

Laws of Her Majesty's Province of United Canada, passed in the year 1851. Quebec: Stewart Derbyshire and George Desbarts, 1852.

16 Victoria – Chapter 131

An Act to incorporate *The Canadian Steam Navigation Company*. Assented to 23rd May, 1853.

Whereas Robert McKean, Donald McLarty and Robert Lamont, of Liverpool, Thomas Ryan, of the City of Montreal, Esquire, J. B. Greenshields, of the same place, Esquire, Luther H. Holton, of the same place, Esquire, Robert Gillespie, junior, Thomas Holdsworth Brooking, Robert Carter, Matthew Hutton Chaytor, Merchants, of London, Patrick Henderson, Merchant, Glasgow, John Carmichael, Merchant, Liverpool, John Laird, iron ship-builder, Liverpool and Birkenhead, and John Holme, timber merchant, Liverpool and Birkenhead, 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 Steam Navigation Company*, for the purposes of the contract entered into with Messrs. McKean, McLarty and Company, among the number of the said Petitioners, and Her Majesty's Government in this Province, for the steam service in the said Contract agreed, and for the purpose of such extensions of the said Contract as are contemplated by the said Petitioners, and for such other services and purposes of steam navigation as to the said Company may seem expedient, and it is proper to grant the prayer of the said Petition as hereinafter provided: 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 the said Robert McKean, Donald McLarty, Robert Lamont, Thomas Ryan, J. B. Greenshields, Luther H. Holton, Robert Gillespie, junior, Thomas Holdsworth Brooking, Robert Carter, Matthew Hutton Chaytor, Patrick Henderson, John Carmichael, John Laird and John Holme, together with such person or persons as shall under the provisions of this Act become proprietors of any share or shares of stock in the Company hereby authorized to be formed, and their several and respective heirs, executors and administrators, curators and assigns, being proprietors of any share or shares of the stock of said Company, are and shall be a Company for the purposes aforesaid, according to the Rules, Orders and Directions hereinafter expressed, and shall for that purpose be one Body Politic and Corporate, by the style and title of *The Canadian Steam Navigation Company*, and by that name shall sue and be sued, implead and be impleaded in all Courts, whether of Law or Equity, and shall have perpetual succession, with a Common Seal which may be by them changed or varied at their pleasure.

II. And be it enacted, That the said Company shall and may, and they are hereby authorized and empowered, from and after the passing of this Act, to construct, acquire, navigate, charter and maintain Steam or other Vessels for the purposes of the said Company, and to do all things necessary or incident thereto, and to the carriage and conveyance of passengers, goods and merchandize between the Ports of Quebec or Montreal in this Province, and any port or place in

Great Britain or elsewhere out of this Province, and to carry on and transact all such business and to do all such matters as may be incidental to the carrying out of the objects of the Company, or necessary or expedient in order to the more effectual or profitable prosecution thereof, and to sell, mortgage or dispose of the stock or property of the Company, or any part, thereof, when and as may be deemed, expedient, and to enter into contracts and arrangements with other bodies politic and corporate, or any persons whomsoever, for the joint or better execution of the purposes aforesaid, or otherwise, for the benefit of the said Company.

III. And be it enacted, That it shall be lawful for the said Company, if they shall think proper, and whenever they shall deem it for their interest, to set apart a sum of money amounting to Two Hundred and Fifty Thousand Pounds sterling, which shall be specially subscribed for the purpose of the insurance hereinafter mentioned, and which shall be invested in good and sufficient securities, subject to the approval of the Governor in Council; and thereupon it shall be lawful for the Company to insure the owners of or parties interested in goods, wares, merchandize and things earned in their vessels or entrusted to them, or in their care and custody, and belonging to other parties, against loss from all or any risks or perils of the sea or navigation, or from all or any risks and perils whatsoever happening while such goods, wares, merchandize or things shall be in the possession, custody or charge of the said Company or their agents or servants, or of any party employed by them to convey, keep or take charge of the same for any purpose, and to issue policies of insurance accordingly, and to receive such premium or price for so doing as the said Company and the parties insured shall agree upon, and to insert in such policies such terms and conditions as may be agreed upon between them and such parties; and every such policy shall have effect and may be enforced by or against the said Company according to the tenor thereof and to law: Provided always, that the said Company may, if they see fit, cause themselves to be re-insured in whole or in part against any loss to be sustained by them under any such policy, by any other Company or party or parties whatever: And further provided, that no insurance shall be effected with the said Company until and after notice of such approval as aforesaid shall have been published in the *Canada Official Gazette*; and any loss suffered previous to such investment and approval, shall subject the said Company to double the amount thereof in favor of the insured, which shall by him be recovered in any Court of competent jurisdiction.

IV. And be it enacted, That 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 for the purposes of the said Company, either in the name of the said Company or in the name of Trustees for the said Company, such lands, wharves, docks, ware-houses, 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, or dispose of the same when not wanted for the purposes of the said Company, and others to purchase and acquire in their stead: Provided always, that the yearly value of such lands, wharves, docks, ware-houses, offices, and other buildings within this Province 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.

V. And be it enacted, That it shall be lawful for the Members of the said Company to raise and contribute among themselves, at such times, and from time to time, and in the proportions

hereinafter provided, such a sum of money as they shall find necessary or expedient for the purposes of the Company; Provided such sum shall not be less than Three Hundred Thousand Pounds sterling, and which sum the said Company shall have power to increase to One Million Pounds sterling; and the sum so raised shall be the Capital Stock of the said Company, which shall be divided into shares of Twenty Pounds sterling each, or of such increased sum as shall be proportionally settled by the By-laws of the said Company, according as the said Capital shall be increased; Provided also, that the said sum specially subscribed for insurance aforesaid, shall not form any part of the said Capital.

VI. And be it enacted, That the payment of the said shares of Stock shall be made by calls for each share in manner following, to wit: Four Pounds sterling for each share upon the allocation of the said shares, — a like amount in three months thereafter, and the residue of the said shares in such sums and at such times as the Directors of the said Company may determine, until the entire payment of the said Stock; Provided that a notice of three months shall be given of all subsequent calls after the said first two payments; Provided always, that this Act shall not go into operation, or have effect for the purposes of the said Company, until at least One Hundred and Fifty Thousand Pounds sterling shall have been paid in by the Shareholders, to the satisfaction of the Governor in Council, who shall thereupon, by Proclamation to be published in the usual manner, notify the same, and give operation to this Act.

VII. And be it enacted, That the business and affairs of the said Company shall be conducted and managed, and its powers exercised by twelve Directors to be annually appointed by the Shareholders, who shall be severally Shareholders to an amount of One Thousand Pounds sterling of the said Stock, and who shall be elected at the Annual Meetings of the Company by the Shareholders then present, 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 Robert Lamont, Thomas Ryan, J. B. Greenshields, Luther H. Holton, Thomas H. Brooking, Robert Gillespie, junior, Robert Carter, Matthew Hutton Chaytor, Robert Henderson (of the firm of Patrick Henderson and Company,) and John Carmichael.

VIII. And be it enacted, That the Directors of the said Company shall have full power and authority to make, prescribe, alter, amend, repeal and re-enact all such By-laws, Rules, Regulations and Ordinances as shall appear to them proper and needful, touching the well ordering of the Company, the acquirement, management and disposition of its stock, property, estate and effects, and of its affairs and business, but that for such purposes a majority of the whole body of Directors shall be present and assisting, or be represented by proxy as hereinafter provided, and particularly that the said Directors shall have power in manner aforesaid to make, prescribe, alter, amend, repeal or re-enact By-laws, Rules, Regulations and Ordinances touching the following matters:

1. The calling up and payment from time to time, of the Capital of the said Company, and of the increase thereof and of the calls thereof, as hereinbefore provided, and the conversion of the shares thereof into stock.

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.
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.
4. The set-off of all debts due to the said Company from the Shareholders, against such shares and stock and dividends or payments to which they may be entitled.
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.
6. The declaration and payment of profits of the said Company, and dividends in respect thereof.
7. The formation and maintenance of a Sinking or Reserve Fund.
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.
9. The calling of General, Special or other Meetings of the said Company and Directors in this Province or elsewhere, and the *quorum* and 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.
10. The making and entering into deeds, bills, notes, agreements, contracts, charter parties, policies of insurance, and other documents and engagements to bind the Company, and whether under the Seal of the Company or not, and 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.
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 made therein.
13. The audit of accounts and appointment of Auditors.

14. The giving of notices by or to the Company.

15. The recovery of damages and penalties.

16. The imposing of penalties against Shareholders, Officers and Servants of the Company, to an amount not exceeding Five Pounds for each offence.

17. The dissolution and winding up of the Company.

IX. And be it enacted, That all such By-laws, Rules, Regulations and Ordinances shall be valid and have effect in the same way as if the same had been contained and enacted in this Act, until the same are altered or repealed by the majority in value of Shareholders voting at an Annual or other Special or General Meeting, to whom power is hereby given so to alter or repeal the same.

X. And be it enacted, That a copy of all such By-laws as aforesaid, or of any one or more of them, sealed with the Seal of the Company, shall be evidence in all Courts of Law or Equity of such By-laws or By-law, and that the same were or was duly made, and are or is in force; and in any action or proceeding at Law or in Equity between the Company and any Shareholder, it shall not be necessary to give any evidence to prove the Seal of the Company; and all documents purporting to be sealed with the Seal of the Company shall be taken to have been duly sealed with the Seal of the Company.

XI. And be it enacted, That the Directors of the said Company shall from time to time issue to each of the Shareholders respectively, certificates under the common 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.

XII. And be it enacted, That 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 signed 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 a judgment for recovery thereof.

XIII. And be it enacted, That 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.

XIV. And be it enacted, That 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 trusts to which such share may then be subject, and whether or not the Company have had notice of such trusts, and the Company shall not be bound to see to the application of the money paid upon such receipt.

XV. And be it enacted, That 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 may be otherwise provided by By-laws, be entitled to receive any of the profits of the Company, or to vote in respect of such shares 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 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.

XVI. And be it enacted, That the place of business of the said Company shall be at Quebec or Montreal, as the Directors shall determine, whereof, and of the place in either of the said Cities, as the case may be, where the Office of the Company shall be established, public notice shall be given by advertisement in the *Canada Official Gazette*, and in one or more newspapers published in the said Cities at the time of going into operation of this Act; and all services made at such place, or at any other place in lieu thereof of which like notice shall be given, of any Writ, Process or Proceeding, according to the practice of the Court or Justice issuing the same, or otherwise according to law, shall be held to be good service upon the said Company for all the purposes thereof; any law or usage to the contrary notwithstanding.

XVII. And be it enacted, That on the first Monday in the month of September in the present year, the first Annual Meeting of the Shareholders of the said Company shall be held at Quebec or Montreal, as the case may be, for the election of Directors, in the room of those whose office may

at that time become or be vacant, and generally for the transaction of the business of the Company, and it shall be lawful for such meeting to be adjourned to any other time and to any other place, whether within this Province or elsewhere.

XVIII. And be it enacted, That except in so far as it is herein otherwise provided, all transactions, questions and matters to be determined at any General Meeting of the Company, or at any meeting of the Directors, shall be determined by the majority of the votes of the Shareholders or Directors, as the case may be, present and assisting at such meeting, either in person or by proxy, and in case of an equality of votes at any such meeting, the Chairman of such meeting shall have a casting vote.

XIX. And be it enacted, That the Directors of the said Company may act as Directors in this Province or in the United Kingdom, 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.

XX. And be it enacted, That of the said Capital Stock, a number not less than two thousand five hundred shares shall be reserved for subscription in this Province during a period of two months from the passing of this; Act, and for which application shall and may be made to any or either of the said Directors hereinafter mentioned, to wit: Thomas Ryan, J. B. Greenshields, and Luther H. Holton, or either of them, at Montreal, by whom such application shall be forthwith transmitted to the Office of the said Company, in England, for allocation thereof, to be there dealt with as the other applications for such stock; and after that period no other applications shall be received without the consent of a General Meeting of the Directors.

XXI. And be it enacted, That all acts done by any person or persons acting as Director or Directors, shall, notwithstanding there may have been some defect in the appointment of any such persons or person, or that they or any of them were disqualified, be as valid as if every such persons or person had been duly appointed and was qualified to be a Director.

XXII. And be it enacted, That in all actions or suits at law by or against the Company, or to which the said Company may be a party, recourse shall be had to the Rules of Evidence laid down by the laws of England as recognized by the Courts in Lower Canada in Commercial cases, except for actions for real estate or incidental thereto in Lower Canada, in which case the laws of Lower Canada shall prevail; and no Shareholder shall be deemed an incompetent witness either for or against the Company unless he be incompetent otherwise than as a Shareholder.

XXIII. And be it enacted, That 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 exigency 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.

XXIV. And be it enacted, That every contract, policy, agreement, engagement, or bargain by the Company, or by any one or more of the Directors on behalf 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, policy, 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, nor shall the party entering into, making or doing the same as Director or agent, be thereby, subjected individually to any liability whatsoever: 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 the notes of a Bank.

XXV. And be it enacted, That if at anytime 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.

XXVI. And be it enacted, That the Shareholders shall not, as such, be held liable for any claim, engagement, loss or payment, or for any injury, transaction, matter or thing relating to or connected with the said Company, or the liabilities, acts or defaults of the said Company, beyond their past contributions to the said Company, and the sums, if any, remaining due to complete the amount of their subscriptions to the Company.

XXVII. And be it enacted, That the Shares in the Capital Stock of the said Company shall be deemed personal estate, and shall be transferable as such.

XXVIII. And be it enacted, That it shall be lawful for the Directors, from time to time, with the consent of three-fifths in value of the Shareholders present in person or by proxy, at any General Meeting of the Company, when notice for that purpose shall have been given, to convert or consolidate all or any part of the shares then existing in the Capital of the Company, and in respect whereof the whole money subscribed shall have been paid up, into a general Capital Stock to be divided amongst the Shareholders, according to their respective interests therein.

XXIX. And be it enacted, That suits at law and in equity may be prosecuted and maintained between the said Company and any Shareholders 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.

XXX. And be it enacted, That the Company shall keep a Registry of their Shareholders and Transferees, and shall also annually prepare a list of their Shareholders and a statement of their assets and liabilities, and of all liens, charges and incum-brances on the property and stock of the Company, attested on the oath of the Chairman; a copy of which shall be laid before the Governor of this Province within three months after the Annual Meeting of the Company.

XXXI. And be it enacted, That this Act shall be a Public Act, and shall be subject to the provisions contained in the Interpretation Act, which shall be held to form part thereof so far as the same shall apply.