



CHAPTER 80.

An Act to Incorporate the Atlin Southern Railway Company.

[27th February, 1899.]

WHEREAS a petition has been presented for an Act to incorporate Preamble.
a Company for the purpose of constructing, equipping, operating
and maintaining a railway as hereinafter set forth:

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. George William Mitchell, of the City of Ottawa, in the Province of Ontario, Gentleman, Erastus Corning Hawkins, of the City of Seattle, in the State of Washington, Civil Engineer, and James Henry Greer, of the City of Victoria, Agent, 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 “Atlin Southern Railway Company,” hereinafter called “the Company.” Incorporation.

2. The capital stock of the Company shall be one million dollars, divided in shares of one hundred dollars each. Capital stock.

3. At least thirty days' public notice of any meeting of shareholders shall be given by advertisement published in the British Columbia Gazette, and in at least one newspaper published in the place where the head office is situate, in which notice shall be specified the place, day and hour of meeting. All such notices shall be published weekly, and a copy of the Gazette, containing such notice shall, on production thereof, be conclusive evidence of the publication of such notice. Notice of shareholders' meetings.

Provisional
Directors.

4. The persons named in section one of this Act are hereby constituted the Provisional Directors of the Company—a majority of whom shall form a quorum—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.

Number of Directors.

5. 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.

Certain things not to
disqualify Directors.

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 contracts with the Company, or on account of his receiving any pay or remuneration from the Company.

Quorum at Directors'
meetings.

7. The majority of the Directors shall form a quorum of the Board.

Executive Committee
of Directors.

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 President shall be, ex-officio, a member of such committee.

Head office.

9. The head office and chief place of business of the Company shall be at the City of Vancouver, and the Company may, from time to time, by by-law, appoint and fix other places 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.

First general annual
meeting.

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 first Tuesday in September, 1899; 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 in the same manner as provided by section 3 of this Act.

Company not dis-
solved by failure to
elect Directors.

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 to the by-laws specially for the purpose.

12. If at any time before the first annual meeting of the shareholders of the Company it should become expedient that a special general meeting of the shareholders of the Company should be held before such annual meeting can be conveniently called, and notice thereof given in the manner required 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, it shall, before the enactment of the by-law authorising the holding of such meeting, be lawful for the President, or any three directors of the Company, to call special meetings of the shareholders, 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 the publication in the British Columbia Gazette and by a circular mailed to the ordinary address of each shareholder, stating in general terms the purpose of the intended meeting; and the proceedings of such meeting shall be held to be valid and sufficient and to be binding on the Company in all respects.

Special meetings of shareholders.

13. 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.

By-laws regulating holding of special meetings of shareholders.

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

Proxies.

15. The Company may lay out, construct, equip, maintain and operate the lines of railway hereinafter described with one or more tracks of standard or any other gauge, together with the branches hereinafter referred to; and for the purposes of construction and powers of borrowing thereon, the undertaking of the Company shall be divided into three sections, that is to say: the first section from a point at or near Log Cabin, on the White Pass in British Columbia, by the most feasible route to a point at or near the Taku Arm of Tagish Lake; the second section from a point at or near the entrance of the Atlintoo River into Tagish Lake, by the most feasible route along or near said Atlintoo River to Atlin Lake; and the third section from Atlin City aforesaid to Telegraph Creek, on the Stickine River, all in British Columbia; and may from time to time build branch lines from any point or points on either of the said lines of railway to any point or points not more than twenty miles in a direct line from either of such lines of railway, and such lines of railway and branches shall constitute a line of railway called the "Atlin Southern Railway."

General powers of Company.

The Company shall construct and equip the first and second sections on or before the 31st day of December, 1903, and the third section on or before the 31st day of December, 1905. Nevertheless, the failure to build either of said sections, or any part thereof, within the time so limited for the completion thereof respectively, shall not prejudice the rights, powers and privileges of the Company in respect of such part or parts, if any, of the section or sections 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 either section as to which the period so limited for the completion thereof shall not have expired. The Company shall have power to construct trails and waggon roads along and in connection with the said lines of railway, either in advance of the construction of said lines or otherwise, and to levy and collect tolls from all parties using and on all freight passing over the said trails and waggon roads. No such tolls shall be levied or collected unless and until the same have been passed by the Lieutenant-Governor in Council, and such tolls may be changed from time to time by the Lieutenant-Governor in Council. Such power to levy and collect tolls may be rescinded at any time by the Lieutenant-Governor in Council.

Steamers, ferries,
vessels.

16. 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 inland waters of British Columbia, in connection with the said undertaking.

Express business.

17. The Company may carry on a general express business for reward, and generally do all things necessary or incidental to the carrying on of such business.

Telegraph and tele-
phone lines.

18. The Company may construct, maintain and work continuous telegraph and telephone lines throughout and along the whole line of the said railway and water route, or any part thereof, and may also 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 water route, 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, 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.

Company may be re-
quired to carry wires
under ground.

19. No Act of this Legislature requiring the Company, in case 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 wires on poles, shall be deemed an infringement of the privileges granted by this Act.

20. The Company may erect, maintain or work docks, dockyards, Docks, etc. wharves, slips, piers, elevators, depôts and buildings necessary or convenient for the purpose 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," and otherwise generally 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.

21. The Company, under the authority of a special general meeting of the shareholders called for the purpose, and with the sanction of the majority in value of the subscribed shares of the Company, may issue mortgage bonds, not exceeding thirty thousand dollars per mile on any section, or on the whole undertaking, 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 such section of the said railway, or the whole thereof, according as such mortgage bonds are issued on any section of such undertaking, or the whole thereof, or all or any 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 next following 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 mortgages 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, 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 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 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 powers, 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.

Mortgage bonds
upon lands.

22. 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 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 forfei-

tures 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."

23. If it is provided by the mortgage executed to secure the issue of bonds that any signature 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. Signatures to bonds.

24. 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 upon 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. Denominations of bonds.

25. 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 duplicate original of every such mortgage deed shall be filed in the office of the Provincial Secretary, of which filing notice shall be given in the British Columbia Gazette, and in like manner a duplicate original of any agreement entered into by the Company under sections 21 and 22 of this Act shall also be filed in the said office, and a copy of any such mortgage, deed or agreement so filed, certified to be a true copy by the Provincial Secretary, or his deputy, shall be received as *prima facie* evidence in all Courts of Justice without proofs of signatures or seal upon such original. Priority of bonds.

Mortgage deed to be filed with Provincial Secretary.

26. If at any time an agreement be made by the Company with any person to become a bondholder of the Company, or be contained Effect of agreement to restrict bond issue.

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 Provincial Secretary 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.

Preferred stock.

27. The Directors may from time to time issue guaranteed or preferred stock, at such price, to such amount, and upon such conditions as to the preference and privileges thereto, or to different issues or classes thereof, and otherwise as to them shall seem best, but the guarantee or preference to such stocks 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.

Working expenses.

28. 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 stocks 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 waggons let to the Company, also all rents, charges, or interest on the purchase money of land belonging to the Company, purchased but not paid for, and also all the expenses of and incidental to the working of the undertaking and traffic thereon, including stores and consumable articles, also rates, taxes, insurance and compensation for accidents or losses, also 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.

Execution of contracts.

29. 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, or 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.

30. 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 when and as they become due; and, fourthly, for the general purposes of the Company.

Trusts that may be created respecting lands.

31. 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.

Sale of said lands.

32. 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.

Bonds, etc., may be made payable to bearer.

33. 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.

Stone, timber, etc., necessary for construction.

34. 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.

B. C. Railway Act to apply.

35. The provisions of the "Companies Clauses Act, 1897," shall apply to the Company and to the undertaking authorised hereby.

Companies Clauses Act, 1897, to apply.

36. The provisions of Parts IV. and V. of the "Water Clauses Consolidation Act, 1897," shall apply to the Company, except such as relate to the incorporation of the Company.

Parts IV. and V. of Water Clauses Act to apply.

Transportation of
Government
employees.

37. The Company shall be bound to carry over its lines of railway, without charge, all persons whose transportation would otherwise be a charge against the Government of the Province, and also all Members of the Legislature.

Employment of Chi-
nese and Japanese
prohibited.

38. No Chinese or Japanese persons shall be employed in the construction of the undertaking or the working of the railway.

Effect of preceding
two sections.

39. The preceding two sections are hereby declared to be conditions upon which this Act is passed, and shall be binding upon bondholders and all other persons in any way interested in the said Company or its property. In case either of said preceding two sections are violated, such violation shall work a forfeiture of all powers and privileges granted by this Act, but no such forfeiture shall operate except upon proceedings instituted in the Supreme Court of British Columbia by the Attorney-General.

Effect of obtaining
declaration that
work for general ad-
vantage of Canada.

40. In case at any time the said railway is declared by the Parliament of Canada to be a work for the general advantage of Canada, then all powers and privileges granted by this Act or by the "British Columbia Railway Act" shall thereupon cease and determine.

Short title.

41. This Act may be cited as the "Atlin Southern Railway Company Act, 1899."

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