CHAPTER xv.

An Act for granting further powers to the British American Land Company. [1st June 1894.]

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Charter of incorporation 20th March 1834.

WHEREAS by a charter or letters patent dated at Westminster on the twentieth day of March in the fourth year of the reign of His late Majesty King William the Fourth the British American Land Company (in this Act called "the Company") was incorporated for the purpose of purchasing holding improving clearing settling cultivating alienating selling exchanging leasing and disposing of waste lands and other lands tenements and hereditaments within the Provinces and Colonies of Lower Canada Upper Canada Nova Scotia New Brunswick Prince Edward's Island the Island of Newfoundland and North America and in the dependencies of the said several provinces and colonies with full power to expend money in clearing cultivating improving and utilising such lands tenements and hereditaments and to export and dispose of such merchandise and things as might be necessary therefor and to import and dispose of such merchandise and things as might be consigned to them from such lands and to provide ships for such purposes or for carrying emigrants thereto and to execute any public works in the said Provinces which might be undertaken by His said Majesty or the Government thereof and to make loans to settlers and others and it was by the said charter declared that the capital or stock of the Company should be a sum not exceeding three hundred thousand pounds sterling to be raised in shares of fifty pounds each:

And whereas it is provided by the said charter that there should be three members of the Company who should be and be called the auditors and examiners of accounts of the Company but that no member or proprietor of shares in the Company should be entitled to sit or act as an auditor and examiner of accounts of the Company unless he should on the day of his election bonâ fide hold and possess ten shares at least in the capital stock of the Company and should have bonâ fide held and possessed the same for six months next

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before the day of his election and in the said charter are contained divers other clauses regulations powers and authorities for the internal regulation and government of the Company :

Act of 1834. 4 Will. IV. c. xv.

And whereas by the British American Land Company's Act 1834 (in this Act called "the Act of 1834") the said charter was ratified and confirmed and additional powers were conferred upon the Company and further directions were given for the regulation of their affairs :

Act of 1847. 10 Vict. c. lvi.

And whereas by the British American Land Company's Act 1847 (herein-after referred to as "the Act of 1847") it was among other things enacted that it should be lawful for the Company with the authority of three-fifths of the shareholders present either personally or by proxy at a court of proprietors specially called for that purpose from time to time

To increase or diminish the capital of the Company and from time to time to effect any such increase of capital in manner provided by the said charter and from time to time to effect any such reduction of capital in such manner as should by such authority be determined subject to a proviso that the amount of the capital should not at any time be more than six hundred thousand pounds nor less than one hundred thousand pounds ;

To subscribe towards or become shareholders in any then existing or future undertakings for making improving maintaining or working any railways canals roads bridges docks ports harbours mines or other public works of the like or any other nature in the said provinces colonies and dependencies or any of them the establishment or success whereof might appear to the Company likely to further the objects for which it was constituted or to tend to its advantage ;

To make loans for the improving maintaining or working of such public works ;

To confirm any agreements made by or on behalf of the Company for their subscribing towards or becoming shareholders in any such undertaking or making any such loans ;

and for the before-mentioned purposes the directors of the Company were by that Act authorised to apply the assets of the Company Provided

That the total amount so applied did not at any one time exceed one-third of the then capital of the Company ; and

That the public works be wholly or partially constructed in or upon some of the lands for the time being of or adjoining lands of the Company :

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And whereas by the British American Land Company's Act 1871 (in this Act called "the Act of 1871") it was enacted to the following effect (that is to say) :— Act of 1871. 34 & 35 Vict. c. clxxi.

That the Company should not after the passing of that Act borrow any money on mortgage or bond;

That the Company might sell or dispose of any of their property or assets either for valuable consideration or the surrender of shares in the capital of the Company Provided no more than four thousand such shares were so surrendered;

That on any such surrender the capital of the Company should ipso facto be reduced by the nominal value of the shares surrendered; and

That all money received by the Company as purchase money for land or in payment of principal sums outstanding on mortgage might be divided among the shareholders by way of return of capital actually paid up or as dividend so soon as the then debenture debt of the Company amounting to eighteen thousand five hundred pounds should have been paid off;

and special provision was made for the payment off of such debenture debt of the Company :

And whereas the Company paid off the said debenture debt of eighteen thousand five hundred pounds:

And whereas by the British American Land Company's Act 1883 (in this Act called "the Act of 1883") the Company were authorised to aid in the formation of or to contribute to the capital or revenue of certain incorporated companies established for the carrying on of manufacturing or industrial enterprises on any lands for the time being belonging or adjacent to or in the vicinity of the lands of the Company but so that the total amount of money invested as capital under the Act of 1847 or the Act of 1883 should not exceed one-third part of the capital for the time being of the Company and the Company were authorised to borrow on mortgage or bond any sums not exceeding in the whole twenty-five thousand pounds to be applied exclusively for capital purposes and not in repayment or reduction of capital nor in payment of dividends and it was also by the Act of 1883 provided that the share capital of the Company should not be reduced below one hundred thousand pounds so long as any money was outstanding on mortgage or bond: Act of 1883. 46 Vict. c. iv.

And whereas the whole of the six thousand original shares in the capital of the Company were subscribed for and allotted and forty-four pounds per share were paid up thereon but the said capital has under the before-recited powers been reduced to the sum of one hundred and thirty-nine thousand nine hundred and twenty-five

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pounds and now consists of five thousand five hundred and ninety-seven shares of twenty-five pounds each fully paid up :

And whereas the Company do not owe any money on mortgage or bond :

And whereas the Company are still possessed of a large extent of land in the Province of Quebec in the Dominion of Canada portions of which are from time to time sold as opportunity occurs and it is expedient that the provision of the Act of 1871 enabling the proceeds of such sales and the moneys received in payment of principal sums outstanding on mortgage to be appropriated either as dividend or by way of return of capital should be repealed and that other provisions should be made in lieu thereof and that for that purpose the share capital of the Company should be divided into two classes of shares one of which (in this Act called "A shares") should be entitled to dividend while the other of which (in this Act called "B shares") should not be entitled to dividend but should be redeemable in manner by this Act provided :

And whereas it is expedient that a reserve fund should be formed to provide for the return of their capital to the then holders of the A shares when the Company shall have disposed of the whole of their said lands and property :

And whereas it is expedient that provision should be made for the distribution of the assets of the Company and the winding up of their affairs and their ultimate dissolution :

And whereas it is expedient that the other provisions herein-after contained should be made :

And whereas the objects of this Act cannot be attained without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows (that is to say) :—

Short title.

1. This Act may be cited as the British American Land Company's Act 1894 and this Act and the British American Land Company's Acts 1834 to 1883 may be cited together as the British American Land Company's Acts 1834 to 1894.

Interpretation.

2. In this Act unless the context otherwise requires—

"The Company" means the British American Land Company ;

"Shares" means shares in the capital of the Company either existing or divided and converted as the context requires ;

"A and B shares" means and includes the A shares and the B shares created by virtue of this Act ;

"The recited Acts" means the Acts recited in the preamble to this Act;

"The directors" means the court of directors of the Company.

Repeal of certain sections of recited Acts.

3. The following sections of the recited Acts are hereby repealed (that is to say):—

Of the Act of 1847:—

Section 3 (Power to increase and diminish capital); and

The last proviso of section 4 (Power to declare dividends):

Of the Act of 1871:—

Section 10 (Purchase money &c. may be divided in reduction of capital):

Of the Act of 1883:—

Section 6 (Power to borrow);

Section 7 (For appointment of a receiver);

Section 8 (Application of borrowed moneys); and

Section 9 (Limiting the reduction of capital).

Auditors need not be members of the Company.

4. So much of the said charter as requires that the auditors and examiners of accounts of the Company shall be members and shall hold and possess at least ten shares in the capital stock of the Company is hereby annulled and repealed.

A general fund established.

5.—(1.) As from the first day of January one thousand eight hundred and ninety-four there shall be established a fund to be called "the British American Land Company's General Fund" (in this Act called "the general fund") to the credit of which all moneys received by the Company upon whatever account and howsoever derived shall be paid and out of which all payments shall be made.

(2.) The balance on the thirty-first day of December one thousand eight hundred and ninety-four and on the same day in every subsequent year standing to the credit of the general fund in the books of the Company after payment thereout of any loan subscription or contribution (whether in money or by the taking of shares) which the Company may think fit to make to any undertaking under any power in that behalf in the recited Acts or any of them contained and of all costs charges and expenses of and incident to the conduct and management of the undertaking of the Company shall be deemed the net residue of the general fund for that year (in this Act referred to as "the net residue") and shall be applied in the manner by this Act directed.

Division of the capital of the Company.

6. As on and from the thirty-first day of December one thousand eight hundred and ninety-four the capital of the Company shall be divided and converted into and shall consist of five thousand five hundred and ninety-seven shares of one pound each to be called

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"British American Land Company's A shares" and of five thousand five hundred and ninety-seven shares of twenty-four pounds each to be called "British American Land Company's B shares" All the said shares shall be deemed to be fully paid up.

As to certificates of A and B shares &c.

7.—(1.) The certificates for the existing shares shall as soon as conveniently may be after the conversion thereof into A and B shares be delivered up to the Company and shall be cancelled by the directors and certificates for the A shares and B shares respectively shall be substituted for the certificates of the said existing shares and shall be issued in exchange by the Company free of charge.

(2.) The terms and conditions on which the A and B shares respectively are issued shall be stated on the certificates thereof respectively.

Power of trustees executors &c. to accept new shares.

8. Trustees executors administrators and all other holders in any representative or fiduciary capacity of any existing shares may accept in exchange therefor the shares into which the same are divided and converted under the powers of this Act and may enter into agreements for the purposes of this Act and may hold dispose of or otherwise deal with the shares so received in exchange and with the moneys received in respect thereof in all respects as they might have held disposed of or otherwise dealt with the shares for which they were exchanged and the dividends on and the proceeds of the sale of such shares.

A and B shares to be held on same trusts &c. as existing shares.

9. The A shares and the B shares shall vest in the respective holders of the existing shares for which they are substituted upon and subject to the same trusts agreements covenants conditions engagements and liabilities as the existing shares for which the A and B shares are substituted and every deed or other instrument and every testamentary disposition affecting the existing shares shall take effect with reference to the whole or a proportionate part as the case may be of the A and B shares substituted therefor under the provisions of this Act.

Power to borrow extinguished.

10. From and after the passing of this Act the Company shall not borrow any money on mortgage or bond or by the creation or issue of debenture stock.

Dividend on A shares while B shares unredeemed.

11. So long as any B shares are subsisting unredeemed under the provisions in that behalf in this Act contained the holder of every A share shall be entitled subject to the provisions of this Act to receive in every year out of the net residue a dividend or bonus not exceeding twenty-five shillings in respect of such share.

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B shares not to be entitled to dividend but to be redeemable.

12. The B shares shall not be entitled to any dividend or bonus but so soon as the reserve fund by this Act prescribed shall have been formed shall be redeemable by the Company out of the net residue remaining after payment thereout of the said dividend or bonus on the A shares and the following provisions shall have effect (that is to say) :—

(1) The directors shall on or before the first day of June in every year give notice in writing to every holder of B shares stating the net residue available in that year for the redemption of B shares and that the directors are prepared to receive on or before the first day of July in that year a tender in writing to surrender any B share or shares held by him at a price to be stated in the tender and being less than the nominal or par value of the share or shares ;

(2) On or immediately after the said first day of July the directors shall open the tenders duly received and shall accept the surrender of such a number of the B shares therein specified as the amount of the net residue then available for the purpose will admit of being redeemed the tenders lower in amount being in all cases preferred to those which are higher ;

(3) If in any year there be no such tenders as aforesaid the directors shall decide by lot the order in which the B shares shall be redeemed at the nominal or par value in that year ;

(4) If in any year the aggregate of the tenders accepted be insufficient to exhaust the net residue available in that year for the redemption of B shares the directors after acceptance of such tenders shall decide by lot what further B shares shall in that year be redeemed at the nominal or par value so as in each year to apply as far as possible to redemption the net residue so available.

Redeemed shares to be cancelled &c.

13. No holder of a B share shall be entitled to the redemption thereof nor shall any such share be deemed to have been redeemed until the certificate thereof shall have been delivered up to the Company to be cancelled or the loss or destruction of such certificate shall have been proved to the reasonable satisfaction of the Company and every B share redeemed under the provisions of this Act shall be ipso facto cancelled and no person shall thereafter have in respect of such B share any right or interest in the Company or in any lands or property of the Company or be entitled to receive any money in respect of such share.

Directors may pay half-yearly dividends.

14.—(1.) The directors without the direction or sanction of a general meeting of the court of proprietors may from time to time in the interval between any two ordinary annual meetings of the Company declare and pay to the holders of the A shares such sum

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as they may think fit but not exceeding twelve shillings and sixpence per share on account of the dividend or bonus for the year.

(2.) The directors may close the register of transfers for a period not exceeding fourteen days previous to the declaration of any interim dividend or bonus and they may fix a day for closing the same of which seven days notice shall be given by advertisement in some newspaper published or circulating in the City of London and any transfer made during the time when the transfer books are so closed shall as between the Company and the party claiming under the same but not otherwise be considered as made subsequently to the declaration of any such dividend or bonus.

Directors may set apart portion of net residue for contingencies &c.

15. Before paying any dividend or bonus on the A shares the directors may if they think fit set aside such a sum as they think proper to meet contingencies and to provide for the carrying on of the business of the undertaking.

As to reserve fund for repayment of A shares.

16. In order to provide for the ultimate return of the capital of the Company represented by the A shares the directors shall form a reserve fund and the following provisions shall have effect with respect thereto (that is to say) :—

(1.) The said fund shall be formed by transferring thereto any investment held by the Company at the commencement of this Act and if the same be of less value than five thousand five hundred and ninety-seven pounds then and in such case by appropriating the balance of the net residue or so much thereof as may be necessary for the purpose after payment of the maximum dividend or bonus on the A shares and investing such balance at compound interest in or upon any securities in which trustees are for the time being authorised to invest trust moneys until the said fund with any accumulations thereon shall be equal in value to five thousand five hundred and ninety-seven pounds ;

(2.) So soon as the said fund shall be equal in value to five thousand five hundred and ninety-seven pounds the interest arising therefrom shall be paid into the general fund ;

(3.) Until the said fund shall be equal in value to five thousand five hundred and ninety-seven pounds none of the B shares shall be redeemed.

Power to the Company to invest in shares of other companies.

17. The Company with the authority of three-fifths of the holders of the shares of the Company present in person or by proxy at any meeting of the Company may from time to time or at any time invest the general fund in and hold the shares or stock of any company in the Dominion of Canada or the provinces or territories thereof and having wholly or in part the like objects as the Company

have under their said charter or any of the recited Acts and any and every such investment shall be made upon such terms and conditions as shall be determined by such authority and the Company may with the like authority sell or surrender all or any of such shares or stock :

Provided that it shall not be lawful for the Company to hold the shares or stock of any such company if the holding by any English company of such shares or stock is contrary to any law of the Dominion of Canada or of any province or territory thereof.

Ultimate distribution of assets of Company.

18. When the sale or conversion of the last remaining land shares stocks or other property of the Company excepting the reserve fund shall have been completed by the directors they shall after payment of the debts and providing for the expenses of the winding up of the Company out of the moneys arising from such sale or conversion redeem at par all B shares which shall not have been previously redeemed and if such moneys shall be insufficient for the purpose they shall distribute the same so far as they will extend among the then holders of B shares in proportion to the number of B shares held by them respectively and when all the B shares shall have been redeemed or such last-mentioned moneys distributed as the case may be the directors shall sell the securities on which the reserve fund shall be invested and shall distribute the proceeds together with the surplus (if any) remaining after redemption of all the B shares among the then holders of the A shares in proportion to the number of A shares then held by them respectively and the affairs of the Company shall then be wound up and when such affairs are wound up the Company shall be dissolved and cease to exist.

Receipt in case of persons not sui juris.

19. If any money is payable to a holder of shares of the Company being a minor idiot or lunatic the receipt of the guardian or committee of his estate shall be a sufficient discharge to the Company.

As to votes.

20. As to voting at general meetings—

The holders of A shares and the holders of B shares shall be entitled to vote at any meeting of the Company in respect of such shares.

The several holders of A shares and the several holders of B shares shall be entitled to the same number of votes in respect thereof as they would be entitled to in respect of the same number of existing shares Provided that for the purpose of calculating the number of votes to which any holder of both A and B shares shall be entitled the number of A and B shares respectively standing in the name of such holder shall be added together and treated as one amount.

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Qualification of directors &c.

21. For all purposes of qualification of the governors deputy governors and directors of the Company a like number of A shares shall be deemed to be substituted for the existing shares in the capital of the Company conferring such respective qualifications.

Act to be executed by directors.

22. The directors shall close the register of shareholders and the register of transfers of the Company at and for such time and shall make such arrangements for the registration of the converted shares in the names of the several persons entitled thereto and for the issue of new certificates in substitution for the existing share certificates and generally shall do all such acts and things as shall be necessary or proper for carrying into effect the provisions of this Act.

Costs of Act.

23. All costs charges and expenses of and incident to the preparing applying for obtaining and passing of this Act shall be paid by the Company.

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