

Laws of His Majesty's Province of Upper Canada, passed in the year 1857. Toronto: Stewart
Derbshire & George Desbarats, 1857.

20 Victoria – Chapter 176

An Act to incorporate the Sherbrooke Manufacturing Company. Assented to 27th May, 1857.

Whereas Alexander Tilloch Galt, Edward Hale, R. W. Heneker, John Moore, Henry Machin, Thomas Wily and Thomas Galt, have by their Petition to the Legislature represented, that they are desirous of commencing and carrying on the business of manufacturing Cotton Goods, in the Town of Sherbrooke, and that an Act incorporating them as a Company is necessary to enable them advantageously to conduct and manage the said business; And whereas the said undertaking will lend to develop the capabilities and advance the interests of the Province: Therefore, Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

I. The said Edward Hale, R. W. Heneker, John Moore, Henry Machin, Thomas Wily, with Charles Brooks, Albert P. Ball and William Ritchie, or such of them, and all such other persons as shall become Shareholders in the said Company, shall be and are hereby ordained, constituted and appointed to be a body corporate and politic in law, in fact and in name, for the purpose aforesaid, by the style and title of the "Sherbrooke Manufacturing Company," and shall by that name be authorized and empowered to carry on at the Town of Sherbrooke, the business of manufacturing and working Cotton in all its branches, and to establish and carry on works for malting printed cotton goods, and shall for such purposes be authorized to purchase, hold and use such land and water power as may be necessary for properly carrying on such business, and also to erect and maintain the necessary mills and buildings, machinery and appurtenances therefor.

II. The Capital Stock of the Company incorporated by this Act, shall not exceed the amount of fifty thousand pounds, unless increased in the manner hereinafter provided, and shall be composed of shares of twenty-five pounds each; but it shall be lawful for the said Company to commence business and to exercise any of the powers given by this Act, so soon as the sum of ten thousand pounds of the stock of the Company shall have been subscribed, and twenty-five per centum paid in thereon; and any shares remaining unsubscribed for at the time of the first election of Directors, shall be disposed of thereafter in such manner as the Stockholders shall at any general meeting determine.

III. The said Edward Hale, R. W. Heneker, John Moore, Charles Brooks and Albert P. Ball, shall be and are hereby constituted and appointed the first Directors of the said Company, and shall hold their office until others shall, under the provisions of this Act, be elected by the Shareholders, and shall until that time constitute the Board of Directors of the said Company, with power to open Stock Books and make calls on the shares subscribed in such Books, and shall call a meeting of subscribers for the election of Directors in manner hereinafter provided.

IV. The said Directors are hereby empowered to take all necessary measures for opening the Stock Books, for the subscription of parties desirous to become Shareholders in the said Company, and to determine and allot to parties subscribing for stock in the said Company, the number of shares (if any)

that parties so subscribing may have and hold in the Capital Stock aforesaid; and the said Directors shall cause an entry to be made in the records of their proceedings and in the Stockholders' Book, of the Stock so allotted and assigned to parties subscribing as aforesaid, and the Secretary of the said Company shall notify the respective parties, in writing, of such allocation and assignment; and upon such entries being made, the rights and liabilities of such Shareholders shall accrue in respect of his, her or their particular interest in the said Company.

V. The stock, property and concerns of the said Company shall be managed by a Board of five Directors, who shall respectively be stockholders in the said Company, holding at least five shares each in their own names respectively, and who shall be annually elected by the Stockholders on the second Monday in July in each year, and notice of the time and place of holding such election shall be published not less than ten days previous thereto, in one of the newspapers published in the Town of Sherbrooke, and the election shall be made by such of the Stockholders as shall attend for that purpose, either in person or by proxy; and if such election shall not be held on the day so appointed, it shall be the duty of the Directors to cause such election to be held within thirty days after the day so appointed, when such election shall take place at a time and place to be notified by the Directors in one of the newspapers published in the said town, at which such election shall be made in manner hereinbefore appointed; and all acts of Directors of the said Company shall be valid and binding, as against the said Company, until their successors shall be elected; and it shall be the duty of the Directors to submit to such annual meeting of the Stockholders, a Report, stating the amount of the Capital of the said Company, and the proportion thereof actually paid in, and the amount of the existing debts of the Company, which Report shall be signed by the Chairman or President, and a majority of the Directors of the said Company, and a copy thereof subscribed as aforesaid, shall, within fourteen days from the date of such annual meeting, be transmitted to the Secretary of the Province.

VI. All elections of Directors shall be by ballot, and each Stockholder shall be entitled to as many votes as he owns shares of Stock in the said Company, and the persons receiving the greatest number of votes shall be Directors; and when any vacancy shall happen amongst the Directors by death, resignation or otherwise, it shall be filled for the remainder of the year in such manner as may be provided by the By-laws of the Company.

VII. The said Company shall have a Chairman or President, who shall be elected by the Directors from among themselves, and also such subordinate officers as the Company by its Bylaws may require, who may be elected or appointed, and required to give such security for the faithful performance of the duties of their respective offices, as the Company by its By-laws may provide.

VIII. It shall be lawful for the Directors of the said Company to call in and demand from the Stockholders thereof respectively, all sums of money by them subscribed, at such time and in such payments or instalments as such Directors shall deem proper; and if any Stockholder or Stockholders shall, after notice of such call or demand shall have been personally served, or after notice thereof shall have been published for six successive weeks, in any of the newspapers published at the town of Sherbrooke, refuse or neglect to pay to the said Directors or the Secretary of the said Company, the amount of such call upon the share or shares held by him, then such share or shares shall or may if so decided at any Meeting of the Stockholders, become forfeited to the Company, together with the

amount or amounts paid thereon, and such forfeited share or shares may be disposed of as the Directors for the time being may think fit, in any manner whatsoever for the benefit of the Company, or the same may become vested in and for the benefit of the said Company, as the Directors may determine, or the amount of such call may be sued for and recovered by the Company, as hereinafter provided.

IX. In any action or suit 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 to the Company 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; and on the trial it shall only be necessary to prove that the Defendant was owner of certain shares, and the call or calls thereon, and the notice required by this Act, and no other fact or thing whatsoever.

X. The Directors of the said Company shall have power, from time to time, to make such By-laws as they shall deem proper for the determination of the quorum of Directors — for the management and disposition of the stock and business affairs of the said Company — for the appointment of officers, and for prescribing their powers and duties, and those of all artificers and servants that may be employed — for carrying on all kinds of business within the objects and purposes of the said Company — and for carrying into effect all of the powers vested in the Company by this Act — and to amend or repeal any such By-laws, and make others in their stead; and any copy of such By-laws, or any of them, purporting to be under the hand of the Clerk, Secretary or other officer of the said Company, and having the corporate seal of the said Company affixed to it, shall be received as *primâ facie* evidence of such By-law or By-laws in all Courts of Law or Equity in this Province; the said Company may purchase and sell all raw materials and things required for carrying on the business aforesaid, and all goods manufactured by the Company, and may appoint agents within and without the Province for such purchase and sale; and the said Company may become parties to Bills of Exchange or Promissory Notes, without affixing their corporate seal to the same, provided they shall be signed, made, accepted or indorsed in such manner as shall be prescribed by the By-laws of the Company.

XI. The Stock of the said Company shall be deemed personal estate, and shall be transferable in such manner as shall be prescribed by the By-laws of the Company; but no share shall be transferable until all previous calls thereon shall have been fully paid in, or it shall have been declared forfeited for the non-payment of calls thereon; and it shall not be lawful for the said Company to use any of its funds in the purchase of any stock in any other Company.

XII. It shall be lawful for the said Company, from time to time, to borrow, either in this Province or elsewhere, all such sum or sums of money (not exceeding in all at any time an amount equal to the paid up capital of the Company), as they may find expedient, and to make the bonds, debentures or other securities they shall grant for the sums so borrowed, payable either in currency or in sterling, with interest, and at such place or places within or without this Province, as they may deem advisable, and such bonds or other securities may be made payable to bearer, or transferable by simple indorsement or otherwise, and may be in such form as the Directors for the time being may see fit; and the said Directors may hypothecate, mortgage or pledge the lands, revenues and other property of the said

Company, for the due payment of the said sums and the interest thereon; Provided that no such bond or debenture shall be issued by the Company for any amount less than one hundred pounds currency.

XIII. Each Stockholder of the said Company shall only be severally and individually liable to the creditors thereof, to the amount of the stock held by him, and remaining unpaid, for all the debts and contracts made by such Company.

XIV. It shall be the duty of the Directors of the said Company to cause a book to be kept by the Treasurer or Clerk thereof, containing in alphabetical order, the names of all persons who are or have been Stockholders of the said Company, and shewing their places of residence, the number of shares of stock held by them respectively, and the time when they respectively became the owners of such shares, and also a statement of all the existing debts and liabilities of the said Company, and of the amount of its stock actually paid in; which book shall, during the usual business hours of the day, on every day, except Sundays and obligatory holidays, be open for the inspection of Stockholders of the Company and their personal representatives, at the office of the said Company, in the said Town of Sherbrooke.

XV. It shall be lawful for a majority of the Stockholders of the said Company present at any Annual General Meeting thereof, to determine that the Capital of the Company be increased to any amount, not exceeding in the whole one hundred and twenty-five thousand pounds, and such capital may then be so increased, either by subscription among the then Stockholders, or the admission of new Stockholders, or otherwise, as such majority shall determine; and the Directors of the Company for the time shall, and may then open Stock Books, allot shares, receive subscriptions, make calls and recover the amount, or dispose of the shares on which they shall be unpaid, and may otherwise deal with, and with respect to such new Stock, and the subscribers for and holders thereof, as hereinbefore provided, with regard to the original Stock of the Company and the holders thereof; and the holders and subscribers for new Stock shall have the like rights and liabilities in respect thereof, as the holders of and subscribers for the original Stock in respect thereof; and such increase may be made either at one time and meeting to the amount above mentioned, or at two or more times or meetings, for part thereof at each, so as the whole amount aforesaid be never exceeded.

XVI. It shall be lawful for the British American Land Company to subscribe for and hold shares in the said Company.

XVII. It shall be lawful for the said Company to acquire of the British American Land Company, in payment of stock taken by the said last mentioned Company, any lands within the limits of the Town of Sherbrooke, at such valuation as shall be agreed upon between the Directors of both Companies, and to hypothecate, hold, sell, lease or otherwise dispose of the same, or any part thereof, for the benefit of the said Manufacturing Company.

XVIII. The Statute of this Province passed in the twelfth year of Her Majesty's Reign, chapter tenth, and known, cited and referred to as "The Interpretation Act," shall, so far as it can be made applicable, apply to this Act.

XIX. This Act shall be deemed a Public Act.