

of them, during the preceding year, together with such suggestions for the improvement of the same as they may deem necessary or expedient.

16. Upon all matters which they may deem of sufficient importance, or that may for that purpose be defined by the lieutenant-governor in council, the said board of inspectors shall report to the secretary of the province, or to such other head of department as the lieutenant-governor in council from time to time may direct, and no decision of the board shall be binding until it shall have been approved by him; and when any such report is made, any member of the board may record his dissent on the minutes and may submit to the secretary a minority report.

Important matters to be specially reported to provincial secretary.

17. This act may be cited as "The Prison and Asylum Inspection Act." Short title.

18. The act chapter one hundred and ten of the consolidated statutes of Canada, in so far as it may apply to this province, is repealed. C. S. C. c. 110 repealed.

CAP. XXIV.

The Joint Stock Companies General Clauses Act.

[Assented to, 24th February, 1868.]

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

1. The following expressions, both in this and the special act, shall have the meanings hereby assigned to them, unless there is something in the subject or context repugnant to such construction, that is to say:

Interpretation of the words:—

1. The expression "the special act," means any act incorporating a company for any of the purposes contemplated by this act, and also all acts amending such act; "The special act;"

2. The expression "the company" means the company incorporated by the special act; "The company;"

3. The expression "the undertaking" means the whole of the works and business of every kind, which the company is authorized to carry on; "The undertaking;"

4. The expression "real estate" or "land" includes all immovable property of every kind; "Real estate," "land;"

5. The expression "shareholder" means every subscriber to, or holder of stock in, the company, and extends to and includes the personal representatives of the shareholder. "Shareholder;"

2. When not otherwise expressly enacted, this act shall apply to every joint-stock company incorporated by any act hereafter to be passed, for any of the following purposes:

This act to apply to companies incorporated for special purposes.

1. Carrying on any kind of manufacturing, shipbuilding, mechanical, printing and publishing, or chemical business;

Purposes enumerated.

2. Mining for gold, silver, copper or other metals or ores ; or for coal, plumbago or other minerals ;

3. Washing, dressing, smelting, and otherwise preparing for market the ores of all kinds of metals ;

4. Erecting, maintaining and using dams, sluices, and apparatus for excavating and washing auriferous earth in the process of gold mining ;

5. Opening and working quarries of marble, slate or other economic minerals or mineral substances, and the manufacture, exportation and sale thereof ;

6. Boring for, opening and using petroleum, salt or other mineral springs ;

7. Erecting and maintaining any building or buildings to be used in whole or part as a mechanics' institute, or public reading or lecture room, or gymnasium or as a public hotel, or as baths or bath-houses, or for skating or curling rinks, or for agricultural or horticultural fairs or exhibitions, or for libraries, or for educational, literary, scientific or religious purposes, or as houses to be leased ;

8. Carrying on any fishery or fisheries in this province, or the waters thereto adjacent, or in the gulf of St. Lawrence, and building and equipping vessels for such fishery or fisheries ;

9. Carrying on any forwarding business, and constructing, owning, chartering or leasing ships, steamboats, wharfs, roads or other property required for the purpose of such forwarding business ;

10. Acquiring or constructing, and maintaining any plank, macadamized or gravelled road, or any bridge, pier, wharf, dry-dock, or marine railway, or any dam, sluice, race-way or other hydraulic apparatus for manufacturing use of any kind ;

11. Acquiring, holding and carrying on any model farm or garden, and dealing in improved stock, seed grain and other articles for agricultural use ;

12. Reclaiming and improving tracts of marshy and other waste land by drainage or planting of trees or otherwise ;

13. Supplying any place with gas or water, or with both gas and water ;

14. Constructing any line or lines of telegraph ;

15. Acquiring or constructing, and maintaining any dam, slide, pier, boom or other work necessary to facilitate the transmission of timber down any river or stream in this province, and blasting rocks, dredging or removing shoals or other impediments, or improving otherwise the navigation of such streams for such purpose ;

This act shall be incorporated with the special act.

And this act shall be incorporated with every such act ; and all the clauses and provisions of this act, unless expressly varied or excepted by any such act, shall apply to the company thereby chartered, so far as applicable thereto, and shall, as well as the clauses and provisions of every other act incorporated with such act, form part of such act, and be construed together therewith as forming one act.

3. For the purpose of incorporating this act, or any of its provisions with a special act, it shall not be necessary in such act to enact, that the clauses of this act, or such of them as in such act may be particularly designated to that end, shall be incorporated with such act; but all such clauses, save in so far as they are expressly varied or excepted by such act, shall be construed as if they were formally embodied and reproduced therein.

How such incorporation shall take place.

4. Every company incorporated for any of the above purposes, under any special act, shall be a body corporate under the name declared in the special act, and may acquire, hold, alienate and convey, any real estate requisite for the carrying on of the undertaking of such company, and shall be invested with all the powers, privileges and immunities requisite to carry into effect the intentions and objects of this act and of the special act, and which are incident to such corporation, or expressed or included in the interpretation act.

Powers, &c., of the company incorporated under the special act.

5. All powers given by the special act to the company shall be exercised, subject to the provisions and restrictions contained in this act.

Such powers to be subject to present act.

6. The affairs of the company shall be managed by a board of not less than three, nor more than nine directors.

Directors.

7. The persons named as such in the special act, shall be the directors of the company, until replaced by others duly named in their stead.

First directors.

8. No person shall be elected or named as a director there-after, unless he is a shareholder, owning stock absolutely in his own right, and not in arrear in respect of any call thereon; and the major part of the after directors of the company shall, further, at all times, be persons resident in Canada, and subjects of her majesty by birth or naturalization.

Qualification of after directors.

9. The after directors of the company shall be elected by the shareholders, in general meeting of the company assembled at such times, in such wise, and for such term, not exceeding two years, as the special act, or (in default thereof) the by-laws of the company, may prescribe.

Election of directors.

10. In default only of other express provisions in such behalf, by the special act or the by-laws of the company,—

As to elections when not expressly provided for.

1. Such election shall take place yearly, all the members of the board retiring, and (if otherwise qualified) being eligible for re-election;

2. Notice of the time and place for holding general meetings of the company shall be given at least ten days previously thereto, in some newspaper published at or as near as may be to the office or chief place of business of the company;

3. At all general meetings of the company, every shareholder shall be entitled to as many votes as he owns shares in the company, and may vote by proxy;

4. Elections of directors shall be by ballot;

Vacancies.

5. Vacancies occurring in the board of directors may be filled for the unexpired remainder of the term, by the board, from among the qualified shareholders of the company ;

President.

6. The directors shall from time to time elect from among themselves a president of the company ; and shall also name, and may remove at pleasure, all other officers thereof.

Provision in case of failure of election.

11. If at any time an election of directors be not made 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.

Powers of directors.

12. 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, 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 of the proceeds thereof, the transfer of stock, the declaration and payment of dividends, the number of the directors, their term of service, 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 and that (if any) of the directors, the time at which and the place within this province where the annual meetings of the company shall be held, the place or places where its business shall be conducted, the calling of meetings, regular and special, of the board of directors, and of the company, the quorum, the requirements as to proxies, and the procedure in all things at such meetings, 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 ; but every such by-law, and every repeal, amendment or re-enactment thereof, unless in the meantime confirmed at a general meeting of the company duly called for that purpose, shall only have force until the next annual meeting of the company, and in default of confirmation thereat, shall, from that time only, cease to have force.

By-laws to be confirmed.

Calling special meetings.

13. One-fourth part in value of the shareholders of the company shall at all times have the right to call a special meeting thereof, for the transaction of any business specified in such written requisition and notice as they may issue to that effect.

Proof of by-laws.

14. A copy of any by-law of the company, under their seal, and purporting to be signed by any officer of the company, shall be received as *prima facie* evidence of such by-law in all courts of law in this province.

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 this act, or by the special act or the by-laws of the company, shall be prescribed. Transfer of stock.

16. If the special act makes no other definite provision, the stock of the company shall be allotted, when and as the directors, by by-law or otherwise, may ordain. Allotting stock.

17. 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 the special act, or as this act, may require or allow; and interest shall accrue and fall due, at the rate of six per cent per annum, upon the amount of any unpaid call, from the day appointed for payment of such call. Calling in instalments. Interest thereon.

18. Not less than ten per cent upon the allotted stock of the company shall, by means of one or more calls, be called in and made payable within one year from the incorporation of the company; and for every year thereafter, at least a further five per cent shall in like manner be called in and made payable, until the half shall have been so called in. Amount of each instalment.

19. The company may enforce payment of all calls and interest thereon, by action in any competent court; and in 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 has accrued to the company; and a certificate under their seal, and purporting to be signed by any officer 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 as *prima facie* evidence to that effect. Action for calls. What only need be alleged. Proof.

20. If, after such demand or notice as by the special act or the by-laws of the company may be prescribed, any call made upon any share or shares be not paid within such time as by such special act or by-laws may be limited in that behalf, the directors, in their discretion, by vote to that effect, reciting the facts, and duly recorded in their minutes, may summarily declare forfeited any shares whereon such payment is not made; and the same shall thereupon become the property of the company, and may be disposed of as by by-law or otherwise they shall ordain. Forfeiture for non-payment.

21. No share shall be transferable, until all previous calls thereon have been fully paid in, or until declared forfeited for non-payment of calls thereon, or sold under execution. Calls must be paid before transfer.

Shareholders in arrear not to vote.

Books to be kept by the company; what they shall contain.

Directors may disallow entry in certain cases; their liability if it is allowed in such cases.

Effect of transfer limited until allowed.

Books to be open to shareholders and creditors.

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

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

1. Every by-law thereof;
2. The names, alphabetically arranged, of all persons who are or have been shareholders;
3. The address and calling of every such person, while such shareholder;
4. The number of shares of stock held by each shareholder;
5. The amounts paid in, and remaining unpaid, respectively, on the stock of each shareholder;
6. 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 the entry thereof; and—
7. 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.

24. The directors may refuse to allow the entry into any such book, of any transfer, not made by sale under execution, of stock whereof the whole amount has not been paid in; and whenever entry is made into such book, of any such transfer of stock not fully paid in, to a person not being of apparently sufficient means, the directors, jointly and severally, shall be liable to the creditors of the company, in the same manner and to the same extent as the transferring shareholder, but for such entry, would have been; but if any director present when such entry is allowed do forthwith, or if any director then absent do within twenty-four hours after he shall have become aware thereof and able so to do, enter on the minute book of the board of directors his protest against the same, and do within eight days thereafter publish such protest in at least one newspaper published at, or as near as may be possible to, the office or chief place of business of the company, such director may thereby, and not otherwise, exonerate himself from such liability.

25. No transfer of stock, unless made by sale under execution, shall be valid for any purpose whatever, save only as exhibiting the rights of the parties thereto towards each other, and as rendering the transferee liable *ad interim* jointly and severally with the transferor, to the company and their creditors,—until entry thereof has been duly made in such book or books.

26. Such books shall, during reasonable business hours of every day, except sundays and holidays, be kept open for the inspection of shareholders and creditors of the company, and their personal representatives, at the office or chief place of business of the company; and every such shareholder, creditor or representative may make extracts therefrom.

27. Such books shall be *primâ facie* evidence of all facts purporting to be thereby stated, in any suit or proceeding against the company or against any shareholder. Books shall be evidence.

28. Every director, officer or servant of the company, who knowingly makes or assists to make any untrue entry in any such book, or who refuses or neglects to make any proper entry therein, or to exhibit the same, or to allow the same to be inspected and extracts to be taken therefrom, shall be liable to a penalty of one hundred dollars for every such untrue entry and for every such refusal or neglect and also in damages for all loss or injury which any party interested may have sustained thereby. Penalty for untrue entries, &c.

29. Every company neglecting to keep such book or books so open for inspection, shall forfeit its corporate rights. Forfeiture of rights for not keeping books.

30. The company shall not be bound to see to the execution of any trust, whether express, 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. Company not bound to see to execution of trusts.

31. 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 third party, 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. Contracts, &c., by the company, how executed.

32. No company shall use any of its funds in the purchase of stock in any other corporation, unless in so far as such purchase may be specially authorized by the special act, and also by the act creating such other corporation. Proviso : as to bank notes.

33. Each shareholder, until the whole amount of his stock has been paid up, shall be individually liable to the creditors of the company, to an amount equal to that not paid up thereon ; but shall not be liable to an action therefor by any creditor, before an execution against the company has been No company to buy stock in another.

Liability of shareholders.

returned unsatisfied in whole or in part; and the amount due on such execution shall be the amount recoverable with costs, against such shareholder.

Liability limited

34. The shareholders of the company shall not as such be held responsible for any act, default or liability whatever, of the company, or for any engagement, claim, payment, loss, injury, transaction, matter or thing whatever, relating to or connected with the company, beyond the amount of their respective shares in the capital stock thereof.

As to stock held by persons in a representative capacity.

35. 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 and interdicted person, or the person interested in such 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.

Voting on such stock.

36. 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; and every person who pledges his stock may represent the same at all such meetings, and may vote accordingly as a shareholder.

Penalty for paying dividends when company is insolvent.

37. If the directors of the company declare and pay any dividend when the company is insolvent, or any dividend the payment of which renders the company insolvent, or diminishes the capital stock thereof, they shall be jointly and severally liable, as well to the company as to the individual shareholders and creditors thereof, for all the debts of the company then existing, and for all thereafter contracted during their continuance in office, respectively; but if any director present when such dividend is declared do forthwith, or if any director then absent do within twenty-four hours after he shall have become aware thereof and able so to do, enter on the minutes of the board of directors his protest against the same, and do within eight days thereafter publish such protest in at least one newspaper published at, or as near as may be possible to, the office or chief place of business of the company, such director may thereby, and not otherwise, exonerate himself from such liability.

How any director may avoid such liability.

Liability for lending money to stockholders.

38. No loan shall be made by the company to any shareholder, and if such be made, all directors and other officers of the company making the same, or in any wise assenting thereto, shall be jointly and severally liable to the company for the amount of such loan,—and also to third parties, to the extent of such loan with legal interest,—for all debts of the

company contracted from the time of the making of such loan to that of the repayment thereof.

39. The directors of the company shall be jointly and severally liable to the laborers, servants and apprentices of the company, for all debts not exceeding one year's wages, due for service performed for the company whilst they are such directors respectively; but no director shall be liable to an action therefor, unless the company has been sued therefor within one year after the debt became due nor yet unless such director is sued therefor within one year from the time when he ceased to be such director, nor yet before an execution against the company has been returned unsatisfied in whole or part; and the amount due on such execution shall be the amount recoverable, with costs, against the directors.

Subsidiary liability of directors for wages of laborers, servants, &c., of the company.

40. Any description of action may be prosecuted and maintained between the company and any shareholder thereof; and no shareholder, not being himself a party to such suit, shall be incompetent as a witness therein.

Actions between shareholders and the company.

41. Service of all manner of summons or writ whatever upon the company, may be made by leaving a copy thereof at the office or chief place of business of the company, with any grown person in charge thereof, or elsewhere with the president or secretary thereof; or if the company have no known office or chief place of business, and have no known president or secretary, then, upon return to that effect duly made, the court shall order such publication as it may deem requisite to be made in the premises, for at least one month, in at least one newspaper; and such publication shall be held to be due service upon the company.

How service may be made on the company.

42. Whenever this act is referred to, it shall be sufficient, in citing the same, to use the expression "the joint stock companies general clauses act."

Short title.

43. The act chapter eighteen, of the statutes of the late province of Canada, passed in the twenty-fourth year of her majesty's reign, in so far as it is applicable to this province, is repealed.

24 V. c. 18 repealed.

C A P . X X V .

An act respecting the Incorporation of Joint Stock Companies.

Assented to, 24th February, 1868.

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

1. The following expressions, in this act and in all letters-patent and supplementary letters-patent issued under the same, have the meanings hereby assigned to them, unless

Interpretation of the words :—