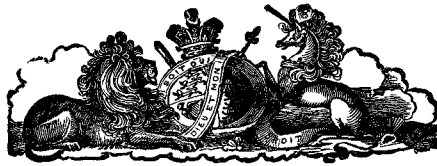


A.D. 1887



CHAP. 36.

An Act to Incorporate the New Westminster Southern Railway Company.

[7th April, 1887.]

WHEREAS the construction of a line of railway as hereinafter set forth is desirable, and a petition has been presented praying for the incorporation of a Company to construct and work the same, and it is expedient to grant the prayer of the said petition: Preamble.

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

1. Donald Chisholm, Merchant; T. J. Trapp, Merchant; and William, McColl, Merchant; 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 corporate and politic by the name of “The New Westminster Southern Railway Company” hereinafter called “the Company.” Incorporation.
Corporate name.

2. The Company make construct, equip, maintain, and operate a railway, with double or single tracks of four feet eight and one-half inches gauge, from some point near the 49th parallel of North latitude, between Semiahmoo Bay and Township 16 in the District of New Westminster, to some point on the south bank of the Fraser River, opposite the City of New Westminster. Line of railway to be constructed.

3. The said railway, and all stations, grounds, workshops, buildings, yards, and other property, plant, and rolling stock required and used for the construction, maintenance or operation of the said railway, and the capital stock thereof, shall be free from Provincial or Municipal taxation for five years from the date of completion. Exemption from Provincial or Municipal taxation for 5 years.

4. The several persons named in the first section of this Act, with power to increase their number to nine by a resolution passed at a meeting at which they are all present in person, shall be the Provisional Directors of the Company, and they shall hold office until the first election of Directors under this Act, and shall have power forthwith to Provisional Directors.

<p>A.D. 1887. ——— Stock books to be opened.</p>	<p>open stock books and procure subscribers to stock for the undertaking, and to receive payments on account of stock subscribed, and to cause plans and surveys to be made and to proceed with all necessary preliminary undertakings.</p>
<p>Advances by Provisional Directors.</p>	<p>5. All moneys expended by the Provisional Directors in furtherance of this undertaking, either before or after the passing of this Act, shall be considered as cash instalments on stock, and at the first meeting of Directors a resolution shall be passed giving credit to each Provisional Director in the books of the Company for such amount as he may have so expended.</p>
<p>Head office.</p>	<p>6. The head office of the Company shall be at the City of New Westminster.</p>
<p>Managing Director.</p>	<p>7. The Directors of the Company may employ one of their number as Managing Director, and may pay him such salary as they may by by-law determine.</p>
<p>Capital stock and shares.</p>	<p>8. The capital stock of the Company shall be six hundred thousand dollars, with power to increase the same in manner provided in the Act of the Parliament of Canada intituled the "Consolidated Railway Act, 1879," and Acts of the Parliament of Canada amending the same, and the money so raised shall be applied in the first place to the payment of all expenses and disbursements connected with the organization of the Company and other preliminary expenses, and making the surveys, plans, and estimates connected with the works hereby authorized; and all the remainder of such money shall be applied to making, completing, equipping, and maintaining of the said railway, and the other purposes of this Act, and to no other purpose whatsoever.</p>
<p>Application of moneys raised.</p>	
<p>Ten per cent. payable on subscription.</p>	<p>9. No subscription of stock in the capital of the Company shall be legal or valid unless ten per centum has been actually and bonâ fide paid thereon, within thirty days after subscription, into one or more banks in British Columbia to be designated by the Directors; and such ten per centum shall not be withdrawn except for the purpose of the Company; and the said Directors, or a majority of them, may, in their discretion, apportion the stock so subscribed among the subscribers as they deem most advantageous and conducive to the furtherance of the undertaking.</p>
<p>Allotment of stock.</p>	
<p>Paid up stock in payment of right of way, &c.</p>	<p>10. The Directors elected by the shareholders may issue stock, and may pay, or agree to pay, in such paid up stock, or in the bonds of the Company, such sums as they deem expedient to engineers or contractors, or for the right of way, or material, plant or rolling stock, and for the services of such persons as may be employed by the Directors in the furtherance of the undertaking, or for the purchase of the right of way, material, plant or rolling stock.</p>

11. The Company may, for the purposes of the railway, receive from any Government, person, or body corporate, in aid of the construction, equipment, and maintenance of the said railway, grants of land, bonuses, loans, or gifts of money, or securities for money, or exemption of freedom from any Municipal, Provincial or other tax or impost.

A.D. 1887.

Grants in aid

12. So soon as shares to the amount of sixty thousand dollars in the capital stock of the Company have been subscribed, and ten per centum paid thereon bona fide, the Provisional Directors shall call a general meeting of the subscribers to the said capital stock at the City of New Westminster, for the purpose of electing Directors of the Company, giving at least four weeks' previous notice by public advertisements 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 subscriber (when his or her address is known) of the time, place and purpose of the said meeting: Provided always, that the Directors so elected may, by by-law or resolution passed by them, close the stock books after shares to the said amount of sixty thousand dollars have been subscribed, and may from time to time re-open the said stock books, and receive subscriptions for additional shares when and as the same are required for the purposes of the Company.

First general meeting for election of Directors.

Notice.

When stock books may be opened and closed.

13. No person shall be a Director of the Company, otherwise than constituted by this Act, unless he is the holder and owner of at least ten shares in the stock of the Company, and has paid up all calls thereon.

Qualification of Directors.

14. At such general meeting the subscribers for the capital stock assembled who have paid up ten per centum thereof, and who are present in person, or represented by proxy, shall choose nine persons to be Directors, of whom five shall be a quorum.

First election.

Number and quorum.

15. Thereafter the annual general meeting of the shareholders of the Company for the election of Directors, and other general purposes, shall be held on the first Tuesday of July in each year, at such place in British Columbia as may be appointed by by-law of the Company, and two 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 New Westminster.

Annual general meeting.

Notice.

16. 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 on stock limited.

17. The Directors of the Company, under the authority of the shareholders to them given by a resolution of a special general meeting called for that purpose, are hereby authorized to issue bonds under the seal of the Company, signed by its President, or other presiding officer,

Bonds may be issued with approval of shareholders.

A.D. 1887.

Disposal of bonds.

and countersigned by its Secretary and Treasurer, and such bonds shall be made payable at such times, and in such manner, and at such place or places in British Columbia, or elsewhere, and shall bear such rate of interest as the Directors think proper; and the Directors shall have power to issue and sell, or pledge, all or any of the said bonds at the best price, and upon the best terms and conditions which, at the time, they may be able to obtain for the purpose of raising money for prosecuting the said undertaking.

To be a first charge on undertaking.

(1.) Such bonds shall, without registration or formal conveyance, be taken and considered to be the first preferential claim and charge upon the undertaking, and the tolls and property of the Company, real and personal, then existing, and at any time thereafter acquired, save and except as hereinafter provided for in this section, and each holder of the said bonds shall be held and deemed to be a mortgagee or incumbrancer upon the said securities pro rata with the other bondholders, and shall have priority as such: Provided that the amount of bonds so issued, sold, or pledged, shall not exceed twenty thousand dollars per mile, to be issued in proportion to the length of the railway constructed, or under contract to be constructed.

Limitation as to amount.

Mortgage deed to secure bonds.

(2.) Notwithstanding anything in this Act contained, the Company may secure the bonds to be issued by them by a mortgage deed creating such mortgages, charges, and incumbrances upon the whole of such property, assets, rents, and revenues of the Company, present or future, or both, as shall be described in the said deed; but such rents and revenues shall be subject, in the first instance, to the payment of the working expenses of the railway; and by the said deed the Company may grant to the holders of such bonds, or to the trustee or trustees named in such deed, all and every the powers and remedies granted by this Act in respect to the said bonds, and all other powers and remedies not inconsistent with this Act, or may restrict the bondholders in the exercise of any power, privilege, or remedy granted by this Act, as the case may be; and all such powers, rights, and remedies as shall be so contained in such mortgage shall be valid, binding, and available to the bondholders, in manner and form as therein provided.

Provisions of deed.

Validity of deed.

Preference stock may be issued.

18. 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 centum per annum, as to the Directors seem fit; and such dividend may be made payable in

Dividend thereon and how secured.

scrip, which shall have the same security, and shall be redeemable in the 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 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.

A.D. 1887.

May be exchanged for ordinary stock.

Proviso limitation as to amount.

19. 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 the bonds 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.

Lands for sale may be vested in trustees.

Application of proceeds.

20. All land sold, conveyed by the Company, or by 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 by the Company shall be applied in the first place in satisfaction of any mortgage thereon created by the Company, and after payment of any such mortgage or lien created by the Company thereon, shall be applied in accordance with the trusts in the next preceding section declared.

Lands sold released from lien.

Application of purchase money.

21. 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 of scrip for dividends, unless the bonds,

Provision in case of default of payment of bonds, &c.

Proviso as to registration.

A.D. 1887.

Proviso certain
rights not impaired.

Transfer of bonds,
&c., how made.

Time for construc-
tion.

Telegraph and tele-
phone lines.

Application of Con-
solidated Railway
Act.

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 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.

22. 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 next 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.

23. The works upon the main line of the said railway shall be commenced within two years and completed within four years from the passing of this Act.

24. The Company may construct, work and operate such line or lines of telegraph and telephone along the line of their railway and branches as may be necessary or useful for the purposes of their undertaking.

25. The provisions of the "Consolidated Railway Act, 1879," and Acts of the Parliament of Canada amending the same, shall apply to the Company hereby incorporated as if the Company had been incorporated by authority of the Parliament of Canada.