shall not at any time, exceed the amount of paid up capital of the company

Proviso: for the time being; and, provided also, that the shareholders shall, by by-law or resolution regularly passed at a meeting of the company, authorize the directors to the foregoing effect, and no lender or lenders, or bearer of any instrument of the company for money lent, shall be bound to enquire into the validity of any resolution or by-law authorizing the same, or the purpose for which such sum or sums are required or obtained.

Management of the affairs. **9.** The affairs of the company shall be managed by a board of not less than three nor more than seven directors, and the persons named in section one of this act, shall be

Provisional directors. the directors of the company until replaced by others duly elected in their stead.

Qualification of the directors. **10.** No person shall hereafter be named a director unless he be a shareholder owning stock to the amount of at least one thousand dollars in his own right, and not in arrears in respect of any call thereon; and the major part of the directors must be resident within the province of Quebec.

Election of the directors. **11.** The directors to be hereafter appointed shall be elected by ballot, or by acclamation without a ballot if so agreed upon, by the shareholders in a general meeting of the company assembled, at such time, in such manner, and for such term as the by-laws of the company may prescribe; and until a by-law shall be made for the purpose, the election shall take place annually.

Chief office. **12.** The chief office of the company shall be in the town of Sherbrooke, branch offices or agencies may be established elsewhere, for such purposes as the directors may determine in accordance with this act; and the bonds, coupons, dividends, or other payments of the company may be made payable at any of the said offices or agencies, and in sterling or currency.

Power of the directors to administer, &c. **13.** The directors of the company shall have full power in all things to administer the affairs of the company; and may make or cause to be made for the company any description of contract which the company may by law enter into, and may from time to time make by-laws not contrary to law, nor to this act, to regulate the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of certificates of stock, the forfeiture of stock for non-payment, the disposal of forfeited stock and

By-laws.

of the proceeds thereof, the transfer of stock, the declaration and payment of dividends, the number of directors, their term of service, time and manner of their election, and the quorum necessary for the transaction of business, the amount of their stock qualification, the appointment, functions, duties and removal of all agents, officers, and servants of the company, the security to be given by them to the company, their remuneration, the time at which and place where the annual meetings of the company shall be held, the calling of meetings regular and special of the board of directors, and of the company, the requirements as to proxies, and the proceedings in all things at such meetings; the allowance of discount or additions for repayment of moneys becoming due and payable to the company, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-law; and the conduct in all other particulars of the affairs of the company, and may, from time to time, repeal, amend or re-enact the same; and every such by-laws, and every repeal, amendment, or re-enactment thereof shall remain in force until rescinded at a general meeting of the company duly called for that purpose; provided always, that one-fourth part in value of the share-<sup>Special meet-
ing.</sup>holders of the company shall, at all times, have the right to call a special meeting thereof, for the transaction of any lawful business specified in such written requisition and notice as they may issue to that effect.

14. A copy of any by-law of the company, under its seal, and purporting to be signed by the president or secretary of the company, shall be received as *prima facie* evidence of such by-law in all courts of law or equity in this province. <sup>Certified copy
of by-laws
shall be evi-
dence.</sup>

15. The stock of the company shall be deemed personal estate, and shall be transferable in such manner only and subject to all such conditions and restrictions as by the by-laws of the company shall be prescribed. <sup>Stock deemed
personal prop-
erty.</sup>

16. The capital stock shall be allotted when and as the directors by by-law or otherwise may ordain, and the directors of the company may call in, and demand from the shareholders thereof, respectively, all sums of money by them subscribed, at such times and places and in such payments or instalments as this act may require or allow, and interest shall accrue and fall due upon the amount of any unpaid call, from the day appointed for payment of such call. <sup>Allotment of
the capital
stock.</sup>

17. The company may enforce payment of all calls and interest thereon, by an action in a competent court, and in <sup>Power to re-
cover payment
of calls judi-
cially.</sup>

such action it shall not be necessary to set forth the special matter, but it shall be sufficient to declare that the defendant is a 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 amount, in respect of one call or more upon one share or more (stating the number of calls and the amount of each) whereby an action hath accrued to the company under this act; and a certificate under their seal, and purporting to be signed by the president or secretary of the company to the effect that the defendant is a shareholder, that such call or calls has or have been made, and that so much is due by him and unpaid thereon, shall be received in all courts of law and equity as *prima facie* evidence to that effect.

Allegations.

Proof of the debt.

Transfer of actions

18. No share shall be transferable otherwise than in the manner and at the time or times which may be provided for in a by-law to be passed by the company as provided for in section fifteen of this act, and until all previous calls thereon have been fully paid in, or until declared forfeited for non-payment of calls thereon.

Effect of the shareholder in arrear.

19. No shareholder being in arrear in respect of any call shall be entitled to vote at any meeting of the company.

Transmission of interest in certain cases, how made.

20. The transmission of the interest in any share of the capital stock in consequence of the marriage, death, bankruptcy or insolvency of a shareholder, or by any other lawful means than an ordinary transfer, shall be authenticated and made in such form, by such proof, with such formalities, and generally in such other manner as the directors shall from time to time require, or by any by-law may direct.

Case of doubts as to legality of claims.

21. If the directors of the company shall entertain doubts as to the legality of any claim to and upon such share or shares of stock, it shall be lawful for the company to make and file in the superior court for Lower Canada, a declaration and petition in writing, addressed to the justices of the said court, setting forth the facts, and praying for an order or judgment, adjudicating or awarding the said shares to the party or parties legally entitled to the same, and by which order or judgment, the company shall be guided and held fully harmless and indemnified and released from all and every other claim for the said shares or arising therefrom; provided always, that notice of such petition shall be given to the party claiming such shares, who shall upon the filing of such petition establish his right to the several shares referred to in such petition; and the delays to plead

and all other proceedings in such cases shall be the same as those observed in interventions in cases pending before the said superior court ; provided also, that unless the said superior court otherwise order, the costs and expenses of procuring such order and adjudication shall be paid by the party or parties to whom the said shares shall be declared lawfully to belong ; and such shares shall not be transferred until such costs and expenses be paid, saving the recourse of such party against any party contesting his right, other than the said company.

22. Every shareholder shall be entitled to as many votes Right to vote. as he owns shares in the company, and may vote by proxy, under such arrangement as may be agreed on or provided for in the by-laws.

23. Vacancies occurring in the board of directors may be Vacancies in the board. filled for the unexpired term by the board from among the qualified shareholders.

24. The directors shall, from time to time, elect from President and officers. among themselves a president and vice-president of the company, and shall also appoint, and may remove at pleasure, all the other officers thereof.

25. If at any time an election of directors be not made Default of election of the directors. or do not take effect at the proper time, the company shall not be held to be thereby dissolved, but such election may take place at any general meeting of the company duly called for that purpose, and the retiring directors shall continue in office until their successors are elected.

26. The company shall cause a book or books to be kept Books. by the secretary or by some other officer specially charged with that duty, wherein shall be kept recorded :

1st. The names alphabetically arranged of all persons who are or have been shareholders ;

2nd. The address and calling of every such person while such shareholder ;

3rd. The number of shares of stock held by each shareholder ;

4th. The amount paid in and remaining unpaid respectively on the stock of each shareholder ;

5th. All transfers of stock in their order as presented to the company for entry with the date and other particulars of each transfer, and the date of entry thereof,—and

6th. The names, addresses, and calling of all persons who are or have been directors of the company, with the several dates at which each became or ceased to be such director.

Irresponsibility of the comp.

27. The company shall not be bound to see to the execution of any trust, whether expressed, implied or constructive in respect of any shares, and the receipt of the shareholder in whose name the same may stand in the books of the company shall be a valid and binding discharge to the company, for any dividend or money payable in respect of such shares, and whether or not notice of such trust shall have been given to the company, and the company shall not be bound to see to the application of the money paid upon such receipt.

Agreements, &c., by certain officers in the name of the company obligatory.

28. Every contract, agreement, engagement, or bargain made, and every bill of exchange drawn, accepted or endorsed, and every promissory note and cheque made, drawn, or endorsed on behalf of the company, by any agent, officer or servant of the company, in general accordance with his powers as such under the by-laws of the company, shall be binding upon the company; and in no case shall it be necessary to have the seal of the company affixed to any such contract, agreement, engagement, bargain, bill of exchange, promissory note or cheque, or to prove that the same was made, drawn, accepted or endorsed, as the case may be, in pursuance of any by-law or special vote or order, nor shall the party so acting as agent, officer or servant of the company be thereby subjected individually to any liability whatever to any part therefor; provided always, that nothing in this section shall be construed to authorize the company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money, or as the note of a bank.

Proviso:

Personal liability.

29. No member of the company shall be liable for or be charged with the payment of any debt or obligation of, or demand due from the company—beyond the amount unpaid on any shares in the capital of the company held by him.

Certain persons not liable.

30. No person holding stock in the company, as an executor, administrator, tutor, curator, guardian or trustee, shall be personally subject to liability as a shareholder, but the estates and funds in the hands of such person shall be liable in like manner, and to the same extent as the testator or intestate, or the minor, ward or interdicted person, or the person interested in such fund or trust fund would be, if living and competent to act, and holding such stock in his own name; and no person holding such stock as collateral security, shall be personally subject to such liability; but the person pledging such stock shall be considered as holding the same, and shall be liable as a shareholder accordingly.

31. Every such executor, administrator, tutor, curator, guardian or trustee shall represent the stock in his hands at all meetings of the company, and may vote accordingly as a shareholder. Right of those persons to vote.

32. The company may establish and provide for a building fund, to which persons may become subscribers, and pay in or deposit moneys, from time to time, for investment or building purposes or withdrawals, in the manner, at the times, at the rate of interest, and on the conditions established by order or by-law of the directors, or as may be agreed upon between the said subscribers and directors. Building fund.

33. Upon an agreement made by the said company for the sale of any house or other real estate held thereby, it shall be lawful for the said company to execute, in favor of the intending purchaser thereof, a lease thereof for the time stipulated in such agreement of sale, as the limit of the delay thereby fixed for the payment of the last installment of the price therein agreed upon, at a rental corresponding in the amount and in the terms of payment thereof, with such prices and with the terms of payment of such price. And if such lease appear by its terms to have been made under the provisions of this act, it shall not be held to convey, to such intending purchaser, any right in or to the property intended to be sold, or any real right therein whatever, nor shall the possession thereof, by the intending purchaser, be held to be a possession as proprietor, nor shall any legal or other hypothec be created or attached thereon, notwithstanding that such lease shall contain a direct promise of sale of such property as soon as the conditions thereof shall have been performed, until the sum of money in such lease stipulated for, and every part and portion thereof shall have been fully paid with all interest due thereon, nor until all charges, conditions and obligations created by or due under such lease, shall have been fully paid, performed and fulfilled. Right of sale by mean of a lease. Delay. Price. Effect of that lease.

34. If the intending purchaser or lessee, having accepted a lease under this act, of the property intended to be acquired by him from such company, shall make all the payments and perform all the conditions stipulated for by such lease, and shall fulfil all the obligations thereby imposed upon him, the said lease shall thereupon and thereafter be held to be and shall be equivalent to a promise of sale of such property with possession, and shall vest the same in such intending purchaser in the same manner and to the same extent, as if it were an ordinary promise of sale (*promesse de vente*), with possession, and shall give the right to the holder thereof to demand and have, from the Effect of certain conditions performed by the buyer.

said company, a valid deed of sale of the property mentioned therein, containing warranty of title and against all charges thereon ; and all hypothecs and privileges, whether conventional or legal, which were created by the intending purchaser during the pending of said lease, shall immediately thereupon attach to such property, according to their rank and privilege, and the date of their registration, in the same manner as if the same had been the property of such intending purchaser from the date of such lease.

In certain cases right to retake possession.

35. If at any time, twelve months' arrears of the instalments stipulated for in any such lease shall become due and shall remain unpaid, the said company shall have the right to re-take possession of the property intended to be sold, upon giving to the intending purchaser or lessee thirty days' notice to vacate and deliver back the same, and tendering to him the amount by him actually paid on account of the instalments agreed upon in the said lease, and the value of any improvements made thereon, as estimated by *experts*, after the deduction therefrom of interest at the rate of ten per centum per annum, on the price agreed upon remaining unpaid each year, for the time during which the premises agreed to be sold, remained in the occupation of the intending purchaser, by way of rent for the use and occupation of such premises, and of ten per centum of the amount actually paid in to be retained as a forfeiture and penalty for non-performance of the agreement of purchase, of the cost of such tender, of the expense of repairs, and restoring all injuries and deteriorations suffered by the premises so intended to be sold, reasonable tear and wear excepted, and of all taxes, charges, and assessments which attached thereto by the occupation thereof, by the intending purchaser or lessee, and which shall then remain unpaid, all which charges and deductions shall be a first and privileged charge upon the amounts so actually paid in by him. But if the instalments payable annually under such lease, shall amount to less than ten per centum upon such price, then, and in that case the amount to be deducted for rental, shall be the amount of instalments stipulated for in such lease.

Ejectionment.

36. If at the end of thirty days after service of such notice and tender, the intending purchaser or lessee shall not vacate and deliver back to the said company the premises intended to be bought by him, the said company shall have the right to cause him to be ejected therefrom by proceedings to be taken under the provisions of the first chapter of the second title of the second book of the code of civil procedure of Lower Canada, commencing with article 887, in all respects in the same manner and with the same delays

as if such lease were an ordinary lease; save and except only that the jurisdiction of the court which shall have the right to hear and determine such proceedings shall be ascertained, regulated and established by the amount which shall have been actually paid to the company under such lease, and not by the amount due or that of damages alleged. And the costs awarded to the said company in any action instituted under this act shall also be a charge upon and be deducted from the amount of money actually paid in by the intending purchaser, and the value of improvements aforesaid.

37. In the event of the surrender of any property so leased as aforesaid, and of the sum of money actually paid in by the intending purchaser being insufficient to meet all the charges thereon and deductions therefrom herein provided for, the said company shall have the same lien, privilege and remedies as an ordinary lessor upon the effects of the intending purchaser or lessee for the balance remaining due; provided always, that such balance does not exceed in amount the sum chargeable against such intending purchaser by way of rental for the use and occupation of the premises intended to be sold. Case of the surrender of a property. Proviso :

38. Any description of action may be prosecuted and maintained between the company and any shareholders thereof, and any shareholder not being himself a party to such suit shall be competent as a witness therein. Actions.

39. If at any time the directors consider it expedient to cease carrying on the business of the company and to wind up and close it, they shall have the power to do so in such manner as they shall deem best for the interests of the stockholders, provided that the consent of a majority of the stockholders present at any meeting thereof be obtained thereto—in the notices for the calling of which, the intention of considering the winding up thereof shall have been mentioned; provided always, that such majority of stockholders shall be the *bonâ fide* owners of at least two-thirds of the subscribed stock of the company. Right to wind up and close the business.

40. This act shall come into force on the day of its sanction. Coming into force of this act.