

C A P . C L X I X .

An Act to incorporate the Canadian Inland Steam Navigation Company.

[Assented to 10th June, 1857.]

Preamble.

WHEREAS Ira Gould, John Frothingham, James Mitchell, Alexander Morris, William Workman, John G. Mackenzie, Thomas Cramp, William B. Lambe and Henry Starnes, have petitioned the Legislature of this Province, praying that they may be incorporated with such other persons as shall become associated with them as a Company under the style of the "Canadian Inland Steam Navigation Company," for the purpose, among other things, of building steam vessels and using them for the transportation of freight and passengers between the ports on the River St. Lawrence, and the ports on the several Lakes connecting with the River St. Lawrence, and any or all of them, and *vice versa*, and for such other purposes of inland navigation as to the said Company may seem expedient, and it is proper to grant the prayer of the said petitioners as hereinafter provided: Therefore, Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

Company incorporated.

I. The said Ira Gould, John Frothingham, James Mitchell, Alexander Morris, William Workman, John G. Mackenzie, Thomas Cramp, William B. Lambe and Henry Starnes, together with such person or persons as shall be and become Stockholders in the said Company, and their respective heirs, executors, administrators, curators and assigns, shall be a body politic and corporate, by the name of the "Canadian Inland Steam Navigation Company," with all and every the incidents and privileges to such Corporation belonging, for and during the period of twenty years from the passing of this Act.

Corporate name to continue—

For 20 years.

Purposes for which the Company is incorporated.

II. It shall be lawful for the Company to construct, acquire, charter, navigate and maintain steam-vessels for the carrying and conveyance of goods and passengers, or other traffic, between the ports of Canada and the ports on the lakes connected with the River St. Lawrence, and any or all of them, and *vice versa*, and steam or other vessels for all business and purposes connected therewith, and the profitable prosecution thereof, with power to sell, charter or dispose of the said vessels, or any of them, or grant or consent to bottomry or other bonds on the same, or mortgage the stock of the Company or any part thereof, when and as they may deem expedient; and to make contracts and agreements with any person or Corporation whatsoever, for the purposes aforesaid, or otherwise for the benefit of the Company.

Power to hold real property.

III. It shall be lawful for the said Company to purchase, rent, take, hold and enjoy, to them and their successors, as well in this Province as in such other places where it shall be deemed expedient

expedient for the purposes of the said Company, either in the name of the said Company, or in the name of the Trustees for the said Company, such lands, docks, wharves, warehouses, offices and other buildings as they may find necessary or convenient for the purposes of the said Company, but not for any other purpose ; and to sell, mortgage, lease or dispose of the same when not wanted for the purposes of the said Company, and others to purchase or acquire in their stead ; Provided always, that the yearly value of such lands, wharves, docks, warehouses, offices and other buildings, within the Province of Canada, at the time when the said Company shall enter into possession thereof, shall not exceed in the whole the sum of Five Thousand Pounds currency.

Proviso :
value limited.

IV. The Capital Stock of the said Company, to be raised amongst the Shareholders, shall be Fifty Thousand Pounds currency, in two hundred shares of two hundred and fifty pounds currency each, with power at any Annual General Meeting of the Company, to increase the same to four hundred shares or one hundred thousand pounds currency ; and stock books for the same shall be opened as hereinafter provided.

Capital and
how it may
be increased.

Stock Books.

V. The Directors of the said Company may call in the Capital Stock of the same, in such sums as they may see fit, provided no larger sum than twenty per cent. of the amount subscribed shall be payable at one time, and that at least one month shall elapse between each payment.

Calls on Stock

VI. The business and affairs of the said Company shall be conducted and managed and its powers exercised by a Board of nine Directors, to be annually elected by the Shareholders, and who shall severally be Shareholders to an amount of one thousand pounds currency of the said stock, and who shall be elected at the Annual General Meetings of the said Company, by the Shareholders then present, in person or by proxy, as hereinafter provided, and which Board, in the first instance, and until the first General Annual Meeting of the Company as hereinafter provided, shall consist of the said Ira Gould, John Frothingham, James Mitchell, William Workman, John G. Mackenzie, Thomas Cramp, William B. Lanbe, Henry Starnes and Hugh Allan.

Board of Di-
rectors consti-
tuted.

VII. It shall be lawful for the Company at an Annual Meeting, or Special General Meeting, convened for the purpose, to make By-laws, rules and regulations for the conduct and management of the business affairs, real estate, vessels, stock, property and effects of the Company, and the same to amend, alter, repeal and re-enact, as shall be deemed needful and proper ; but a majority of the Directors shall be present therefor and assisting at the same ; and the said By-laws, rules and regulations shall, among other things, particularly apply to and affect the following matters :

By-laws, how
to be made,
and for what
purposes.

- Stock Books. 1. The opening of stock books for the subscription to the capital stock of the said Company in Montreal or elsewhere, whether in Canada or in any other country; the calling up and payment from time to time of the capital stock of the said Company, and of the increase thereof, and of the calls thereon as hereinbefore provided, and the conversion of the shares thereof into stock;
- Calls.
- Conversion of shares into stock.
- Stock Certificates. 2. The issue of certificates to the respective Shareholders of the said Company of their shares or stock therein and the registration thereof, and of the addresses of the Shareholders for the purposes of the Company;
- Forfeiture, &c., for non-payment of calls.
- Proviso. 3. The forfeiture or sale of shares or stock for non-payment of calls or other liability of the Shareholders; Provided always, that such forfeiture shall not be held to be conclusive against such liable Shareholder, until after the actual sale of the shares declared to be forfeited, or the enforcement of the judgment for the payment of the calls in arrear, as the case may be;
- Setting off debts to Company from Stockholders. 4. The set-off of all debts due to the said Company from the Shareholders against such shares or stock and dividends or payments to w.
- Transfer of stock. 5. The transfer of shares or stock, and the approval and control by the Directors of such transfer and of the proposed transferees, and as to the remedy against transferees;
- Dividends. 6. The declaration and payment of profits of the said Company, and dividends in respect thereof;
- Sinking Fund. 7. The formation and maintenance of a sinking or reserve fund;
- Removal and remuneration of officers. 8. The removal and remuneration of the Directors and of all such Managers, Agents, Officers, Clerks or Servants of the Company as they shall deem necessary for carrying on the business of the said Company, and the security, if any, to be taken from such parties respectively for the due performance of their respective duties, and also the indemnity of such parties;
- Meetings. 9. The calling of general, special or other meetings of the Company and Directors in this Province or elsewhere, and the quorum and the business to be transacted thereat respectively, and the number of votes which Shareholders shall have in respect of shares held by them, and the mode of taking votes and regulating proxies of Directors and Shareholders;
- Quorum,
- Votes, Proxies.
- Executing deeds, bills, &c. 10. The making and entering into deeds, bills, notes, agreements, contracts, charter parties and other documents and engagements to bind the Company, whether by the Directors or their agents as may be deemed expedient;

11. The borrowing or advancing of money for promoting the purposes and interests of the Company, and the securities to be given by or to the said Company for the same ; Borrowing or lending money.

12. The keeping of minutes of the proceedings and the accounts of the said Company, and making the same conclusive and binding on the Shareholders, and rectifying any errors which may be therein ; Minutes and accounts.

13. The auditing accounts and appointment of Auditors ; Audit.

14. The imposing of penalties against Shareholders, officers and servants of the Company, to an amount not exceeding five pounds for each offence ; Recovering penalties.

15. Provided the said By-laws, rules and regulations are not contrary to the present Act nor the Laws of this Province. Proviso.

VIII. The Directors of the said Company shall, from time to time, issue to each of the Shareholders respectively, certificates under the Seal of the Company, of the number of shares to which he is entitled, and he shall then be the legal owner of such shares, and invested with all the rights, and subject to all the liabilities of a Shareholder in respect of such shares, and each person to whom any share or shares shall be assigned, shall sign an acknowledgment of his having taken such share or shares, which acknowledgment shall be kept by the Directors, and shall be conclusive evidence of such acceptance, and that the person signing it has taken upon himself the liability aforesaid. Certificates of shares, and acceptance by Stockholders.

IX. In case the said Directors shall deem it more expedient in any case to enforce the payment of any unpaid instalment than to forfeit or sell the said shares therefor, it shall and may be lawful for the Company to sue for and recover the same from such Shareholder with interest thereon, in any action in any Court having civil jurisdiction to the amount claimed ; and in any such action, it shall be sufficient to allege that the defendant is the holder of one or more shares, (stating the number of shares,) and is indebted to the Company in the sum to which the calls in arrear may amount ; and to maintain such action, it shall be sufficient that the signature of the defendant to such acknowledgment as hereinbefore mentioned, shall be proved, and that the calls in arrear have been made, and a certificate under the seal of the Company, or sealed by any one or more of the Directors, shall be sufficient evidence of the calls having been duly made and being in arrear, and the amount due in respect thereof : Provided that nothing herein contained shall in any way affect the right of the said Company to forfeit the shares of any Shareholder for non-payment of calls or subscriptions, whether after or before such judgment for recovery thereof. Calls may be recovered by action, and how.
What only need be alleged and proved.
Proviso.

To what purposes the capital shall be applied.

X. The capital stock, and increase thereof, of the said Company, is hereby directed and appointed to be laid out and applied, in the first place, for and towards the payment, discharge and satisfaction of all fees and disbursements for obtaining and passing this Act, and the preliminary expenses attending the establishment of the said Company, and all the rest, residue and remainder of such money, for and towards carrying out the objects of this undertaking, and the other purposes of the Company, and to no other use, intent or purpose whatsoever.

Company not bound to see to trusts, to which shares may be subject.

XI. The Company shall not be bound to see to the execution of any trust, whether express, implied or constructive, to which any of the said shares may be subject, and the receipt of the party, in whose name any such share shall stand in the books of the Company, shall, from time to time, be a discharge to the Company for any dividend or other sum of money payable in respect of such share, notwithstanding any trust to which such share may then be subject, and whether or not the Company have had notice of such trust; and the Company shall not be bound to see to the application of the money paid upon such receipt.

Case of transmission of stock otherwise than by regular transfer, provided for.

XII. When any share shall have become transmitted in consequence of the bankruptcy or insolvency of any Shareholder, the assignee of such Shareholder shall not be entitled, and in case of such transmission in consequence of the death or marriage of a female Shareholder, the executors or administrators, tutors, curators or husband, as the case may be, of such Shareholder, shall not, except so far as otherwise provided by By-laws, be entitled to receive any profits of the Company, or to vote in respect of such share, as the holders thereof; but, nevertheless, after the production of such declaration or other evidence of such transmission as may be required in that behalf by any By-law of the Company, such assignees, executors, or administrators, tutors, curators, or husband, as the case may be, shall have the power to transfer the share or shares so transmitted, in the same manner, and subject to the same regulations as any other transfer is to be made.

Quorum of Directors.

XIII. At all meetings of the said Directors, and of those hereafter elected by the Shareholders, three shall be a quorum, and capable of exercising all the powers of the said Directors.

Annual general meetings.

XIV. The Annual General Meeting of the said Company shall be held in the office of the Company, in the city of Montreal, on the first Monday in February in each year, for the purpose of electing Directors, and for transacting the general business of the Company; at this meeting, the President of the Company, or, in his absence, the Vice-President, and in the absence of both, then one of the Directors, shall take the chair; and Shareholders may appear in person or by proxy, provided the

Chairman.

the holder of such proxy be a shareholder in the Company; and each share in the Company shall give one vote, and if on any question there be an equality of votes, the Chairman shall have the casting vote.

Votes and proxies.

XV. The Directors elected at the annual meeting aforesaid, shall assemble within one month of their election, and shall then elect from amongst themselves, by a majority of votes of those present, a President and a Vice President; the President, or in his absence, the Vice President, may call meetings of the Directors as often as occasion may require.

Election of President, &c.

He may call meetings of Directors.

XVI. The Directors of the said Company may act as Directors in this Province, or elsewhere, and shall and may appoint one or more agents in this Province or elsewhere, and for such time, and on such terms as to them shall seem expedient, and the Directors may, by any By-law to be made for such purpose, empower and authorize any such agent or agents to do and perform any act or thing, or to exercise any powers which the Directors themselves, or any of them, may lawfully do, perform and exercise, except the power of making By-laws; and all things done by any such agent by virtue of the powers in him vested by such By-law, shall be valid and effectual to all intents and purposes as if done by such Directors themselves; any thing in this Act to the contrary notwithstanding.

Directors may exercise their powers out of Canada, or by agents.

Exception.

Acts of agents to be valid.

XVII. The Directors aforesaid shall have the power, if they think fit, to receive and take into the stock of the said Company, such Steamers as may have already been built or acquired by individual Shareholders, for the purposes of this Company.

Steamers may be taken as stock.

XVIII. The Directors of the Company shall take the said Steamers at their cost, or at such valuation as shall be put upon them by persons mutually chosen to decide the same, and such valuation shall be credited to the Shareholders, as payment made on account of their stock, but no Shareholder shall be entitled to claim, from the Directors, any money payment for such Steamers so taken into stock of the Company, unless by special agreement to that effect.

How the steamers shall be valued.

XIX. If any Writ of *Saisie-Arrêt* or attachment shall be served upon the said Company, it shall be lawful for the President, or for the Secretary or the Treasurer thereof, or any agent, to be appointed as hereinbefore provided, in any such case, to appear in obedience to the said Writ to make the declaration by law required, according to the exigence of such case, which said declaration, or the declaration of the said President, shall be taken and received in all Courts of Justice in Lower Canada as the declaration of the Company.

Answers upon writs of *Saisie*, &c.

XX. Every contract, agreement, engagement, or bargain by the Company, or by any one or more of the Directors on behalf of

Contracts, &c. may be valid of

ly executed without the corporate seal of the Company.

of the Company, or by any agent or agents of the Company, and every promissory note made or endorsed, and every bill of exchange drawn, accepted, or endorsed by such Director or Directors on behalf of the Company, or by any such agent or agents, in general accordance with the powers to be devolved to and conferred on them respectively under the said By-laws, shall be binding upon the said Company; and in no case shall it be necessary to have the seal of the Company affixed to any such contract, agreement, engagement, bargain, promissory note, or bill of exchange, or to prove that the same was entered into, made, or done in strict pursuance of the By-laws: Provided always, that nothing in this section shall be construed to authorize the said Company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money or as notes of a bank.

Proviso: Company not to issue Bank notes.

Corporations empowered to take Stock in the Company;

XXI. If at any time any Municipal or other corporation, civil or ecclesiastical, body politic, corporate, or collegiate, or community in this Province or elsewhere, shall be desirous of taking shares of the capital stock of the said Company, or otherwise promoting the success of their undertaking by loans of money or securities for money at interest, or *à constitution de rente*, it shall be lawful for them respectively so to do, in like manner and with the same rights and privileges in respect thereof, as private individuals may do under or by virtue of this Act; any thing in any Ordinance or Act, or Instrument of Incorporation of any such body, or in any law or usage to the contrary notwithstanding.

Notwithstanding any thing in their charter, &c.

Non-liability of Shareholders.

XXII. The Shareholders shall not as such be held liable for any claim, engagement, loss or payment, or for any injury, transaction, matter or thing related to or in connection with the said Company, or the liabilities, acts or defaults of the said Company, beyond the amount of their respective shares or the unpaid portion thereof.

Stock to be personalty.

XXIII. The shares and the capital stock of the said Company shall be deemed personal estate, and shall be transferable as such.

Suits by or against Shareholders.

XXIV. Suits at law and in equity may be prosecuted and maintained between the said Company and any Shareholder thereof, and no Shareholder of the Company not being in his private capacity a party to such suit, shall be incompetent as a witness in such suit.

Public Act.

XXV. This Act shall be deemed a Public Act.