



CHAPTER 34.

An Act to Incorporate the Canadian Western Central
Railway Company.

[6th April, 1889.]

WHEREAS a Petition has been presented praying for an Act to Preamble.
incorporate a Company for the purpose of constructing and operating a line of railway from a point near the Eastern boundary of the Province, via Tête Jaune Cache, Cariboo, near Barkerville, Chilcotin, and Bute Inlet, to connect with the Esquimalt and Nanaimo Railway on Vancouver Island;

And whereas it is desirable to grant the prayer of the said petition;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:—

1. Robert Paterson Rithet, Merchant; Thomas Earle, Merchant; Incorporation.
Frank Stillman Barnard, M. P.; Henry Purdom Bell, Civil Engineer; Edward Gawler Prior, M. P.; the Hon. James Reid, Senator; together with such other persons and corporations as shall, in pursuance of this Act, become shareholders in the Company hereby incorporated, are hereby constituted a body politic and corporate by the name of "The Canadian Western Central Railway Company," hereinafter called the Company.

2. The Company may, subject to the approval of the Lieutenant-Governor in Council, lay out, construct, acquire, equip, maintain, and work a continuous line of railway, with one or more tracks of the gauge of four feet eight and one-half inches, from some convenient point near the eastern boundary of the Province of British Columbia; thence by way of Tête Jaune Cache, Cariboo, near Barkerville, Chilcotin and Bute Inlet, to and connecting with the northernmost terminus of the Esquimalt and Nanaimo Railway.

Power to construct railway from eastern boundary, via Tete Jaune Cache, to Vancouver Island.

Head office.

3. The chief place of business and head office of the Company shall be at the City of Victoria.

Power to construct and operate telegraph and telephone lines.

4. The Company may construct, maintain, and work telegraph and telephone lines throughout and along the whole line of the railway and its branches, or any part or parts thereof, and may undertake the transmission of messages for the public by any such line or lines of telegraph or telephone, and collect tolls for so doing, or may lease such lines of telegraph or telephone, or any portion thereof; and they may use any improvement that may be hereafter invented (subject to the rights of patentees), and any other means of communication that may be deemed expedient by the Company at any time hereafter.

5. The "Vancouver Island Telegraph Regulation Act" shall apply to the telegraph and telephone lines constructed under the authority of this Act.

Power to run line of steamers.

6. The Company may acquire, build, equip, maintain and navigate, sell and dispose of, charter and work, steamers and other vessels in and upon the waters of British Columbia, and generally do all things necessary and incidental to the exercise of the powers, rights, and privileges granted by this Act within the legislative authority of the Provincial Legislature.

Terminus to be near Victoria or Esquimalt.

7. The terminal workshops and other structures, works, docks, and equipments suitable for the terminus of the railway, shall be erected in the immediate vicinity of the harbour of Victoria or Esquimalt, as may be most convenient for the Company.

Capital stock \$50,000,000.

8. The capital stock of the Company shall be fifty million dollars, divided into five hundred thousand shares of one hundred dollars each, and the money so raised shall be applied in the first place to the payment of all fees, expenses, and disbursements incurred in and about the promotion and passage of this Act, and for making the surveys, plans, and estimates authorized by this Act, and the remainder to the making, equipping, completing, and maintaining of the said railway and the other purposes of the undertaking authorized by this Act, and to no other purpose whatsoever.

Power to increase capital stock.

9. The capital stock of the Company may be increased from time to time to any amount, if such increase is sanctioned by a vote, in person or by proxy, of the shareholders who hold at least two-thirds in amount of the subscribed stock of the Company, at a meeting expressly called by the Directors for that purpose, by a notice in writing to each shareholder, delivered to him personally or properly directed to him at his last known place of abode, and deposited in the post office at least twenty days previously to such meeting, stating the time, place, and

object of such meeting, and the amount of the proposed increase, and the proceedings of such meeting shall be entered in the minutes of the proceedings of the Company, and thereupon the capital stock may be increased to the amount sanctioned by such vote.

10. The shares of the Company shall be transferable in such manner Transfer of shares. and upon such conditions as shall be provided by the by-laws of the Company; and such shares, or any part thereof, may be granted and issued as paid up stock for value received by the Company, either in money at par or at such price and upon such conditions as the Board of Directors may fix, or as payment for, or as part of the payment for, any service performed for, or plant, rolling stock, or material supplied to, or contract made by, the Company; and such issue and allotment of stock shall be binding on the Company, and such stock shall not be assessable for calls.

11 The persons named in section one of this Act are hereby constituted the Provisional Directors of the Company, with power to add to their number, but so that the Directors shall not in all exceed fifteen in number, and the majority of the Directors, of whom the Chairman shall be one, shall be British subjects. The Board of Directors so constituted may forthwith open stock books and procure subscriptions of stock for the undertaking, and cause plans and surveys to be made and deposit in any bank in the Province the moneys so received by them, and generally have all the powers conferred upon the Directors of the Company, and they shall hold office until the first election of Directors under this Act. Provisional Directors.

12. Each of the Directors of the Company, hereby appointed or hereafter appointed or elected, shall hold at least one hundred shares of the stock of the Company. But the number of the Directors to be hereafter elected by the shareholders shall be such, not exceeding fifteen, as shall be fixed by by-law and subject to the same conditions as the Directors appointed by and under the authority of the last preceding section. The number thereof may be hereafter altered from time to time in like manner. The votes for their election shall be by ballot. Each Director to hold 100 shares.
Number and election of Directors.

13. A majority of the Directors shall form a quorum of the Board; and until otherwise provided by by-law, Directors may vote and act by proxy, such proxy to be held by a Director only; but no Director shall hold more than two proxies, and no meeting of Directors shall be competent to transact business unless at least three Directors are present thereat in person, the remaining number of Directors required to form a quorum being represented by proxies. Quorum.

Directors may appoint Executive Committee.

14. The Board of Directors may appoint, from out of their number, an Executive Committee, composed of at least three Directors, for the transaction of the ordinary business of the Company, with such powers and duties as shall be fixed by the by-laws; and the Chairman shall be ex officio member of such committee.

Directors not disqualified by having indirect interest.

15. No Director shall be disqualified from holding office by reason or on account of his being concerned, directly or indirectly, as partner in any other company or association in any contract with the Company, or on account of his receiving any pay or remuneration for attending to the affairs of the Company.

Limited liability of shareholders.

16. No shareholder of the Company shall in any manner be liable to or be charged with the payment of any debt or demand due by the Company beyond his or her subscribed shares in the capital stock of the Company.

Failure to elect Directors not to operate as a dissolution.

17. No failure to elect Directors or to hold the first or any annual meeting shall operate as a dissolution of the Company, but anything omitted to be done may be afterwards performed at a meeting called in conformity with the by-laws, or at a meeting called specially for the purpose.

First meeting of shareholders.

18. The Provisional Directors shall at such time as may be convenient, but not later than the 31st day of December, 1889, call a general meeting of the shareholders of the Company, at the chief place of business of the Company, for the purpose of electing a Board of Directors, giving at least four weeks' previous notice by public advertisement in the British Columbia Gazette and in some daily newspaper published in the said city, and also by a circular addressed by mail to each shareholder of the time, place, and purpose of the said meeting.

Annual meeting of shareholders.

19. Thereafter the annual general meeting of the Company shall be held at the chief place of business of the Company, at such time as may be appointed by by-law of the Company, and four weeks' previous notice of such meeting shall be given by publication in the British Columbia Gazette and in one newspaper published in the City of Victoria, and also by a circular addressed to each shareholder at his last known place of abode.

By-laws.

20. The Directors may from time to time make and prescribe such by-laws as to them appear needful and proper to provide for the remuneration of the Chairman and Directors of the Company, or of any Executive Committee of such Directors; the transfer of stock and shares; the registration, inscription, and transfer of stock, shares, and bonds; the payment of dividends and interest; the election of Directors; increasing and decreasing the number of Directors; the procedure at

general meetings and meetings of their own body; the appointment of committees, and generally for managing the affairs and property of the Company, and for carrying out the objects contemplated by this Act, not inconsistent with this Act or that portion of the Railway Act incorporated herewith, or contrary to law, and may from time to time repeal, amend, and re-enact the said by-laws: Provided that the by-laws so made shall in no case have any force or effect after the next general meeting of shareholders, which shall be held after the passage of such by-laws, unless they are approved by such general meeting.

21. The words "the Railway Act," when used in this Act, shall mean an Act of the Parliament of Canada, passed in the 51st year of Her Majesty's reign, chap. 29, intituled "An Act respecting Railways," and the sections of the said Act by this Act made applicable to the Company hereby incorporated shall, save in so far as they are changed by this Act, apply as if the undertaking had been within the legislative authority of the Parliament of Canada. "The Railway Act" of Canada to apply.

22. All moneys expended by the Provisional Directors, or any of them, in furtherance of the undertaking authorized by this Act, either before or after the passing of this Act, shall be treated as cash advanced on account of the Company, and at the first meeting of Directors after the passing of this Act, a resolution shall be passed giving credit to each Provisional Director, in the books of the Company, for such amount as he or they may have so expended. Provisional Directors to be indemnified for expenditures to obtain incorporation.

23. The Company may, for the purposes of the railway, receive from any government, person, municipal or other body corporate, in aid of the construction, equipment, and maintenance of the said railway, grants of land, bonuses, loans or gifts of money, or exemption or freedom from any municipal, provincial, or other tax or impost. Power to receive lands and bonuses, &c., in aid of construction.

24. It shall be lawful for any municipal or other corporation or joint stock company within the legislative authority of the Legislature of the Province of British Columbia, to make grants of land, bonuses, loans, or gifts of money, or securities for money, to the Company, and to subscribe for any number of shares in the Company, or bonds or debentures issued by the Company, or exempt the Company from any tax or impost. Municipalities may grant lands and bonuses to the Company.

25. The amount of bonds authorized by section 93 of the Railway Act shall not exceed twenty thousand dollars per mile of the railway hereby authorized to be constructed, and provided further, that if the Company shall issue land grant bonds under the provisions of section 26 of this Act, any lands granted to the Company may be excluded from the operation of any other mortgage deed than that given to secure the repayment of the land grant bonds. Limit to amount of bonds issued.

Power to issue land
grant bonds.

26. The Company may issue mortgage bonds, to be called "Land Grant Bonds," not to exceed one dollar per acre, secured upon any lands granted in aid of the undertaking authorized by this Act, such issue to be made only upon similar authority to that required by this Act for the issue of bonds upon the railway, and when so made such bonds shall constitute a first mortgage upon such lands; and such mortgage may be evidenced by a deed or deeds of mortgage to be executed under like authority to the issue of bonds on the railway, and such deed or deeds under like authority may contain similar conditions, and may confer upon the trustee or trustees named therein, and upon the holders of the bonds secured thereby, remedies, authorities, powers and privileges, and may provide for forfeitures and penalties similar to those which may be inserted and provided for under the provisions of this Act in any deed securing the issue of bonds on the railway, together with such other provisions and conditions not inconsistent with law or with this Act, as shall be so authorized.

Manner in which
bonds may be issued
and dealt with.

27. The bonds authorized by this Act to be issued upon the railway, or upon the lands to be granted to the Company, or both, may be so issued, in whole or in part, in the demonination of dollars, pounds sterling, or francs, or in any or all of them, and the coupons may be for payment in denominations similar to those of the bond to which they are attached. And the whole or any of such bonds may be pledged, negotiated or sold, upon such conditions, and at such price, as the Board of Directors shall from time to time determine. And provision may be made by the by-laws of the Company, that after the issue of any bond the same may be surrendered to the Company by the holders thereof, and the Company may, in exchange therefor, issue to such holder inscribed stock of the Company—which inscribed stock may be registered or inscribed at the chief place of business of the Company, or elsewhere, in such manner, with such rights, liens, privileges and preferences, at such place, and upon such conditions, as shall be provided by the Company.

Priority of charges
preserved without
registration.

28. It shall not be necessary, in order to preserve the priority, lien, charge, mortgage, or privilege, purporting to appertain or to be created by any bond issued, or mortgage deed executed, under the provisions of this Act, that such bond or deed should be registered in any manner or in any place whatever. But every such mortgage deed shall be deposited in the office of the Registrar-General of Titles, of which deposit notice shall be given in the *British Columbia Gazette*. And in like manner any agreement entered into by the Company, under section 27 of this Act, shall also be deposited in the said office. And a copy of any such mortgage deed or agreement, certified to be a true copy by the Registrar-General of Titles, or his deputy, shall be received

Registration of
mortgages, &c.

1889
RAILWAY, CANADIAN WESTERN CENTRAL
(INCORPORATION).

as prima facie evidence of the original in all Courts of Justice, without proof of the signatures or seal upon such original.

29. If, at any time, any agreement be made by the Company with any persons intending to become bondholders of the Company, or be contained in any mortgage deed executed under the authority of this Act, restricting the issue of bonds by the Company, under the powers conferred by this Act, or defining or limiting the mode of exercising such powers, the Company, after the deposit thereof with the Registrar-General of Titles, as herein provided, shall not act upon such powers otherwise than as defined, restricted, and limited by such agreement. And no bond thereafter issued by the Company, and no order, resolution, or proceeding thereafter made, passed, or had by the Company or by the Board of Directors, contrary to the terms of such agreement, shall be valid or effectual.

Agreements with bondholders, &c., restricting issue of bonds, to be binding upon the Company.

30. Every contract, agreement, scrip certificate, or bargain made, and every bill of exchange drawn, accepted, or endorsed, and every promissory note and cheque made, drawn, or endorsed on behalf of the Company, by any agent, officer, or servant of the Company, in general accordance with his powers under the by-laws of the Company, shall be binding upon the Company; and in no case shall it be necessary to have the seal of the Company affixed to any such bill, note, cheque, contract, agreement, engagement, bargain, or scrip certificate, or to prove that the same was made, drawn, accepted, or endorsed, as the case may be, in pursuance of any by-law, or special vote or order; nor shall the party so acting as agent, officer, or servant of the Company, be subjected individually to any liability whatsoever to any third party thereof: Provided always, that nothing in this Act shall be construed to authorize the Company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money, or as the note of a bank, or to engage in the business of banking or insurance.

Contracts, &c., made, and notes and cheques given, by officers and servants of the Company to be binding.

Not to engage in banking or insurance.

31. The Directors of the Company, under the authority and with the powers and on the terms hereinbefore set forth with respect to the issue of bonds, may issue preference stock or shares of the Company, to be redeemed or made liable to be called in at such time and in such manner as the Directors, by the by-law for issuing the same, fix and determine, upon which preference stock a dividend may be made, payable at such rate, not exceeding eight per cent. per annum, as to the Directors seem fit; and such dividend may be made payable in scrip, which shall have the same security, and shall be redeemable in like manner, as the said preference stock, and such preference stock may, subject to the same authority, be exchanged by the holder thereof for ordinary stock, on such terms and conditions as the Directors from

Issue of preference shares.

Limit to amount to be issued.

time to time, by by-law, fix and appoint: Provided always, that the total amount of bonds and preference stock to be issued by the Company shall not exceed twenty-five thousand dollars per mile for every mile of the railway constructed or under contract to be constructed; and provided also, that the holders of preference stock shall have the same right of voting as ordinary shareholders.

Application of proceeds of sale of lands.

32. The lands acquired by the Company and held for sale for the purposes thereof, may be conveyed to trustees, to be held and conveyed by them upon the trusts and for the purposes herein declared in reference to such lands; and all moneys arising from the sale of such lands shall be held and applied in trust for the purposes following, that is to say:—First, in payment of the expenses connected with the acquisition, survey, management, and sale of the said lands; secondly, in payment of the interest on bonds secured by such lands from time to time; thirdly, in payment and redemption of the said bonds when and as they become due; and fourthly, for the general purposes of the Company.

Purchasers of lands from the Company protected against charges.

33 All land sold and conveyed by the Company and the said trustees, after a conveyance thereof to them upon the trusts aforesaid, and which have been paid for in cash, shall be forever released and discharged from all mortgages, liens, and charges of any kind or nature by this Act or by the Company created; and the purchase money arising from the sale of such lands shall be applied in accordance with the trusts in the last preceding section declared.

Proviso in case of the Company making default in paying principal and interest on bonds.

34. If the Company make default in payment of the principal or interest on any of the bonds, preference stock, or scrip for dividends hereby authorized, at the time when the same, by the terms of the bonds or the conditions upon which the preference stock or scrip for dividends was issued, become due and payable, then at the next ensuing annual general meeting of the Company, and all subsequent meetings, all the holders of the bonds, preference stock, or scrip for dividends so being and remaining in default shall, in respect thereof, have and possess the same rights, privileges, and qualifications for being elected Directors and for voting at the general meetings as they would possess if they had held fully paid up shares of the Company to a corresponding amount: Provided, nevertheless, that the right given by this section shall not be exercised by any bondholder, preference stockholders, or holders for scrip for dividends, unless the bonds, preference stock, or scrip for dividends in respect of which he claims to exercise such right have been first registered in his name, in the same manner as provided by by-law for the registration of the shares of the Company, and for that purpose the Company shall be bound, on demand, to register any bonds, preference stock, or scrip for dividends in the name of the holder

Proceedings by bondholders.

thereof, and to register any transfers thereof in the same manner as a transfer of shares: Provided also, that the exercise of the right given by this section shall not take away, limit, or restrain any other rights or remedies to which the holders of the said bonds, preference stock, or scrip for dividends are entitled.

Bonds to be registered on application.

35. All bonds, preference stock, debentures, and other securities hereby authorized, and the coupons and interest warrants thereon respectively, may be made payable to bearer, and shall, in that case, be transferable by delivery until registry thereof in manner provided in the last preceding section, and while so registered they shall be transferable by written transfer registered in the same manner as in the case of shares; they shall again become transferable by delivery upon the registration of a transfer to bearer, which the Company shall be bound to register on the demand of the registered holder for the time being.

Bonds to be made payable to bearer.

Transfer of bonds.

36. No call to be made at any time upon the capital stock shall exceed ten per centum on the subscribed capital, and not less than thirty days shall intervene between any one call and a succeeding call.

Calls not to exceed 10 per cent.

37. The work of construction shall be commenced within three years from the passage of this Act, and shall be prosecuted by the expenditure of a sum of not less than two hundred thousand dollars per year, and the whole work shall be completed within eight years from such commencement. In case default is made in any of the conditions of this section, the provisions of this Act shall be void and of no effect.

Work to be begun within 3 years and completed within 8 years.

38. So far as the Legislature of the Province of British Columbia has power to enact the same, and subject to the omissions, qualifications, exceptions, and alterations, herein mentioned, sections 40 to 305, inclusive, of the Railway Act, shall apply to the Company and the undertaking hereby authorized (and shall be read with and as forming part of this Act) as if the Company were wholly within the legislative authority of the Parliament of Canada.

Application of "The Railway Act" of Canada.

(a.) Provided that so much of the following sections of the Railway Act as are within the legislative authority of the Province of British Columbia shall not apply to the Company, viz.:—Sections 58, 89, sub-section 3 of section 94, and sections 121, 170, 171, 172, 276, 277, 278, 279, 280; and

(b.) Provided further, that the notices required by the Railway Act to be inserted in the Canada Gazette shall, when the subject thereof is within the legislative authority of the Province of British Columbia, be inserted in the British Columbia Gazette: and

- (c.) Provided further, that the words "Railway Committee" in the said section of the Railway Act shall, when the subject matter of the section is within the legislative authority of the Province of British Columbia, be understood to mean the Lieutenant-Governor in Council, and in like manner the word "Minister" shall be understood to mean the Chief Commissioner of Lands and Works; "Minister of Finance and Receiver-General" shall mean the Minister of Finance and Agriculture of this Province; "Attorney-General" shall mean the Attorney-General of the Province; and
- (d.) Provided further, that the mortgage deeds authorized by this Act shall be deposited in the office of the Registrar-General of Titles, and notice of such deposit shall be given in the British Columbia Gazette, and no other registration shall be required; and
- (e.) Provided further, that the Lieutenant-Governor in Council shall be substituted for the Governor in Council when the subject matter of the section of the Railway Act is within the legislative authority of the Province of British Columbia.

VICTORIA B. C.:

rinted by RICHARD WOLFENDEN, Printer to the Queen's Most Excellent Majesty.