



CHAPTER 49.

An Act to Incorporate the “British Columbia-Yukon Railway Company.”

[8th May, 1897.]

WHEREAS, a petition has been presented praying for an Act to Preamble.

incorporate a company for the purpose of constructing, equipping, maintaining and operating a railway from a point in British Columbia, between the 134th and 136th degrees of longitude, at or near the head of Lynn Canal, and thence by the most feasible route to the North boundary line of British Columbia, with power to construct, maintain and operate branch lines and all necessary bridges, ferries and wharves, and to construct, own and operate telegraph and telephone lines in connection with the said railway and branches, and to build, own and operate steam and other vessels, to take and use water for generating electricity and other purposes, and to acquire rights and lands for the right of way, station grounds and other necessities, and make traffic and other arrangements with other railway companies or persons, and for all other usual and necessary powers and privileges :

And whereas, it is expedient 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. Henry Coppinger Beeton, Adolph Drucker and Charles Herbert Incorporation. Wilkinson, all of the City of London, England, and Ernest Edward Billingham, of the City of Victoria, British Columbia, together with such other persons and corporations as shall in pursuance of this Act become shareholders of the Company hereby incorporated, are hereby constituted a body corporate and politic by the name of the “British Columbia-Yukon Railway Company.”

Capital stock,
shares, &c.

2. The capital stock of the Company shall be one million dollars, divided in shares of one hundred dollars each, which shares shall be transferable in such manner 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 shares by the Company either in money at par or at such price and upon such conditions as the Directors may fix, or as part or any of the consideration for any contract or services rendered by or on behalf of or for the benefit of the Company.

Increase of capital.

3. The capital stock of the Company may be increased from time to time to any amount if such increase be sanctioned by a vote in person or by proxy of the shareholders representing two-thirds in value of the subscribed capital of the Company, such sanction to be given at a meeting called expressly by the Directors for that purpose, by a notice published in the British Columbia Gazette for 30 days, and 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 thirty days previously to such meeting, stating the time and 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.

Provisional
Directors.

4. The persons named in section 1 of this Act are hereby constituted the Provisional Directors of the Company, with power to add to the number, but so that the Directors shall not in all exceed fifteen in number. The Board of Directors so constituted shall have all the powers hereby conferred upon the Directors of the Company, and they shall hold office until the first election of Directors under this Act.

Qualification and
number of Directors.

5. Each of the Directors hereby appointed or elected shall hold at least twenty shares of the stock of the Company; but the number of Directors to be hereafter elected by the shareholders shall be such number, not exceeding fifteen, as shall be fixed by the by-laws and subject to the same conditions as the Directors appointed by or under authority of the last preceding section; the number thereof may be hereafter altered from time to time in like manner.

Non-disqualification
of Directors on ac-
count of receiving
pay, &c.

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

7. The 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, and no meeting of Directors shall be competent to transact business unless three Directors are present thereat in person, and the remaining number of Directors required to form a quorum are represented by proxies.

Directors, quorum of, &c.

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

Executive Committee.

9. The chief place of business of the Company shall be at the City of Victoria, and the Company may from time to time by by-law appoint and fix other places within or beyond the limits of Canada, at which the business of the Company may be transacted and at which the Directors or shareholders may meet when called, as shall be determined by the by-laws.

Chief place of business, Victoria.

10. The first annual meeting of the shareholders of the Company for the appointment of Directors shall be held at the head office of the Company on the second Wednesday in October, one thousand eight hundred and ninety-seven, and the annual general meeting of the shareholders for the election of Directors and the transaction of business generally, shall be held on the same day in each year thereafter, unless otherwise provided by the by-laws; and notice of such meeting shall be given by such means as shall from time to time be directed by the by-laws.

First annual meeting; general annual meetings, &c.

11. 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 afterwards be performed at a meeting called in conformity with the by-laws specially for the purpose.

Failure to elect Directors or hold annual meetings.

12. Special general meetings of the shareholders may be convened in such manner as shall be provided by the by-laws, and, except as hereinafter provided, notice of such meetings shall be given in the same manner as notices of annual general meetings; the purpose for which such meeting is called shall be mentioned in the notices thereof, and, except as herein provided, all such meetings shall be held at the chief place of business of the Company.

Special meetings.

13. If at any time before the first annual meeting of the shareholders of the Company it should become expedient that a meeting of the Directors of the Company, or a special general meeting of the

Special general meetings before first annual meeting.

shareholders of the Company, should be held before such meeting can be conveniently called, and notice thereof given in the manner provided by this Act, or by the by-laws or before the by-laws in that behalf have been passed, and at a place other than the chief place of business of the Company, before the enactment of the by-law authorising the holding of such meeting, it shall be lawful for the Chairman or any three Directors of the Company to call special meetings either of the Directors or shareholders, or of both, to be held at such times and places respectively as may be determined, such times and places to be stated in the notices to be given of such meetings respectively. And notices of such meetings may be validly given by publication in the British Columbia Gazette or by a circular mailed to the ordinary address of each Director or shareholder, as the case may be, stating in general terms the purpose of the intended meeting, and in case of a meeting of shareholders the proceedings of such meeting shall be held to be valid and sufficient and to be binding on the Company in all respects, notwithstanding that notice of such meeting shall not have been given in the manner required by this Act: Provided that every shareholder is either present or represented by proxy.

Proxy.

14. Unless otherwise provided by the by-laws, the person holding the proxy of a shareholder shall be himself a shareholder.

Calls on unpaid shares.

15. Calls upon unpaid shares may be made at any time; provided, however, that no such call shall be made for more than ten per centum of the amount of such subscribed stock, and at least thirty days must intervene between each call and not more than fifty per cent. shall be called in in any one year for such per centum upon the amount thereof, as the Directors may determine.

Construction and route of railway line.

16. The Company may lay out, construct, acquire, equip, maintain, and operate a line of railway with one or more tracks of a standard or narrow gauge from some point in British Columbia, between the 134th and 136th degrees of longitude, at or near the head of Lynn Canal, and thence by the most feasible route to the north boundary line of British Columbia; and also branch lines to be located by the Company from time to time to any point not more than twenty miles in a direct line from the main line, and the said railway and branches thereof that shall hereafter be constructed or acquired by the Company shall constitute a line of railway called the "British Columbia-Yukon Railway."

Telegraph and telephone lines.

17. The Company may construct, maintain and work continuous telegraph and telephone lines throughout and along the whole line of the said railway, or any part thereof, and may also construct or acquire, by purchase, lease or otherwise, any line or lines of telegraph or telephone connecting with the line so to be constructed along the line

of the said railway, and may undertake to transmit any messages for the public by any such line or lines of telegraphing or telephoning, and collect tolls for so doing, or may lease such line or lines of telegraph or telephone, or any portion thereof, and they may use any improvements that may hereafter be invented (subject to the rights of the patentees) for telegraphing or telephoning, and any other means of communication that may be deemed expedient by the Company at any time hereafter:

(a.) No Act of this Legislature requiring the Company, in case Underground. efficient means are devised for carrying telegraph, telephone, or electric wires under ground, to adopt such means and abrogating the right given by this Act to continue carrying lines on poles, shall be deemed an infringement of the privilege granted by this Act.

18. The Company may purchase, build, charter, or otherwise main- Steamers, ferries, &c. tain, sell, and dispose of, navigate and work steamers, ferries, and other vessels in and upon the inland and coast waters of British Columbia in connection with the said undertaking.

19. The Company may erect, maintain or work docks, dockyards, wharves, slips, piers, elevators, depôts and buildings necessary or convenient for the purposes of the Company, and generally carry on any business or operations, with any objects, purposes or powers, in as full and ample a manner as the Company might or could do if incorporated therefor under the "Companies Act," Part I, "The Companies Act, 1862," (Imperial), and otherwise generally to do all acts and things necessary, usual or incidental in and to the exercise of any of the powers, rights and privileges granted by this Act in so far as the Legislature of this Province has power to grant the same; and the generality of the latter part of this section is not to be held to be restricted by the specific mention of any of the rights, objects, purposes, powers or privileges by this Act conferred or referred to, or to impair or derogate from the same, but shall be deemed and taken to include any power, purpose, object, right or privilege the Company may deem necessary or useful, directly, indirectly, incidentally or otherwise, to the Company. May construct docks, depots and other necessary works.

20. The Directors may from time to time make and prescribe such By-laws, &c. by-laws as to them appear needful and proper to provide for the remuneration of the Chairman and the Directors of the Company, or any of the Executive Committee; 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; the procedure at general meetings and meetings of their own bodies; the appointment of Committees, and for all other matters by this Act to be regulated by by-laws, 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 contrary to law, and from time to time to repeal, amend, and re-enact the said by-laws: Provided that the said by-laws so made shall in no case have any force or effect after the next general meeting of the shareholders which shall be held after the passage of the by-laws, unless they are approved of by such general meeting.

Engagements made and cash spent by Directors prior to passing of Act.

21. All contracts made and all moneys expended by the Provisional Directors in connection with the Company or upon its behalf, either before or after the passing of this Act, shall be treated as engagements made or cash advanced on account and on behalf of the Company, and at the first meeting of the Directors after the passing of this Act resolutions shall be passed confirming and giving credit for the same.

Company may receive and hold, &c., gifts, loans, exemptions, &c.

22. The Company may receive, take, hold, enjoy, sell, lease, or otherwise dispose of either conditionally or absolutely, or for any limited estate or interest therein, and upon such terms and conditions as the Directors may deem proper, from any government, person, corporation, municipal or otherwise, any land bonus, donations, loans, gifts of money, bonds, guarantee of bonds or interest guarantees, exemption from taxes or other impost, or any or all of same, and generally any benefit or advantage to the Company, or in aid of the same, of any nature or kind whatsoever; and the generality of the latter part of this clause is not to be held to be restricted by the specific mention of the foregoing ways and means.

Mortgage bonds.

23. The Company, under the authority of a special general meeting of the shareholders called for the purpose, at which meeting at least two-thirds of the subscribed stock of the Company shall be represented in person or by proxy, may dispose of the undertaking in whole or in part, or may issue mortgage bonds for the purpose of the undertaking authorised by the present Act, and in case mortgage bonds are issued such issue shall constitute a first mortgage and privilege upon the said railway or all or part of its real or personal property acquired and to be hereafter acquired, including rolling stock and plant, and upon its tolls and revenues (after deducting from such tolls and revenues the working expenses), and upon the franchises of the Company; the whole as shall be declared and described as so mortgaged in any deed of mortgage as hereinafter provided: Provided always, however, that if the Company shall have issued or shall intend to issue, land bonds under the provisions of the twenty-fourth section hereof, any lands or other property acquired or to be acquired by the Company may be excluded from the operations of such mortgages and privileges; and provided, also, that such mortgage and privileges shall not attach upon any property which the Company are hereby authorised to acquire or receive until the same shall have

been conveyed to the Company, but shall attach upon such property if so declared in such deed as soon as the same shall be conveyed to the Company, and such mortgage and privilege may be evidenced by a deed or deeds of mortgage executed by the Company with the authority of its shareholders expressed by a resolution passed at such special general meeting, and any such deed may contain such description of the property mortgaged by such deed, and upon such conditions respecting the payment of the bonds secured thereby, and of the interest thereon, and the remedies which shall be enjoyed by the holders of such bonds, or any trustee or trustees for them in default of such payment, and the enforcement of such remedies, and may provide for such forfeitures and penalties in default of such payment as may be approved of by such meeting, and may also contain, with the approval aforesaid, authority to the trustee or trustees upon such default, as one of such remedies, to take possession of the property mortgaged, and to hold and operate the same for the benefit of the bondholders thereof for a time to be limited by such deed, or to sell the said property after such delay and upon such terms and conditions as may be stated in such deed with like approval. Any such deed may contain provisions to the effect that upon such default, and upon such other conditions as shall be described in such deed, the right of voting possessed by the shareholders of the Company, and by the holders of the preferred stock therein, or by either of them, shall cease and determine, and shall thereafter appertain to the bondholders, or to them and to the holders of the whole or of any part of the preferred stock of the Company as shall be declared by such deed, and such deed may also provide for the conditional or absolute cancellation after such sale of all or any of the shares so deprived of voting power, or of any or all of the preferred shares of the Company, or both, and may also either directly by its terms, or indirectly by reference to the by-laws of the Company, provide for the mode of enforcing and exercising the powers and authority to be conferred and defined by such deed under the provisions thereof, such deed and provisions thereof, under the authority hereof, and such other provisions thereof as shall purport with like approval to grant such further and other powers and privileges to such trustee or trustees, and to such bondholders, as are not contrary to law or to the provisions of this Act, shall be valid and binding, but if any change in the ownership or possession of the said property shall at any time take place under the provisions hereof or of any such deed, or in any other manner, the said property shall continue to be held and operated under the provisions hereof.

24. The Company may dispose of or issue mortgage bonds upon any lands granted for any estate therein in aid of the said railway and of the undertaking authorised by this Act, such mortgage bond

Land bonds.

issues 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 shall attach upon them when they shall be granted, if they are not actually granted at the time of the issue of such bonds, and such mortgage may be evidenced by a deed or deeds of mortgage to be executed under like authority to the deed securing 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 thereunder, and upon the holders of the bonds secured thereby, remedies, or authorities, powers, and privileges, and may provide for forfeitures and penalties similar to those that 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 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 this Act as shall be so authorised, and such bonds may be styled "Land Bonds."

Lithographed signatures.

25. If it is provided by the mortgage executed to secure the issue of bonds that any of the signatures to bonds, or to the coupons thereto appended, may be engraved, stamped, or lithographed thereon, such engraved, stamped, or lithographed signature shall be valid and binding on the Company.

Denomination of bonds.

26. The bonds authorised by this Act to be issued upon the railway and upon any land that may be granted to the Company, or both, may be so issued in whole or in part in the denominations 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 bonds 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 holder 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 and with such rights, lien, privileges, and preferences, at such place, and on such conditions as shall be provided for by the by-laws of the Company.

Bonds, &c., need not be registered.

27. 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 a notarial copy of every such mort-

gage 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 a notarial copy of any agreement entered into by the Company under sections 23 and 24 of this Act, shall also be deposited in the said office, and a copy of any such mortgage deed or agreement so filed, certified to be a true copy by the Registrar-General of Titles, shall be received as *prima facie* evidence in all Courts of Justice without proofs of the signatures or seal upon such original.

28. If at any time an agreement be made by the Company with any person to become a bondholder 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, defining or limiting the mode of exercising such powers, the Company, after the deposit thereof with the Registrar-General of Titles as hereinbefore 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 and effective.

Agreements restricting issue of bonds, &c.

29. The Company may from time to time issue guaranteed or preferred stock at such price, to such amount, and upon such conditions as to the preferences and privileges thereto, or to different issues or classes thereof, and otherwise as shall be authorised by the majority in value of the shareholders, such authority to be given at an annual meeting or at any special general meeting thereof called for the purpose, at which meeting shareholders representing at least two-thirds in value of the subscribed capital of the Company shall be present in person or by proxy, notice of intention to propose such issue at such meeting being given in the notice calling such meeting; but the guarantee or preference to such stock accorded shall not interfere with the lien, mortgage and privilege attaching to bonds issued under the authority of this Act, and the holders of such preferred stock shall have such power of voting at meetings of the shareholders as shall be conferred upon them by the by-laws of the Company.

Issue of guaranteed or preferred stock.

30. The phrase "working expenses" shall mean and include all expenditures of maintenance of the undertaking and the buildings, works, and conveniences belonging thereto, and of the rolling and other stock and movable plant used in the working thereof, and all such tolls, rents, or annual sums as may be paid in respect of hire of machinery, engines, carriages, or waggon's let to the Company, also all rents, charges, or interest on the purchase money of land belonging to

Meaning of "working expenses."

the Company, purchased but not paid for, and also all expenses of and incidental to working, undertaking, and traffic thereon, including stores and consumable articles, also rates, taxes, insurance, and compensation for accidents or losses, also all salaries and wages of persons employed in or about the working of the undertaking and traffic and all offices and managing expenses, including Directors' fees, agency, legal, and other like expenses.

Contracts, cheques, &c., how signed by Company.

31. Every contract, agreement, engagement, script 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 as such, 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 script certificate to prove that the same was drawn, made, accepted, or endorsed, as the case may be, in pursuance of any by-law or special vote or order, nor shall the parties so acting as agents, officer or servant of the Company be subject individually to any liability whatsoever to any third party therefor: Provided, always, that the Company are not to be deemed to be debarred from proving that the same was not issued by authority of the Company, and that nothing in this Act shall be construed to authorise the Company to issue any note payable to bearer thereof, or any promissory note intended to be circulated as money or as a note of a bank, or to engage in the business of banking and insurance.

Lands for sale by Company may be conveyed to Trustees.

32. Any lands acquired by the Company and held for sale for the purpose thereof may be conveyed to trustees, to be held or 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: (firstly), in payment of the expenses connected with acquisition, survey, management, and sale of 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 as they become due; and (fourthly), for the general purposes of the Company.

Lands so sold discharged from all liens, &c.

33. All lands sold and conveyed by the Company and the said trustees after a conveyance thereof to them upon the trusts aforesaid 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.

Bonds, debentures, stock, may be payable to bearer.

34. All bonds, preference stock, debentures and other securities hereby authorised, and the coupons and interest warrants thereon respectively, may be made payable to bearer, and shall in that case

be transferable by delivery without regard to any equities between the holder or holders thereof and the Company.

35. The work of construction of the main line of railway shall be commenced within two years from the passage of this Act, and shall be completed within five years from such commencement; nevertheless, failure to comply with the conditions of this section shall not prejudice the rights, powers or privileges of the Company in respect of such parts thereof as shall at the expiration of such limited periods be constructed, nor any other rights, powers or privileges of the Company by this Act conferred.

Commencement and completion of construction.

36. It shall be lawful for the Company, subject to the consent of the Chief Commissioner of Lands and Works, to take from any public lands adjacent to or near the line of the said railway all stone, timber or gravel, and other material which may be necessary or useful for the construction of the railway.

Stone, timber and gravel from public lands.

37. The clauses or sections of the "British Columbia Railway Act" shall, in so far as the Legislature of this Province has power to enact the same, apply to this Company in the same manner and to the same extent as if the same had been set forth clause by clause in this Act, save and except in the case of any conflict, inconsistency or repugnancy between the other clauses of this Act and the clauses or sections of the "British Columbia Railway Act" so made a part of this Act, the other clauses of this Act shall prevail and override any clause or section of the "British Columbia Railway Act" so incorporated herewith, to the extent of any such conflict, inconsistency or repugnancy; and provided further that none of the provisions or clauses or sections of such "British Columbia Railway Act" so adopted shall in any wise restrict or curtail any of the powers, rights and privileges by the other clauses of this Act conferred upon the Company, but all powers and privileges referred to in the said clauses or sections of the said "British Columbia Railway Act" shall be deemed to be in addition to and in furtherance of the powers, rights and privileges conferred upon the Company by the other clauses of this Act.

Application of "B.C. Railway Act."

38. The stock of the Company shall be personal property. No shareholder of the Company shall in any manner be liable to or be chargeable or charged with the payment of any debt or demand due by the Company, or any sum beyond the amount unpaid on his, her or their subscribed shares in the capital stock of the Company.

Stock personalty. Liability of shareholder.

39. The Company shall have power to take and use water for generating electricity, and for the purpose of carrying out such undertaking the Company shall (except as in this Act provided) be in the

Application of "Water Clauses Consolidation Act, 1897."

position of a Company duly incorporated in compliance with Part IV. of the "Water Clauses Consolidation Act, 1897," and with all the provisions relating to a Power Company of Part IV. of the said Act (except such as relate to the incorporation of the Company, or as are herein excepted, altered or varied), and all the provisions of Part V. of this Act shall apply to the Company.

Short title.

40. This Act may be cited as the "British Columbia-Yukon Railway Company Act, 1897."

VICTORIA, B. C.:

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