



CHAPTER 58.

An Act to Incorporate the North Star and Arrow Lake Railway Company.

[*May 20th, 1898.*]

WHEREAS a petition has been presented praying for the passage Preamble.
of an Act to incorporate a Company with power to construct, equip, operate and maintain a standard or narrow gauge railway from some point at or near or west of where the British Columbia Southern Railway crosses the Kootenay River, thence up the St. Mary's River to a point at or near the North Star Mine, thence along the St. Mary's River by the most feasible route to a point on Kootenay Lake, and also from a point on the said line by the most feasible route to a point on Upper Arrow Lake, and to build and operate tramways in connection therewith, with power to construct, operate and maintain branch lines and all necessary bridges, roads, ways and ferries, and to build, own and maintain wharves and docks in connection therewith, and with power to build, own, equip and maintain steam and other vessels and boats, and operate the same on any navigable waters within the Province, and with power to build, equip, operate and maintain telegraph and telephone lines in connection with the said railway and branches, and to generate electricity for the supply of light, heat and power, and with power to expropriate lands for the purposes of the Company, and to acquire lands, bonuses, privileges or other aids from any Government, Municipal Corporation or other persons or bodies, and to levy and collect tolls from all parties using, and on all freight passing over, any of such railways, tramways, ferries, wharves and vessels built by the Company, and with power to make traffic or other arrangements with railway, steamboat or other companies, and for all other necessary or incidental rights, powers or privileges in that behalf:

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:—

Incorporation.

1. William Mackenzie, of the City of Toronto, Contractor; Donald D. Mann, of the City of Montreal, Contractor, and John Herbert Hoare, of the City of Vancouver, Mining Broker, together with such other persons, firms and corporations as shall in pursuance of this Act become shareholders of the Company hereby incorporated, are hereby constituted a body corporate and politic under the name of "The North Star and Arrow Lake Railway Company."

Head office.

2. The head office of the Company shall be at the City of Vancouver or at such other place in the Province of British Columbia as may from time to time be fixed by the By-laws of the Company.

Capital stock, shares, etc.

3. The capital stock of the Company shall be one million two hundred thousand dollars (\$1,200,000), divided into twelve thousand (12,000) shares of one hundred dollars (\$100.00) 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 for value received or services rendered to the Company), either in money at par or at such price and upon such conditions as the Board of Directors may fix, or as part or all of the consideration for any contract made by the Company, and such capital stock may be increased from time to time to any amount by the creation of new shares of such amount as may be deemed expedient. Such new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as a general meeting of the shareholders resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine; and in particular such shares may be issued with a preferential or a qualified right to dividends and in the distribution of the assets of the Company, and with a special or without any right of voting.

Provisional Directors.

4. The persons named in the first section of this Act shall be and are hereby constituted the Provisional Directors of the Company, of whom a majority shall form a quorum for the transaction of business, and they shall hold office until the first election of Directors to be held pursuant to this Act, and have power to open stock books and procure subscriptions of stock for the undertaking, and to allot the stock, and to receive payments on account of stock subscribed, and to make calls upon subscribers in respect of their stock, and to sue for and recover the same, and shall have power to cause plans and surveys to be made, and to construct and carry on any of the railways and works, and to do any or all of the acts or businesses authorised by this

Act to be constructed, carried on, or done by the Company, and to receive for the Company any grants, loans, bonuses, or gift made to it, and to enter into, on behalf of the Company, any agreement respecting the conditions or dispositions of any gift or bonus in aid of the undertaking of the Company, and in addition shall have all such powers, rights, and privileges, as, under the "British Columbia Railway Act," are vested in ordinary Directors, and such Provisional Directors may in their discretion exclude anyone from subscribing for stock, who, in their judgment, would hinder, delay or prevent the Company from proceeding with and completing the undertaking under the provisions of this Act; and if at any time a portion or more than the whole stock shall have been subscribed, the said Provisional Directors, or Board of Directors, shall allocate and apportionate among the subscribers as they shall deem most advantageous and conducive to the furtherance of the undertaking, and in such allocation the Directors may exclude any one or more of such subscribers.

5. Each of the Directors of the Company hereby appointed or hereafter elected, shall hold at least ten shares of the stock of the Company. The number of Directors may be hereafter altered from time to time, in accordance with the by-laws of the Company. The votes for the election of Directors shall be by ballot.

Directors' qualification of.

6. Directors may vote and act by proxy, such proxy to be held by a Director only, but no meeting of Directors shall be competent to transact business unless two Directors are present thereat in person.

Proxy.
Quorum.

7. The Board of Directors may appoint from out of their number an Executive Committee, composed of at least one Director, for the transaction of the ordinary business of the Company, with such powers and duties as shall be fixed by the by-laws.

Executive Committee.

8. When and so soon as shares to the amount of three hundred thousand dollars in the capital stock of the said Company shall have been subscribed and allotted, and ten per centum paid thereon, the Provisional Directors shall call a general meeting of the shareholders of the said capital stock, at the City of Vancouver, for the purpose of electing Directors of the said Company, giving at least thirty days' notice by advertisement in the British Columbia Gazette, and by written notice to each shareholder addressed to him at his last known address, and deposited in the Post Office, of the time, place and purpose of said meeting.

First general meeting.

9. At such meeting the subscribers for the capital stock assembled, who have paid all calls due on their shares, shall choose five persons to be Directors of the Company, one or more of whom may be paid Directors of the Company; and three of such Directors shall constitute a quorum for the transaction of business.

Directors election and quorum

Annual general meeting.

10. Thereafter the annual general meeting of the shareholders of the said Company shall be held at the head office of the Company, and on such days, and at such hours, as may be directed by the by-laws of the Company, and public notice thereof shall be given in like manner as hereinbefore provided in section eight of this Act.

Special general meetings.

11. 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 meeting 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.

Effect of failure to meetings.

12. 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, in the same manner and with the same notice as in the case of the annual general meeting.

Proxy.

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

Calls.

14. No call upon unpaid shares shall be made at one time for more than ten per cent. upon the amount thereof, and thirty days shall intervene between each call.

Route of railway line, etc.

15. The Company may lay out, construct, build, equip, maintain and operate the several lines of railway mentioned and referred to in the Schedule to this Act, together with the branch lines hereinafter referred to, and such lines and branch lines may be of the standard or narrow gauge; and for the purpose of construction the undertaking of the Company shall be divided into two sections, or divisions, as shown and particularized in the Schedule hereto, and the said sections or divisions shall be respectively known as the first and second sections. Nevertheless, the failure to build any one of the said sections, or any part hereof, within the time limited by this Act for the completion of the same, shall not prejudice the rights, powers and privileges of the Company in respect of such part or parts, if any, of the section or part thereof as to which such failure shall be made, as shall at the expiration of such limited time be made and completed, or in respect of any section as to which the period so limited for the completion thereof shall not have expired. And the Company may lay out, construct, equip, maintain and operate tramways in connection with the said lines of railway, and in connection with the navigation of any waters between and including the Kootenay River, and Kootenay and Arrow Lakes, and may lay out, construct, build, equip, maintain and operate

Tramways.

branch lines not exceeding twenty miles in a direct line from the main lines of railway, and all necessary bridges, roads, ways and ferries :

- (a.) Before the said Company shall exercise any of the powers aforesaid in respect of any proposed tramway or branch line, it shall give notice as provided by section 4 of the "Tramway Company Incorporation Act," stating the points between which it is proposed to build such tramway or branch line, and the general route of the same:
- (b.) Any person who would be entitled, under section 5 of the "Tramway Company Incorporation Act," to object to the incorporation of a company under said Act for the building of such line, may give the same notice of objection as would be required in the case of such Company, and none of the powers aforesaid shall, in respect of the line so objected to, be exercised by the Company until such objections have been heard and disposed of, as provided in the case of a company applying for incorporation under said Act for the purpose of building such tramway or branch line, and then only to the extent authorised and under the conditions imposed by the Lieutenant-Governor in Council:
- (c.) The Company shall have the same powers and be subject to the same obligations in respect to any such tramway as a company specially incorporated under the "Tramway Incorporation Act" for the building of such tramway.

16. The Company may construct, maintain, protect and work tele-
graph and telephone lines through and along the whole or any portion
or portions of the line or lines of railway authorised by this Act to be
built, or any of the branches thereof, and may also acquire by purchase,
lease or otherwise, any line or lines of telegraph connecting with the
lines so to be constructed along the line or part of the lines of the said
railway; and may undertake to transmit any messages for the public
upon such terms and conditions as it may deem advisable by any such
line or lines of telegraph or telephone, or any portion thereof, and may
make such charges for the transmission of such messages as shall be
from time to time fixed by the Directors, and they may use any im-
provements that may hereafter be invented for telegraphing or tele-
phoning, or any other means of communication that may be deemed
expedient by the Company at any time hereafter :

Telegraph and tele-
phone lines.

- (a.) No Act of this Legislature requiring the Company, in case efficient means are devised for carrying telegraph, telephone or electric wires underground, 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 privileges granted by this Act.

Steamboats, etc.

17. The Company may purchase, own, construct, charter, equip, navigate and sell steamboats and other vessels upon all waters of the rivers, lakes and streams along the line of the railway, or any part or parts thereof, or branch thereof, and upon other rivers, lakes and streams tributary thereto, and may purchase, construct, own, lease, use and sell docks, warehouses, elevators and other works for facilitating transportation upon the railway, and upon the said rivers, lakes or streams, or any of them.

Disqualification of Directors by receiving remuneration, etc.

18. The Directors shall exercise all the powers of the Company, save as herein provided, and as provided by the by-laws of the Company: Provided, that no Director shall be disqualified from holding office by reason of or on account of his being concerned, directly or indirectly, or as a partner, in any other company or association, in any contract with the Company, or on account of his acting as Managing Director, or General Manager, or other officer of the Company, and receiving a salary, pay or remuneration for attending to the affairs of the Company.

Moneys, etc., advanced by Provisional Directors.

19. All moneys expended by the Provisional Directors, or any of them, in furtherance of the undertaking authorised by this Act, either before or after the passage 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 such advances shall be provided for accordingly.

“Water Clauses Consolidation Act, 1897.”

20. The Company shall be deemed to be a “power company” within Part IV. of the “Water Clauses Consolidation Act, 1897,” incorporated for the purposes mentioned in sections 79, 80, 82 and 83 in said Act, and shall have all the rights, powers and privileges granted to such “power company” thereunder, and be subject to the restrictions placed on same (where not inconsistent with this Act), but only when and so long as the Company shall exercise such powers, rights and privileges thereunder.

Power to take, hold, etc., land, bonus, etc.

21. The Company is hereby authorised and empowered to receive, take, hold, enjoy, or lease from any Government, person, corporation, municipal or otherwise, grants of land, bonuses, privileges, donations, loans, gifts of money, guarantees of bonds of interest, bonds or securities for money, exemptions from taxes, or other imposts, subscriptions for shares in the Company, or for bonds or debentures of the Company, or for any or all of the same, and generally any benefit or advantage to the Company, or in aid of the same, of any nature or kind whatsoever; and the Company may sell, lease or otherwise dispose of the same, either conditionally or absolutely, or for any limited estate or interest therein, and upon such terms and conditions as the Directors may deem proper, and the generality of the latter part of this section is not to be held to be restricted by the specific mention of the foregoing ways and means.

22. The Company, under the authority of a majority vote of the Borrowing powers. issued capital stock of the Company, at a special general meeting of the shareholders called for the purpose, may from time to time raise and borrow, for the purposes of the Company, such sums of money, not exceeding twenty-five thousand dollars per mile of the North Star and Arrow Lake Railway Company, upon such terms and in such manner as they may consider expedient, and may issue bonds or debentures of the Company in sums of not less than five hundred dollars each, and on such terms and credit and at such prices as they may think proper, and may pledge or mortgage all the tolls, incomes, franchises, uncalled capital, and property, both real and personal (whether then acquired or that may thereafter be acquired), of the Company, or any part thereof, for the repayment of the moneys so raised or borrowed, and the interest thereon; and any such mortgage deed may contain such description of the property, tolls, incomes, franchises, uncalled capital, and property, real and personal (acquired or to be acquired), mortgaged by such deed, and upon such conditions respecting the repayment of the bonds or debentures secured thereby, and of the interest thereon, and the remedies which shall be enjoyed by the holder of such bonds, or by 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 the Directors; 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 said property so mortgaged, and to hold and run the same for the benefit of the bondholders thereof for a time to be limited by such deed; or to lease or to sell the said property so mortgaged after such delay and upon such terms and conditions as may be stated in such deed; and in case of any such lease or sale, the lessee or purchaser shall have the right to exercise all the powers and franchises by this Act conferred upon the Company, and the said property shall continue to be held and operated under the provisions of this Act, and such lessee or purchaser shall have the same rights, powers, privileges and franchises, and shall stand in the same position as regards the said tolls, incomes, franchises, powers, uncalled capital and property, real and personal, as the Company itself under this Act.

23. The Company may issue mortgage bonds to the extent of not Land grant bonds. exceeding five dollars per acre on any land granted in aid of the said railway and of the undertaking authorised by this Act, such issue to be made only on 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 any such mortgage may be

evidenced by a deed or deeds of mortgage to be executed under like authority to the deeds 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, power 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 the 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 grant bonds.

Engraved, etc.,
signatures.

24. If it is provided by the mortgage deed 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, etc.

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

Bonds, etc., need
not be registered.

26. It shall not be necessary in order to preserve the priority, lien, charge, mortgage, or privilege purporting to appertain or 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 duplicate original of every such mortgage deed shall be deposited in the office of the Registrar-General of Titles, and in like manner a duplicate original of 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 so filed, certified to be a true copy by the Registrar-General of Titles, shall be received as *primâ facie* evidence of the original in all Courts of Justice, without proofs of the signatures or seals upon such original.

27. If at any time an agreement be made by the Company with any person intending 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 with prospective bondholders restricting issue of bonds.

28. The Company may from time to time issue guaranteed or preferred stock, at such prices, to such amount, not exceeding thirty thousand dollars per mile, 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 vote of the issued capital stock of the Company, either present in person or represented by proxy, at any annual meeting or any special general meeting thereof called for the purpose, 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.

Guaranteed and preferred stock.

29. The lands acquired by the Company and held for sale for the purpose thereof, may be conveyed to the 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.

Lands held for sale may be conveyed to trustees, etc.

30. All lands 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 land shall be applied in accordance with the trusts in the last preceding section declared.

Lands sold freed from liens, etc.

Stock, etc., how payable or transferable.

31. All bonds, preference stock, debentures and other securities hereby authorised, and 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.

Taking of gravel, stone, etc.

32. It shall be lawful for the Company, with 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, and also where necessary to fill in upon any public lands.

“B. C. Railway Act.”

33. The clauses or sections of the “British Columbia Railway Act” shall, in so far as the Legislature of the Province has power to enact 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 that in case of any conflict, inconsistency or repugnancy between the clauses of this Act and the clauses or sections of the said “Railway Act” so made a part of this Act, the clauses of this Act shall prevail and override any clauses or sections of the “Railway Act” so incorporated herewith to the extent of any such conflict, inconsistency, or repugnancy.

Stock, liability on, etc.

34. The stock of the Company shall be personal property. No shareholders 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.

Steamers, etc.

35. The Company may purchase, build, charter, or otherwise acquire, maintain, sell and dispose of, navigate and work steamers, ferries and other vessels in and upon the waters of British Columbia in connection with the said undertaking, and generally do all acts and things necessary, usual or incidental in and to the exercise 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 clause is not to be deemed to be restricted by the specific mention of any of the rights and privileges by this Act conferred, or to impair or derogate from the same, and shall be deemed and taken to include any right and privilege required by the Company incidental to the exercise of the powers by this Act granted.

Power to enter in to arrangements with other companies to lease, etc., to them rights, etc., hereby granted.

36. The Company may enter into an agreement with any railway, navigation or canal company for conveying or leasing to any such company the railway of the Company hereby incorporated, in whole or in part, or any rights or powers acquired under this Act, as also the

surveys, plans, works, plant, material, or for an amalgamation with any such railway, canal or navigation company, on such terms and conditions as are agreed upon, and subject to such restrictions as to the Directors seem fit; provided that such agreement has been first sanctioned by two-thirds of the votes at a special general meeting of the shareholders duly called for the purpose of considering the same, at which meeting shareholders representing at least two-thirds in value of the issued capital stock are present in person or represented by proxy, and that it has also received the approval of the Lieutenant-Governor in Council.

37. The Company may enter into any agreement with any railway, navigation or canal company for purchasing or leasing or otherwise acquiring the whole or any part of the property, assets, rights, powers, privileges and franchises of any such company. Power to purchase, etc., rights of other companies.

38. Each of the several lines of railway mentioned in the Schedule to this Act shall be completed within three years from the passing of this Act: Provided that should the first section be completed within such time the Company shall have two years longer in which to complete the second section. Completion of lines.

39. No Chinese or Japanese person shall be employed in the construction or operation of the undertaking hereby authorised, under a penalty of five dollars per day for each and every Chinese or Japanese person employed in contravention of this section, to be recovered, on complaint of any person, under the provisions of the "Summary Convictions Act." Chinese and Japanese.

40. The Company shall, within six months after the passage of this Act, deposit with the Provincial Government the sum of five thousand dollars, either in cash or approved bonds, as security that the Company will expend not less than ten thousand dollars in surveys or construction of the railway hereby authorised to be built, before the 30th June, 1899, and in default of such expenditure the aforesaid sum of five thousand dollars shall be forfeited to and become the property of the Government, as liquidated and ascertained damages, and not as a penalty; and should such security not be deposited with the Government within the aforesaid time, all the rights and privileges conferred by this Act shall be null and void. Security.

41. This Act may be cited as the "North Star and Arrow Lake Railway Act, 1898." Short title.

Schedule.

SCHEDULE.

FIRST SECTION.

A railway from Cranbrook, on the British Columbia Southern Railway, or from some convenient point at or near or west of where the British Columbia Southern Railway crosses the Kootenay River; thence up the St. Mary's River to a point at or near the North Star mine; thence along the St. Mary's River by the most feasible route to a point on Kootenay Lake.

SECOND SECTION.

A railway from a point on the line of railway mentioned in the First Section of this Schedule, by the most feasible route to a point on Upper Arrow Lake.

VICTORIA, B. C.:

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