



ANNO OCTAVO

VICTORIÆ REGINÆ.

C A P. XCI.

An Act to incorporate the Sherbrooke Cotton Factory.

[29th March, 1845.]

WHEREAS the several persons hereinafter named have, by their humble petition represented, that they are desirous of being formed into an Incorporated Joint Stock Company, in the Town of Sherbrooke, in the District of Saint Francis, in this Province, to be called *The Sherbrooke Cotton Factory*, with power to raise the Capital, and to do such other acts as are necessary for accomplishing that purpose; And whereas it is expedient to grant the prayer of the said Petition: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled, *An Act to Re-unite the Provinces of Upper and Lower Canada, and for the Government of Canada*, and it is hereby enacted by the authority of the same, That Alexander T. Galt, Arba Stimson, Willim Ritchie, George W. Brooks, William Arms, Daniel Thompson, Hollis Smith, Joseph Pennoyer, William Lloyd, William Brooks, Joseph H. Terrill, R. D. Morkill, Charles E. Stimson, William Walker, Henry Beckett, Walter W. Beckett, Lisnard C. Ball, George Robertson, John Griffith, Alexander Osgood, Horace Barber, John Low, Levi Morrell, Thomas Griffith, Joseph W. Stockwell, Samuel G. Smith, Sewell Haskill, and all and every such other person and persons, body and bodies politic or corporate, as shall, under the authority of this Act be associated with them, and their several and respective successors, executors, administrators and assigns, shall be a body politic and corporate, by the name of *The Sherbrooke Cotton Factory*, and by that name shall and may have perpetual succession and a Common Seal, with power to break and alter the same, and

Preamble.

Certain persons incorporated as "The Sherbrooke Cotton Factory."

and by that name shall and may sue and be sued, implead and be impleaded in all Courts of Law or Equity in this Province.

Corporate
powers,

II. And be it enacted, That the said Corporation shall be and they are hereby authorized to lay out and invest their Capital or any part thereof, in carrying on the manufacture of Cotton Cloth, or other Cloth or Fabric, or other manufactures, and in the doing, purchasing or providing whatsoever shall be requisite or expedient for the interests of the said Company, in carrying on such Manufactures, and for no other purpose whatsoever.

Power to hold
lands, &c.

III. And be it enacted, That it shall be lawful for the said Corporation to acquire by purchase, Lease or otherwise, and to hold absolutely or conditionally any Lands, Tenements, Real or Immoveable Estate for the convenient conduct and managing of the business of the said Corporation, not exceeding the yearly value of seven hundred pounds, currency, and to sell, alienate, let, release and dispose of the same and others to acquire in their stead, not exceeding the value aforesaid.

Capital—
£8,000.

Shares.

IV. And be it enacted, That the Capital of the said Corporation shall not exceed the sum of eight thousand pounds currency, and shall be divided into shares of Twenty-five pounds, currency each, which Shares shall be held to be personal estate and property.

Proprietors.

V. And be it enacted, That all and every person and persons, body and bodies politic or corporate, by or from whom any subscription or payment shall have been or shall be made or accepted, towards the raising of the capital of the said Corporation and their several and respective successors, executors, administrators and assigns, (no such subscription being for less than Twenty-five pounds, currency,) shall have and be entitled to a share or shares of, and in the Capital of the said Corporation, in proportion to the sums they shall have so subscribed, and shall have and be entitled to a proportionate share of the profits, and advantages attending the business and undertakings of the said Company, and shall be Proprietors of and in the same.

Register Book
of Shareholders.

VI. And be it enacted, That the said Corporation shall keep a Book in duplicate, to be called the Register Book of Shareholders; and in such Book shall be fairly and distinctly entered the names of the several Corporations, and the names and additions of the several persons being Shareholders of the said Corporation, the number of shares to which such Shareholders shall be respectively entitled, or which shall have been by them sold and transferred, and the amount of subscriptions paid on such shares respectively; and such book shall be authenticated by the common seal of the said Corporation being affixed thereto, and shall be numbered

numbered and authenticated by the initials of any President of the said Corporation, on each and every page or leaf.

VII. And be it enacted, That on demand of the holder of any share, the said Corporation shall cause a Certificate of the Proprietorship of such share, to be delivered to such Shareholder, and such Certificate shall have the common seal of the said company, and the signatures of the President or acting President, and Secretary of the company affixed thereto, and shall specify the number of shares to which such shareholder is entitled, at the time of delivering such Certificate, and shall be in the form of the Schedule, A. to this Act annexed, or to the like effect.

Shareholder's certificate.

VIII. And be it enacted, That any Shareholder may sell and transfer his, her, or their share or shares, by a written assignment thereof, under his hand in the form of the Schedule B. or by a Notarial Deed, which assignment or Deed, or a Duplicate or Notarial copy thereof shall be delivered to the Secretary of the Corporation, who shall retain the same and shall enter a note thereof, in the Register Book of Shareholders.

Transfer of Shares.

IX. And be it enacted, That from time to time the said Corporation may make such calls of money upon the respective Shareholders, in respect to the amount of Capital respectively subscribed or owing by them, as they shall think fit, provided that thirty days notice at the least be given of each call, in any newspaper published in the District of Saint Francis, if any there be, and if there be none, then by a Circular, delivered at the usual place of residence or business, of each Shareholder resident, or being within the said District, or of the known Agent of such Shareholder, or forwarded to him by post; and provided that no call shall exceed the amount of twenty-five per cent, per share, and that successive calls be not made at less than the interval of two months, and the several Shareholders shall be liable to pay the amount of the calls so made in respect of the shares, held by them respectively, to the persons, and at the times and places, from time to time, appointed by the said Corporation.

Calls upon the Shareholders—the amount, &c., at what intervals.

X. And be it enacted, That if, upon or before the day appointed for the payment thereof, any Shareholder do not pay the amount of any call to which he, she or they may be liable, then such Shareholder shall be liable to pay legal interest upon the same from the day so appointed, to the time of the actual payment, and may be sued both for the amount of the said call and of the interest thereon, in any Court of Law or Equity having competent jurisdiction: Provided always, that in any such suit or action to be brought by the said Corporation against any Shareholder, it shall not be necessary to set forth the special matter, but it shall

Mode of recovering arrears from Shareholders.

Proviso.

be

be sufficient for the said Corporation to declare that the Defendant is a holder of one share or more in the said Corporation, and is indebted for arrears of payments due on such share or shares to the said Corporation, in the sum of money to which the call or calls in arrear (with interest, if any,) shall amount, nor shall it be necessary to prove the appointment of the President or of the Directors of the said Corporation who made such call or calls.

Forfeiture of Shares and sale by auction.

XI. And be it enacted, That if the holder of any share or shares shall fail to pay any call payable in respect thereof, together with the interest, if any, as aforesaid, the Directors may, at any time after the expiration of three months from the day appointed for payment of such calls, declare such share or shares forfeited, whether the amount of such call and interest have been sued for or not, and may sell the same by public auction, after notice given in the manner laid down of giving notice of calls in the ninth section of this Act.

Title of the new holder of forfeited share.

XII. And be it enacted, That a declaration in writing, made and signed by the President or acting President of the said Company, before any Justice of the Peace for the District of Saint Francis, (which declaration such Justice shall certify,) that the call in respect of a share was made, and notice thereof given, and that default in payment of the call (and interest, if any,) was made, and that the forfeiture of the share was declared and confirmed in manner hereinbefore prescribed, and that such share was accordingly sold by public auction to the party named in such declaration, shall be sufficient evidence of the facts therein stated, and such declaration, and the receipt of the Secretary of the said Corporation for the price of such share, shall constitute a good title to such share, and thereupon the purchaser shall, on the entry of such declaration and receipt in the said Register Book of Shares, be deemed the proprietor thereof, and any such declaration made in like manner shall, on proof or admission of the signature of such Justice of the Peace, be received in any Court in this Province as evidence of such call and notice in any action for the amount due by any Shareholder on any call or calls.

Surplus produce on sale of defaulter's share.

XIII. And be it enacted, That the said Corporation shall not sell or transfer any greater number of the shares of any such defaulter than will be sufficient, as nearly as can be ascertained at the time of the sale, to pay the arrears then due by such defaulter on account of any calls and interest thereon, and of the expenses attending such sale and declaration of forfeiture, and if the money produced by the sale of any such forfeited share be more than sufficient for the above purpose, the surplus shall, on demand, be paid to the defaulter.

Limited liability of Shareholders.

XIV. And be it enacted, That no Shareholder in the said Corporation shall be in any manner whatsoever liable for or charged with the payment of any debt or demand

demand due by the said Corporation, beyond the extent of his, her or their share in the Capital of the said Corporation not paid up.

XV. And be it enacted, That it shall be lawful for the said Corporation to borrow, on mortgage, hypothecation or bond, such sum or sums of money as shall be authorized at a general meeting of Shareholders, not exceeding in the whole (exclusive of the Capital hereinbefore authorized) the sum of six thousand pounds, currency, and for securing the repayment of the same with interest, to hypothecate or mortgage all or any of the lands, tenements, real and immoveable estate of the said Corporation, and to give and execute bonds, hypothecs and mortgages for that purpose : Provided always, that it shall not be lawful for the said Corporation to borrow any part of the said sum of six thousand pounds, until the Capital of eight thousand pounds shall have been paid up.

Power to mortgage and borrow.

Proviso.

XVI. And be it enacted, That it shall be lawful for the Shareholders in the said Corporation from time to time, at any general meeting to be held for that purpose, in manner hereinafter provided, by a majority of votes, to ordain, establish, and put in execution, such By-Laws, Rules and Regulations, not being repugnant to the Laws of this Province, nor inconsistent with the true intent and meaning of this Act, as may be expedient for the management of the said Corporation, its business and affairs, and may from time to time alter and repeal the same or any of them, and also may alter and repeal any By-Laws, Rules and Regulations that may be ordained and established by the Directors of the said Corporation as hereinafter provided ; and may elect from among the Stockholders not more than seven Directors of the said Corporation, one of whom shall be by the said general meeting named President of the said Corporation, and also may remove the said Directors, or any of them, and elect others in their stead, and may fill up any vacancies that may occur among the said directors from whatever cause arising : Provided always, that the Directors of the said Company, originally elected under the provisions of this Act, or subsequently elected in their stead, or elected for the purpose of filling any vacancies as aforesaid, and forming at any time the Board of Directors of the said Corporation, shall be possessed of shares therein to the amount of one eighth of the stock of the said Corporation.

Rules and Regulations.

Proviso.

XVII. And be it enacted, That it shall be lawful for ten or more Shareholders in the said Corporation, at any time, by writing under their hands, to require the Directors of the said Corporation to call a General Meeting of the Shareholders, expressing at the same time the object of the meeting, so to be called, and it shall be incumbent on the said Directors forthwith to convene such General Meeting for the object set forth, giving at least fifteen days public notice thereof, in the manner hereinbefore provided for notices of calls, and if after the expiration of fifteen days the

General Meeting.

the Directors shall fail so to convene such General Meeting, or if there be no Directors chosen or in office at that time, then the said Shareholders shall convene such General Meeting after notice as aforesaid.

Shareholder's
number of
votes.

Proxies.

Proviso.

XVIII. And be it enacted, That at all General Meetings of the Shareholders, any Shareholder may be chosen to preside; and each Shareholder shall be entitled to vote, either in person or by proxy, (such proxy being also a Shareholder and having written authority to that effect) according to the following scale, that is to say: each Shareholder holding one and not more than three shares, shall have one vote, and an additional vote for every three shares beyond such first three; but no Shareholder shall have, nor shall act as proxy for more than ten votes, and no Shareholder shall be entitled to vote unless he, or she, or they shall have paid all calls due upon the share or shares held by him, her, or them: Provided always, that no Shareholder who shall not be a natural born, or naturalized subject of Her Majesty, or who shall be a subject of any Foreign Prince or State, shall either in person or by proxy, vote at any meeting whatever of the Shareholders of the said Corporation, or shall assist in calling any meeting of the Shareholders, any thing in this Act to the contrary notwithstanding.

Contractor
with Company
cannot be a
Director.

XIX. And be it enacted, That no person shall be capable of being a Director of the said Company if he be interested directly or indirectly in any contract with the said Company.

Act cannot go
into effect
until half the
capital has
been paid up.

Notice—Cana-
da Gazette.

XX. And be it enacted, That before this Act shall have its full effect and the said Company be operative, evidence satisfactory to the Governor of this Province or person administering the Government thereof for the time being, shall be laid before him, that the requirements of this Act have been *bonâ fide* complied with, and that one-half at least of the said capital sum of eight thousand pounds has actually been paid up by the Subscribers or Stockholders of the said Company, and at the disposal of the Directors thereof, for the purposes of the Company; in accordance with this Act, and notice thereof given in the *Canada Gazette* published by authority.

Powers of Di-
rectors.

XXI. And be it enacted, That the Directors of the said Corporation shall have the management and superintendence of its affairs, and may lawfully exercise all its powers, except such as are directed by this Act to be exercised by General Meetings of the Shareholders, and also may use and affix, or cause to be used and affixed the Common Seal of the said Corporation to any documents which in their judgment may require the same (and any Act or Deed bearing such Seal, and signed by the President or by any two Directors, and countersigned by the Secretary, and no other shall be held to be the Act and Deed of the Corporation); may fix the salaries

salaries and remuneration of the Officers, Agents and Servants of the said Company, except as hereafter provided; may appoint stated times of holding General Meetings; may make any payments and enter into any contracts for the execution of the purposes of the said Corporation, and for all other matters necessary for the transaction of its affairs, may generally deal with, treat, purchase, lease, sell, let, release and dispose of, and exercise all acts of ownership over the lands, tenements, property and effects of the said Corporation; may institute and defend in the name of the said Corporation all suits at law; may from time to time appoint and displace the Officers, Agents and Servants of the said Corporation, except as hereafter provided; and may make By-Laws, Rules and Regulations for the management of the affairs of the said Corporation in all its particulars and details: Provided always, that all the powers conferred shall be subject to the control of any General Meeting of the Shareholders in the said Company, and shall not be in contravention of any By-Law, Rule or Regulation ordained at any such General Meeting of Shareholders, (but not so as to render invalid any act done by the said Directors prior to the ordaining of such By-Law, Rule or Regulation having reference thereto at such General Meeting) and shall not be exercised in any way contrary to the provisions of this Act: And provided further, that the choice and removal of the President and Directors of the said Company, the fixing of their remuneration, the determination as to the borrowing of money, and the declaration of dividends, shall not be comprised within the powers conferred upon the said Directors, but shall be exercised only by General Meetings of the Shareholders.

Proviso.

Proviso.

XXII. And be it enacted, That it shall be incumbent upon the said Corporation to publish lists annually, under oath of the President or acting President, of the names of all and each of the Stockholders who may hold shares in the stock of the said Corporation, and also a statement or account of the affairs, assets and liabilities thereof, mentioning especially the sum or amount paid up, and in the hands and at the disposal of the said Corporation, and also to lay copies of the same before the Legislature within the first fifteen days of each Session.

Annual Lists of Stockholders.

XXIII. And be it enacted, That in any action, suit, demand or proceeding against the said Corporation in any competent Court of law or equity, service of the Summons, Writs or Process of Court issuing in any such action, suit or demand, at the ordinary office or counting house of the said Corporation, or of the President or Secretary thereof, shall be a sufficient service thereof on the said Corporation, to hold the said Corporation to appear and plead to such action, suit or demand, or for such other purpose as to law may appertain.

What shall be deemed service of Process against Corporation.

XXIV. And be it enacted, That the Directors of the said Corporation shall and may hold meetings at such times and places as they shall appoint for the purpose, and

Meetings of Directors.

and may meet and adjourn as they shall think proper; and at any time the President or any two of the said Directors may require a General Meeting of Shareholders to be called, and in order to constitute a Meeting of Directors, there shall be present at least a majority of their number, and all questions shall be determined by a majority of votes, and the President shall have the casting vote in addition to his vote as a Director.

Irregularity not
to invalidate.

XXV. And be it enacted, That no act done by any General Meeting of Shareholders of the said Corporation or by the Directors thereof, shall be invalidated by any defect or irregularity in the qualification or election of any Shareholder or Director concerned therein.

Public Act.

XXVI. And be it enacted, That this Act shall be a Public Act, and shall be judicially taken notice of as such.

SCHEDULE A.

SHERBROOKE COTTON }
FACTORY. }

This is to certify that A. B. of C., yeoman, is at this day a proprietor of share in the Sherbrooke Cotton Factory, of twenty-five pounds currency, (each) and that the said A. B. his successors, executors, administrators and assigns is and are entitled to the profits and advantages thereof.

Given under our hands and the Common seal of the said Corporation, at
this day of in the year of our
Lord 184 .

D. E., President.

F. G., Secretary.

[L. S.]

SCHEDULE B.

SHERBROOKE COTTON }
FACTORY. }

For value received, I hereby assign to of
shares in the stock of the Sherbrooke Cotton Factory, subject
to the By-Laws, Rules and Regulations of the said Corporation.

Witness my hand, this day of 184 .
A. B.

I hereby accept the assignment of the Shares above mentioned, subject to the
By-Laws, Rules and Regulations aforesaid.

Witness my hand, this day of 184 .
C. D.