



CHAPTER 81.

An Act to Incorporate the Midway and Vernon Railway Company.

[May 11th, 1901.]

WHEREAS a petition has been presented, praying for the incorporation of a company to construct and operate railways as hereinafter set forth, and it is expedient to grant the prayer of their petition :

Preamble.

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

1. John Harold Senkler, Edgar Bloomfield, and Arthur Perceval Judge, all of the City of Vancouver, together with such persons as become shareholders in the company hereby incorporated, are hereby constituted a body corporate under the name of “The Midway and Vernon Railway Company” (hereinafter called “the Company”).

Incorporation.

2. The head office of the Company shall be in the Town of Greenwood, in the Province of British Columbia, but may be changed to such other place in Canada as is fixed by by-law passed at an annual general meeting, or at any special meeting.

Head office.

3. The Company may lay out, construct and operate a railway, of the gauge of four feet eight and one-half inches, from a point at or near the Town of Midway to a point at or near the mouth of Rock Creek; thence in a north-easterly direction to the west fork of Kettle River; thence following the west fork of said river, by the most convenient route *viâ* Okanagan Mission Valley, to Vernon.

Line of railway.

(a.) The Company may from time to time build branch lines from any point or points on the line of railway to any other point or points not more than twenty miles in a direct line from such railway.

Branch lines.

Capital stock.

4. The capital stock of the Company shall be two million dollars (\$2,000,000.00), divided into twenty thousand (20,000) shares of one hundred dollars (\$100.00) each, and may be called up by the Directors from time to time as they deem necessary.

First general meeting.

5. So soon as one hundred thousand dollars (\$100,000.00) of the capital stock shall have been subscribed and allotted, and ten (10) per cent. of the amount shall have been paid into some chartered bank in Canada, the Provisional Directors shall call a meeting of the shareholders of the Company at the place where the head office is situated at such time as they shall think proper, giving the notice prescribed by section 6 of this Act, at which meeting the shareholders who have paid ten (10) per cent. on the amount of stock subscribed by them shall, from the shareholders possessing the qualifications hereinafter mentioned, elect five Directors (of whom three shall form a quorum for the transaction of business), who shall hold office until others are elected.

Notice of first general meeting.

6. At least thirty (30) days' notice of the first meeting of the shareholders of the Company shall be given by advertisement published in the British Columbia Gazette, and at least thirty days in one newspaper published in the place where the head office is situate, and by twenty days' notice in writing to each shareholder, delivered to him personally, or mailed properly directed to him at his last known place of abode, in which notice shall be specified the place and the day and hour of meeting. All such notices shall be published at least weekly, and a copy of such Gazette and newspaper containing such notice shall, on production thereof, be evidence of the sufficiency of such notice.

Provisional Directors.

7. The persons named in the first section of this Act shall be and are hereby constituted Provisional Directors of the Company (of whom three shall form a quorum for the transaction of business), and they shall hold office until the first election of Directors under this Act.

Annual general meetings.

8. The first annual general meeting of the Company shall be held at such time as the Directors of the Company may determine, and all subsequent annual general meetings shall be held at such time as may be prescribed by the Company in general meeting; and if no other time is prescribed, the annual general meeting shall be held on the third Wednesday of October in each year, at which annual general meeting a Board of five Directors (of whom three shall form a quorum for the transaction of business) for the management of the Company's affairs shall be elected.

Bonding powers.

9. The Company may issue bonds, debentures, or other securities to the extent of thirty-five thousand dollars per mile of the railway

and branches, and such bonds, debentures, or other securities may be issued only in proportion to the length of railway constructed, or under contract to be constructed: Provided, however, that no such bonds, debentures, or other securities shall be issued unless the Directors have been authorised so to do by resolution passed by two-thirds majority at any general or special meeting for that purpose among others called, at which meeting shareholders representing at least two-thirds in value of the subscribed stock of the Company are present or are represented by proxy.

10. The Company shall have power to promote any other company or corporation or a-sociation of persons for any purposes which may seem directly or indirectly calculated to benefit the Company, and for that purpose to obtain any Act of Parliament which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the Company's interests.

Power to promote other companies.

11. The Company may from time to time, for advances of money, pledge any stock, debentures, or bonds which, under the powers of this Act, can be issued for the construction of the railway, or for other purposes of the Company hereby authorised.

Pledge of stock, etc.

12. 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 land of the said railway, its branches or extensions, all stone, timber, or gravel and other material which may be necessary or useful for the construction of the railway, and also to fill in upon any public lands.

Stone, timber, etc., required for construction.

13. The said Company shall have power to collect and receive all charges subject to which goods or commodities may come into their possession, and on payment of such back charges, and without any formal transfer, shall have the same lien for the amount thereof upon such goods and commodities as the person to whom such charges were originally due, and shall be subrogated by such payment in all the rights and remedies of such persons for such charges.

Collection of charges on goods.

14. The clauses or sections of the "British Columbia Railway Act," and all future amendments thereto, shall 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.

"British Columbia Railway Act" to apply.

15. The Company shall have, in addition to the powers conferred by the "British Columbia Railway Act," the following powers, viz:—

Additional powers.

(a.) To construct and operate, along its line of railway, telegraph and telephone lines for purposes other than its undertaking, and the company may acquire, by purchase, lease, or otherwise,

any other line or lines of telegraph or telephone connecting with the lines 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 telegraph or telephone, and collect tolls for so doing: Provided that 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 privilege granted by this Act:

- (b.) To build, acquire, own charter, equip, and maintain steam or other vessels for the purpose of carrying cars, freight and passengers on the inland waters of British Columbia in connection with the business of the Company:
- (c.) To generate electricity and supply light, heat and power, and to erect, construct, build and maintain the necessary buildings and works therefor, and to generate power for the purposes aforesaid or in connection therewith for reward, and for such purposes to have all the rights, powers and privileges of a power company conferred by Part IV. of the "Water Clauses Consolidation Act":
- (d.) The Company shall have and may exercise all such powers, rights and privileges as are mentioned and referred to in the "Companies Clauses Act, 1897":
- (e.) The Company shall have and may exercise all such powers, rights, and privileges as may be taken by a company incorporated in pursuance of the "Companies Act, 1897."

Powers of Provisional Directors.

16. The provisional or elected Directors of the Company may, in their discretion, exclude any one from subscribing for stock in the Company, or rescind the subscription and return the deposit of any person, if they are of the opinion that such person would hinder, delay, or prevent the Company from proceeding with and completing their undertaking under the provisions of this Act; and if, at any time, more than the whole stock shall have been subscribed, the said Board of Directors shall allocate and apportion it amongst the subscribers as they shall deem most advantageous and conducive to the furtherance of the undertaking, and in such allocation the said Directors may, in their discretion, exclude any one or more of the said subscribers, if, in their judgment, this will best secure the building of the said railway.

Stock, etc., to be personal property.

17. The stock, shares, debentures, or bonds of the Company shall be personal property, and may be sold or disposed of, allotted, granted, or issued, in whole or in part, as fully paid up, at a discount, or as part or all of the consideration for any contract or services rendered

by, or on behalf of, or for the benefit of the Company, or upon such other terms or conditions, or with such liability attaching thereto and to the holder thereof, as the Directors may fix; and no shareholder or debenture holder shall be liable to, or be chargeable, or charged with the payment of any debt or demand due by or chargeable against the Company beyond the amount, if any, so fixed by the Directors and inscribed upon the issue of the particular shares or debentures held as unpaid thereon.

18. The Company may enter into any agreement or agreements for conveying or leasing to any other railway, steamship, transportation, telegraph, or telephone company, in whole or in part, the lines of railway or branches, telegraph or telephone lines, which the Company by this Act is empowered to construct and operate, or for an amalgamation with any other such company if lawfully empowered to enter into such agreement, or for forming any traffic or other arrangements with any railway or steamboat or transportation company, the whole upon such terms and conditions as may be agreed upon by the contracting parties; provided that each 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 stock are present in person or represented by proxy, and provided, also, that each such agreement shall be assented to by the Lieutenant-Governor in Council:

Company may enter into agreements with other companies.

- (1.) Such assent shall not be signified until after notice of the proposed application therefor has been published for thirty days in the Provincial Gazette, and also in one newspaper circulating in the district in which the railway of the Company runs:
- (2.) A duplicate of each agreement referred to in this section shall, within thirty days after its execution, be filed in the office of the Provincial Secretary, and notice thereof shall be given by the Company in the Provincial Gazette; and the production of the Provincial Gazette containing such notice shall be *prima facie* evidence of the requirements of this Act having been complied with.

19. All contracts made and all moneys expended or engaged so to be by the Provisional Directors in connection with the Company or its undertakings, either before or after the passing of this Act, shall be treated as for the benefit of the Company, and the Company shall be liable therefor.

Contracts, etc., made by Provisional Directors.

20. The Company shall, within six months after the coming into force of this Act, deposit with the Minister of Finance the sum of five thousand dollars, either in cash or securities approved by said Minister,

Deposit to secure expenditure of \$10,000 on construction before 1st October, 1902.

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 1st day of October, 1902; and in default of such expenditure, the aforesaid deposit of money or securities shall be forfeited to and become the property of the Government, and should such security not be deposited as aforesaid, all the rights and privileges conferred by this Act shall be null and void.

Future legislation to apply.

21. Any Act hereafter passed for the purpose of controlling, regulating, or affecting railway companies incorporated by the Legislature of the Province of British Columbia with regard to any matter or thing shall apply to the Company from the time such Act goes into effect, and this section shall not be construed to imply that such Act would not apply to the Company without the enactment of this section.

Route.

22. The construction of said railway shall be begun at Vernon and shall be carried on from Vernon towards Midway. The main line of said railway, or a branch thereof, shall be built to Kelowna, upon Okanagan Lake.

As to employment of aliens.

23. No aliens shall be employed on the railway during construction, unless it is demonstrated to the satisfaction of the Lieutenant-Governor in Council that the work cannot be proceeded with without the employment of such aliens.

When Act to take effect.

24. This Act shall not come into force or effect until such time as the Company shall give security, to the satisfaction of the Lieutenant-Governor in Council,—

- (1.) That the Lieutenant-Governor in Council shall have the right from time to time to fix maximum rates for freight and passenger traffic, and the Company shall not charge rates higher than those so fixed :
- (2.) That in the event of Dominion legislation bringing this railway company under the exclusive jurisdiction of the Parliament of Canada, the foregoing conditions shall be carried out by the Company so incorporated, as a contract and obligation of said Company prior to any other charge thereon.

Short title.

25. This Act may be cited as the “Midway and Vernon Railway Company Act, 1901.”

VICTORIA, B. C.:

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