

Laws of His Majesty's Province of Upper Canada in North America, passed in the year 1819.
York: R. C. Horne, 1819.

59 George III – Chapter 15

An Act to Incorporate certain Persons under the Style and Title of the President, Directors, and Company, of the Bank of Kingston. (Passed 12th July, 1819.)

Whereas, the establishment of a Bank in the Province of Upper Canada, will conduce to the prosperity and advantage of Commerce and Agriculture in the said Province; and whereas, Allan M'Lean, Thomas Markland, Peter Smith, Lawrence Herchmer, William Mitchell, John Kirby, Roderick M'Kay, John M'Aulay, Allan M'Pherson, Hugh C. Thompson, Jerry Whitehead, William Bradhay, J. Nickalls, N. M'Leod, S. Johns, P. Smyth, and Thomas Graham, by their Petition presented to the Legislature, have prayed for the privilege of being incorporated; Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Assembly of the Province of Upper-Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of Great Britain, entitled, "*An Act to repeal certain parts of an Act passed in the fourteenth year of His Majesty's Reign, entitled, 'An Act for making more effectual provision for the Government of the Province of Quebec in North America, and to make further provision for the Government of the said Province,*" and by the authority of the same, That Allan M'Lean, Thomas Markland, Peter Smith, Lawrence Herchmer, John Kirby, William Mitchell, and all such persons as hereafter shall become Stockholders of the said Bank, shall be and hereby are ordained, constituted, and declared to be, from time to time, and until the first day of June, which will be in the year of our Lord one thousand eight hundred and fifty, a Body Corporate and Politic, in fact and in name of the President, Directors, and Company of the Bank of Kingston, and that by that name, they and their successors shall and may have continual succession, and shall be persons in Law capable of suing and being sued, pleading and being impleaded, answering and being answered unto, defending and being defended, in all Courts and places whatsoever, in all manner of actions, suits, complaints, matters, and causes whatsoever, and that they and their successors may have a common seal, and may change and alter the same at their pleasure; and also, that they and their successors, by the same name of the President, Directors, and Company of the Bank of Kingston, shall be in Law capable of purchasing, holding, and conveying any estate, real or personal, for the use of the said Corporation.

II. And be it further enacted by the authority aforesaid, That a Share in the Stock of the said Bank shall be twelve pounds ten shillings, or the equivalent thereof, in specie, and the number of Shares shall not exceed ten thousand; and that books of subscription shall be opened, at the same time, in the Towns of Kingston, Niagara, York, Brockville, Amherstburg, Ancaster, Vittoria, Hamilton, in the District of Newcastle, and Cornwall, in the Eastern District, within two months after the passing of this Act, by such person or persons, and under such regulations as the majority of the said petitioners shall direct.

III. And be it further enacted by the authority aforesaid, That it shall be lawful for any person, His Majesty's subjects or foreigners, to subscribe for such and so many Shares as he, she, or they may

think fit, not however exceeding, in the first instance eighty, and that the Shares respectively subscribed shall be payable in gold or silver, that is to say, ten per centum, to be ready as a deposit, at the time of subscribing, to be called for by the Directors hereafter appointed by virtue of this Act, as soon as they may deem expedient, and the remainder shall be payable in such installments as a majority of the Stockholders, at a meeting to be expressly convened for that purpose, shall agree upon, Provided no installment shall exceed ten per centum, upon the Capital Stock, or be called for or become payable in less than sixty days after public notice shall have been given in the Upper Canada Gazette to that effect; Provided always, That if any Stockholder or Stockholders, as aforesaid, shall refuse or neglect to pay to the said Directors the installment due on any Share or Shares held by him, her, or them, at the time required by Law so to do, such Stockholder or Stockholders, as aforesaid, shall forfeit such Share, as aforesaid, with the amount previously paid thereon, and the said Share or Shares may be sold by the Directors, and the sum arising therefrom, together with the amount previously paid thereon, shall be accounted for and divided in like manner as other monies of the Bank.

IV. Provided also, and be it further enacted by the authority aforesaid, That if the whole number of Shares shall not be subscribed within two months after the said books of subscription shall be opened, then and in such case, it shall be lawful for any former subscriber or subscribers to increase his, her, or their subscriptions; and Provided further, That if the total amount of subscriptions within the period aforesaid, shall exceed the Capital Stock limited by this Act, then and in such case, the Shares of each subscriber or subscribers above ten Shares shall, as nearly as may be, be proportionably reduced, until that the total number of Shares be brought down to the limits above said, and Provided nevertheless, That the said limitation in respect to persons subscribing to the said Capital Stock, shall not extend or be construed to extend to prevent the acquisition of a greater number of Shares by purchase, after the said Bank shall have commenced its operations.

V. And be it further enacted by the authority aforesaid, That the whole amount of the Stock, estate, and property, which the said Corporation shall be authorised to hold, including the Capital Stock, or Shares before mentioned, shall never exceed in value one hundred and twenty-five thousand pounds.

VI. And be it further enacted by the authority aforesaid, That as soon as the sum of fifty thousand pounds shall have been subscribed, it shall and may be lawful for such subscribers, or the majority of them, to call a meeting, at some place to be named in the Town of Kingston, for the purpose of proceeding to the election of the number of Directors hereinafter mentioned, and such election shall then and there be made by a majority of Shares, voted for in manner hereinafter prescribed, in respect of the annual elections of Directors, and the persons then and there chosen shall be the first Directors, and be capable of serving until the expiration of the first Monday in June, in the year of our Lord one thousand eight hundred and twenty-one, and the Directors, so chosen, shall, as soon as the deposit, amounting to twenty thousand pounds, subscribed as aforesaid, shall be paid to the said Directors, commence the business and operations of the said Bank; Provided always, That no such meeting of the said subscribers shall take place until a notice is published in all the

public Newspapers of this Province, at the distance of not less than thirty days from the time of such notification.

VII. And be it further enacted by the authority aforesaid, That the Stock, property, affairs, and concerns of the said Corporation, shall be managed and conducted by fifteen Directors, one of whom to be the President, who, excepting as is herein before provided for, shall hold their offices for one year, which Directors shall be Stockholders, and shall be subjects of His Majesty, residing in this Province, and be elected on the first Monday in June, in every year, at such time of the day, and at such place in the Town of Kingston, as a majority of the Directors, for the time being, shall appoint, and public notice shall be given by the said Directors in the different Newspapers printed within the Province, of such time and place, not more than sixty, nor less than thirty days, previous to the time of holding the said election; and the said election shall be held and made by such of the Stockholders of the said Bank as shall attend for that purpose in their own proper persons, or by proxy; and all elections for Directors shall be by ballot, and the fifteen persons who shall have the greatest number of votes at any election, shall be the Directors, except as is herein after directed; and if it should happen at any election, that two or more persons have an equal number of votes, in such manner that a greater number of persons than fifteen shall by plurality of votes, appear to be chosen as Directors, then the said Stockholders, herein before authorised to hold such election, shall proceed to ballot a second time, and by plurality of votes, determine which of the said persons, so having an equal number of votes, shall be the Director or Directors, so as to complete the whole number of fifteen, and the said Directors, so soon as may be after the said election, shall proceed, in like manner, to elect by ballot, one of their number to be their President, and four of the Directors which shall be chosen at any year, excepting the President, shall be ineligible to the office of Director, for one year after the expiration of the time for which they shall be chosen Directors; and in case a greater number than ten of the Directors, exclusive of the President who served for the last year, shall appear to be elected, then the election of such person or persons above the said number, and who shall have the fewest votes, shall be considered void, and such other of the Stockholders as shall be eligible, and shall have the next greatest number of votes, shall be considered as elected in the room of such last described person or persons, and who are hereby declared ineligible, as aforesaid; and the President for the time being, shall always be eligible to the office of Director; but Stockholders not residing within the Province, shall be ineligible, and if any Director shall move out of the said Province, his office shall be considered as vacant, and if any vacancy or vacancies should at anytime happen among the Directors, by death, resignation, or removal from the said Province, such vacancy or vacancies shall be filled for the remainder of the year in which they may happen, by a special election for that purpose, to be held in the same manner as herein before directed respecting annual elections, at such time and place in the Town of Kingston, as the remainder of the Directors or the major part of them, shall appoint; Provided always, That no person shall be eligible to be a Director who shall not be a Stockholder to the amount of at least twenty Shares.

VIII. And be it further enacted by the authority aforesaid, That in case it should at any time happen, that an election of Directors should not be made on any day when, pursuant to this Act, it ought to have been made, the said Corporation shall not for that cause be deemed to be dissolved, but that it shall and may be lawful on any other day to hold and make an election of

Directors; in such manner as shall have been regulated by the laws and ordinances of the said Corporation.

IX. And be it further enacted by the authority aforesaid. That each Stockholder shall be entitled to a number of votes proportioned to the number of Shares which he or she shall have held in his or her own name, at least three months prior to the time of voting, according to the following ratios; that is to say, at the rate of one vote for each Share, not exceeding four, five votes for six Shares, six votes for eight Shares, seven votes for ten Shares, and one vote for every five Shares above ten. Stockholders actually resident within the Province of Upper Canada, and none others, may vote in election by proxy; Provided always, That no person, co-partnership, or body politic, shall be entitled to more than fifteen votes at any such election.

X. And be it further enacted by the authority aforesaid, That it shall be the duty of the Directors to make half yearly dividends of so much of the profits of the said Bank, as to them, or the majority of them, shall appear advisable, and that once in every three years, and oftener if thereunto required by a majority of the votes of the Stockholders, to be given agreeably to the ratios herein before established at a general meeting to be called for that purpose, an exact and particular statement of the debts which shall have remained unpaid after the expiration of the original credit, for a period of treble the term of that credit, and of the surplus of profits, if any, after deducting losses and dividends.

XI. And be it further enacted by the authority aforesaid, That the Directors for the time being, or a major part of them, shall have power to make and subscribe such rules and regulations as to them shall appear needful and proper, touching the management and disposition of the Stock, property, estate, and effects of the said Corporation, and touching the duties and conduct of the Officers, Clerks, and Servants employed therein, and all such other matters as appertain to the business of a Bank, and shall also have power to appoint as many Officers, Clerks, and Servants, for carrying on the said business, and with such salaries and allowances as to them shall seem meet; Provided, That such rules and regulations be not repugnant to the Laws of this Province.

XII. And be it further enacted by the authority aforesaid, That the total amount of the debts which the said Corporation shall, at any time, owe, whether by bond, bill, note, or other contract, over and above the monies then actually deposited in the Bank, shall not exceed three times the sum of the Capital Stock subscribed, and actually paid into the Bank, and in case of such excess, the Directors, under whose administration it shall happen, shall be liable for the same in their natural and private capacities; but this shall not be construed to exempt the said Corporation, or any estate, real or personal, which they may hold as a Body Corporate, from being also liable for, and chargeable with, the said excess, but such of the said Directors, who may have been absent when the said excess was contracted, or who may have dissented from the said resolution or act, whereby the same was contracted, may respectively exonerate themselves from being so liable, by giving immediate notice of the fact, and of their absence or dissent, to the Stockholders, at a general meeting, which they shall have power to call for that purpose.

XIII. And be it further enacted by the authority aforesaid, That it shall not be lawful for the said Corporation, to issue any note or bill under the value of ten shillings of lawful money of the Province of Upper Canada.

XIV. And be it further enacted by the authority aforesaid, That the lands, tenements, and hereditaments, which it shall be lawful for the said Corporation to hold, shall be only such as shall be requisite for its immediate accommodation, in relation to the convenient transaction of its business, or such as shall have been bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the way of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts; and further the said Corporation shall not, directly or indirectly, deal or trade, in buying or selling any goods, wares, merchandise, or commodities whatsoever; Provided, That nothing herein contained shall any wise be construed to hinder the said Corporation from dealing in bills of Exchange, or in buying or selling bullion, gold, or silver.

XV. And be it further enacted by the authority aforesaid, That the .Shares of the said Capital Stock shall be transferable and may be, from time to time, transferred by the respective persons so subscribing the same; Provided always, That such transfer be entered or registered in a book or books to be kept for that-purpose by the Directors.

XVI. And be it further enacted by the authority aforesaid, That the bills obligatory and of credit, under the seal of the said Corporation, which shall be made to any person or persons, shall be assignable by indorsement thereupon under the hand or hands of such person or persons, and of his, her, or their assignee or assignees, and so as absolutely to transfer and vest the property thereof in each and every assignee or assignees successively, and to enable such assignee or assignees to bring and maintain any action thereupon in his or their own name or names, and bills or notes which may be issued by order of the said Corporation, signed by the President, and countersigned by the principal Cashier or Treasurer, promising the payment of money to any person or persons, his, her, or their order, or to bearer, though not under the seal of the said Corporation, shall be binding and obligatory upon the same, in like manner, and with the like force and effect as upon any private person or persons, if issued by him, her, or them, in his, her, or their private or natural capacity or capacities, and shall be assignable or negotiable in like manner as if they were so issued by such private person or persons.

XVII. And be it further, enacted by the authority aforesaid, That every Cashier and Clerk, before he enters into the duties of his office, shall give bond with two or more sureties, in such sum as may be satisfactory to the Directors, with condition for the faithful discharge of his duty.

XVIII. And be it further enacted by the authority aforesaid, That the said Corporation shall not demand any greater interest on any loan or discount than at the rate of six per centum per annum.

XIX. And be it further enacted by the authority aforesaid, That the Directors, excepting the President, shall not be entitled to any emolument for their services, and that seven Directors shall

constitute a Board, for the transaction of business, or whom the President shall be one, except in the case of sickness or absence, in which case, the Directors present may choose a Chairman for the said meeting.

XX. And be it further enacted by the authority aforesaid, That the said Bank shall be established, and the buildings necessary for the accommodation thereof erected, purchased, or leased, and the business thereof, at all times hereafter, transacted at such place in the Town of Kingston, as the Directors, or the majority of them, may appoint; Provided always, So soon as it may be deemed expedient, Branches of the said Bank and Offices of Deposit and Discount may be authorised by the said Directors, or the majority of them, in any other part of the said Province, under such rules and regulations as the said Directors, or the major part of them, may think proper, not repugnant to the general rules of the said Corporation; and Provided always, That a Branch of the said Bank shall be established in the Town of York, within two years from the passing of the said Act, in case the Stockholders of the Town of York and the Home District hold two thousand Shares in the said Bank.

XXI. And be it further enacted by the authority aforesaid, That if at any time after the passing of this Act, the said President, Directors, and Company, shall refuse, on demand being made at their Banking House, or any Branch or Branches hereafter to be established, during the regular hours of doing business, to redeem in specie, or other lawful money of this Province, their said Bills, Notes or other evidences of debt, issued by the said Company, the said President, Directors and Company shall, on pain of forfeiture of their Charter, wholly discontinue and close their said Banking operations, either by way of discount or otherwise, until such time as the President, Directors and Company shall resume the redemption of their Bills, Notes or other evidences of debt, in Specie or other lawful money of this Province.

XXII. And be it further enacted by the authority aforesaid, That it shall and may be the duty of the President and Cashier of the said Bank, for the time being, to make a return, under oath, to the Provincial Parliament, once in each year, if required either by the Legislative Council or House of Assembly, which return shall contain a full and true account of the funds and property of the said Bank, the amount of its Capital Stock subscribed and paid, the amount of the debts due to and from the said Bank, the amount of the Bills and Notes emitted by the Bank, in circulation, and the amount of Specie in the said Bank at the time of making such return; and in case the said President and Cashier shall refuse or neglect to make such return as aforesaid, the Legislature may at any time thereafter in their discretion dissolve the said Corporation.

XXIII. And be it further enacted by the authority aforesaid, That this Act be, and is hereby declared to be a public Act, and that the same may be construed as such in His Majesty's Courts of this Province.

XXIV. And be it further enacted by the authority aforesaid, That this present Act of Incorporation shall in no wise be forfeited by any non-user whatever, at any time before the first day of January, one thousand eight hundred and twenty one, any thing herein contained to the contrary thereof notwithstanding.