



# RULES

OF THE

## Montreal Permanent Building SOCIETY.

Incorporated 1868, pursuant to Act of Parliament.

### DIRECTORS.

HENRY THOMAS, Esq., PRESIDENT.

M. H. GAULT, Esq., VICE-PRESIDENT.

Hon. L. H. HOLTON.

ROBT. ESDAILE, Esq.

G. H. FROTHINGHAM, Esq.

THEOD. HART, Esq.

R. D. COLLIS, Esq.

JOHN KERRY, Esq.

*Solicitors*—Messrs. TORRANCE & MORRIS.

*Notary*—T. DOUCET, Esq.

*Secretary & Treasurer*—Mr. L. B. LAWFORD,

OFFICE: NO. 22 ST. FRANCOIS XAVIER STREET.

*Shares*:—Fifty Dollars.

Montreal:

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1859.



## RULES.

1. This Society shall be called the MONTREAL PERMANENT BUILDING SOCIETY, and the intents and purposes for which it is established are to assist the members thereof in the acquisition of freehold or leasehold property ; in the erection of buildings, and otherwise improving the same ; and in the removal of incumbrances or liabilities upon property already held by them ; and to enable them to receive the amount of their shares in advance, upon furnishing good mortgage security ; and to facilitate the accumulation and the borrowing and redemption of capital, and to provide a means of safe investment for small sums.

2. The Capital Stock of the Society shall consist of the unadvanced shares of the Members thereof, either fully paid up and invested as fixed or permanent capital, or in course of accumulation. Each Member shall pay thereon a monthly subscription of one dollar per share for four years, to commence and be paid on and from the 1st day of any month in or after which he shall be admitted, in respect of each share, and shall also pay, on entering, a deposit of two dollars per share, making the total payments on each unadvanced share fifty dollars. After each share shall have been fully paid up, the amount so paid, with the net accumulated profit thereon, shall be due and payable to the holder thereof, and may then either be withdrawn from the Society or invested therein as fixed or permanent capital.

3. All persons upon taking Stock in the Society shall sign the rules, in a book to be kept for that purpose. The time for which shares may have been originally taken up may, on application of the holders thereof, be changed to any other time, on such terms as the Directors may from time to time determine, and the Directors shall have the power, from time to time, to limit the number of new shares taken, or to charge a premium thereon, such premium to form a part of the general funds of the Society.

4. Monthly subscriptions, and all repayments, fines, and other payments, shall be paid at the Society's office, on the first day of every month, or when the first day falls on a Sunday, or a legal holiday, then on the day following, or to any of the Society's agents, three days previously, until otherwise ordered by the Directors.

5. A shareholder paying in a sum of money for the purpose of meeting any number of monthly instalments as they become due, shall be credited with interest on the balance of such sum standing to his credit for the time being, at such rate as the Directors shall think fit, or (at his option) shall be allowed an equivalent discount.

6. All monies which shall from time to time be subscribed, paid or given to or for the use or benefit of the Society, or which shall in anywise belong to the Society, shall, after providing for the payment of the expences and liabilities of the Society, be applied in paying off such shares as shall have become due and payable to the holders thereof; in the payment of dividends upon such part of the share capital as shall be held as Permanent Stock; in the purchase of such shares as the Members may desire to withdraw; and in loans or advances to the several Members. Should the funds of the Society, available for investment, not be taken up by the Members at the usual rates charged by the Directors, such funds may be otherwise invested for the benefit of the Society, at the discretion of the Directors, of which Members may, nevertheless, avail themselves.

7. Hereafter the financial position of the Society shall be ascertained on the last day of February in each year, and the profits and losses shall then be apportioned equitably amongst the investing Members in proportion to the value of their shares, and the time for which they shall have been Members in respect thereof. But if the Directors shall consider it for the advantage and well-being of the Society, to set apart a portion of such profits for contingencies, they shall have the power to do so, and the same shall form a part of the general funds of the Society. Such proportion of the net profits thus ascertained and apportioned as shall appertain to shares which shall have been fully paid up and invested as fixed or permanent capital or shares in the Society, shall be payable to the holders of such shares, and such proportion of the net profits thus ascertained and apportioned as shall appertain to shares which shall not have been fully paid up, shall be capitalized and placed to the credit of such shares, to be payable together with the principal sum, on their becoming due. And if the Directors shall think fit to declare a dividend at a semi-annual period, they shall have the power to do so, and on shares becoming due during the currency of any year or half-year, the same proportion of profits shall be

payable as would have been paid at the rate of the last yearly or half-yearly dividend, unless in the opinion of the Directors there are circumstances which render advisable an increased or decreased amount.

8. The affairs of the Society shall be under the control and management of a Board of eight Directors (of whom four shall form a quorum for the transaction of business), who shall hold not less than twenty unadvanced shares each ; and who shall choose from among themselves a President and Vice-President. No Director shall hold the office of Treasurer, Surveyor or Solicitor of the Society. The Directors shall be elected for the term of two years, four to retire annually, but shall be eligible for re-election : the four who shall retire at the first annual meeting of the Society, to be decided by lot, as the Directors may determine.

9. In the absence of both the President and Vice-President, the Directors present, at any meeting of the Board, shall have power to appoint a Chairman, *pro tem.*, and with such Chairman shall be competent to transact the business of the Society.

10. The election of Directors, unless the electors shall be unanimous, shall be by ballot ; and at such election any member, either personally present or represented by any other member as his proxy, shall be entitled to votes upon the following scale, viz :—

For 1 Share .....	1	Vote.
2 or 3 Shares.....	2	Votes.
4 or 5 “ .....	3	“
6 or 7 “ .....	4	“
8 or 9 “ .....	5	“
10 or 11 “ .....	6	“
12 or 13 “ .....	7	“
14, 15 or 16“ .....	8	“
17, 18 or 19“ .....	9	“
20, “ .....	10	“

And 1 vote additional for every five shares over twenty.

No member shall act as proxy for more than 12 other members.

11. The Directors elected at the formation of the Society, or hereafter to be elected, shall continue in office till the election of their successors, unless in case of disqualification or resignation.

12. The Directors shall, at a special meeting to be called for that purpose, have power to fill up any vacancy that may arise in their own body in the course of the year, or

in any office of the Society, by a vote of not less than two-thirds of the Directors present; and the Board shall have power to make any By-laws and Regulations for the guidance of the Society, its officers, Agents and Shareholders, provided that such regulations are not inconsistent with the general rules or the Acts under which the Society is incorporated.

13. The Directors may make such arrangements with any of the chartered Banks doing business in the City of Montreal, for the deposit of monies and securities belonging to the Society, and for conducting other financial matters, as they shall, from time to time, deem necessary.

14. The Directors are authorised to loan the money of the Society either on mortgage of real estate, or in any other way they may think best for the interests of the Institution.

15. It shall be lawful for the Directors to borrow, from time to time, for the use of the Society any sum or sums of money not exceeding one-fourth part of the paid up and invested capital, and to allow interest thereon at such rate as they may think fit, and the assets of the Society shall be chargeable with the repayment of such monies and interest.

16. The Directors shall, from time to time, inspect the books and accounts kept by the Secretary; and shall have power to appoint agents to transact any business for the Society, and to pay them out of the funds of the Society such remuneration for their services as they shall think reasonable; and subscriptions or repayments may be paid by members to such agents at the time hereinbefore provided; and such agents shall transmit the same, with an account to the Secretary, before four o'clock on the monthly subscription day, or pay such fine as the Directors shall think proper.

17. If any Director shall die, or resign, or become incapable to act as Director, or become bankrupt, or insolvent, or compound with his creditors, or cease to hold the required number of unadvanced shares, or be removed from his office by a resolution of a special general meeting of the members, or shall for three months successively be absent from the meetings of the Board, without the consent of the Directors, he shall thereupon cease to be a Director of the Society; and the President may convene a special meeting of the Directors, and at such special meeting they shall appoint another member of the Society to be a Director in his place as hereinbefore provided; and no Director

shall take any part in any discussion, or vote on any question in which he shall be personally interested.

18. The Directors shall be paid the sum of \$2 each, for each Board or Committee meeting they may respectively have attended on the business of the Society, and shall be indemnified out of the funds of the Society, or otherwise, from all expenses in reference to the formation, conduct, and management of the Society.

19. A Treasurer shall be appointed, who shall also perform the duties of Secretary, and who shall be empowered to receive and pay all monies for and on behalf of the Society, and his receipt shall in all cases be a sufficient discharge; and he shall deposit with the Bank all such monies as he shall have on hand, when they amount to \$100. He shall attend all meetings of the Directors or members of the Society: enter minutes of all resolutions or proceedings in the minute book, and shall keep the accounts in order,—in proper books to be provided for that purpose,—and prepare the same, or a balance sheet thereof, for the inspection and signature of the Auditors. He shall summon the Directors to all meetings, (by circular,) and issue all circulars and notices to members which may, from time to time, be thought necessary by the Directors: conduct the correspondence of the Society, and perform all other duties that the nature of the office may require, and before entering on his office shall furnish security as by the Statute provided.

20. No monies shall be drawn from the Bank, without the signature of the President or Vice-President, (or in the absence of both, of any two Directors) and of the Treasurer.

21. One or more Surveyors shall be appointed, who shall survey and examine the property offered by any member of the Society, if the Directors shall consider it necessary, and shall, in all cases, render at the Society's office, a report in writing, to the Directors, of the value and state of such property, in such form as the Directors shall prescribe, and who shall be paid such fees as the Directors shall think reasonable.

22. A Solicitor or firm of Solicitors shall be appointed, (who shall, either individually or together, hold not less than twenty unadvanced shares), who shall transact such necessary business of the Society as the Directors may require, and he or they shall receive a fair and reasonable allowance for such services as Attorney or Counsel.



23. The Solicitor shall investigate the title to all properties offered by Members as security to the Society after he shall have been furnished with necessary documents inclusively of a Registrar's certificate, and shall, in all cases, render to the Directors a report in writing, whether such title be deemed by him good and sufficient for the purposes of the Society ; and shall revise all necessary mortgages and hypothèques and other deeds and instruments in favor of the Society. The Solicitor's and Surveyor's fees, and Registry and Notarial and other charges, shall in all cases be paid by the party on whose account they may be incurred.

24. A Notary or firm of Notaries shall be appointed (who shall, either individually or together, hold not less than twenty unadvanced shares), who shall transact such business as the Directors may require, and receive therefor such fees as the Directors shall think reasonable.

25. The Directors shall have power to regulate the terms upon which advances shall be made, and the time and manner of repayment. The repayments on advanced shares shall be for a fixed period, in respect of each share, and shall not be liable to the contingency of losses or profits in the business of the Society, and after a share has been advanced to any Member he shall take no part in the management of the affairs of the Society in respect thereof.

26. The fines for the non-payment of the monthly or other repayments or subscriptions on advanced or unadvanced shares on the day on which the same are made payable by the rules of the Society, or of any other monies whatsoever due and payable by any member, shall be at the rate of  $2\frac{1}{2}$  per cent. per month, on the amount due, and the same shall accrue and be payable immediately after the monthly subscription day, and shall be chargeable to such member until such arrears are paid. When the fines on unadvanced shares shall equal the amount of subscriptions paid thereon, such share or shares, and the interest of any member in respect thereof shall be forfeited to the Society ; provided that after any share shall be in default the Directors shall have power to recover from such shareholder the amount due to the Society by an action of debt in any Court of competent jurisdiction.

27. The Directors may accept property situated anywhere within the limits of that part of the Province formerly Lower Canada, or the unadvanced Shares of any member of the Society, as security for loans.

28. Any member desiring an advance of a Share or Shares, shall give notice, in writing, to the Secretary, of the situation, tenure, description, and full particulars of the property proposed to be mortgaged by such member to the Society, in such form as the Directors shall prescribe ; and shall deposit with the Secretary all necessary title deeds and documents relating thereto, and also such sum as the Secretary may consider requisite to meet any necessary expenses. Should any Shareholder decline to take up the amount awarded him, or fail to complete the necessary securities to the satisfaction of the Directors within one month, such member shall pay a fine of one Dollar per Share, whether any deposit has been made or not ; and the Directors may otherwise dispose of the money granted to such member. If the security offered be approved, the party shall, at his own expense, execute a mortgage or transfer to the satisfaction of the Directors to secure the monies to become due from him to the Society, according to the rules and regulations of the Society, and shall also bear the cost of enregistration.

29. All mortgage deeds and securities to the Society shall be prepared in such form, and contain such clauses, provisoes and agreements as the Solicitors for the Society shall think fit, with the approval of the Directors ; and that in case the Mortgagor shall at any time or times, neglect or refuse to pay his re-payments, fines, fees, or other payments, for the space of six months successively, then the Directors may, either with or without the concurrence of the Mortgagor, appoint a person or persons, with such salary or commission as they may think proper, to collect the rents and profits of the mortgaged premises ; with the same power of enforcing payments as the mortgagor himself may possess. And that in case the Mortgagor shall be himself the actual occupier of such mortgaged premises, then the mortgage deed may contain stipulations that he shall become tenant to the Society, at a fair rent to be named in such deed ; the Directors shall have power, if they see fit, to retain and apply so much of the rents, as will be necessary to pay the sum required to redeem the property, pursuant to the provisions contained in these rules ; together with all other payments, monies, and expenses due to the Society, and to pay the surplus thereof to the Mortgagor.

30. All property, secured to the Society, consisting of buildings, shall be insured by the Mortgagor, if required by

the Directors, in such sum and office as they shall think advisable ; and the policy or policies shall be assigned over to the Society. In case any member, having executed a mortgage to the Society, shall make default in payment of the expenses which may be incurred, in and about insuring, and keeping insured, the mortgaged premises, or of the ground rent or other payments to which the said property may be subject, pursuant to the covenant in the mortgage deed, he shall pay a fine of one dollar ; and if default shall continue beyond one monthly subscription day, he shall pay in addition such fine as he would have incurred for the non-payment of an equal amount of re-payments, at the time appointed for the payment thereof : the Society not to be responsible for any consequences arising from any omission in the payment of the premium, or other payment due on any Policy of Insurance, and should the borrower omit to insure, the Directors shall have the right of effecting and renewing the same, or of reserving the rights and interests of the Society in the land and premises, mortgaged as aforesaid out of the general funds of the Society, and the borrower shall on demand pay and reimburse unto the Society such premiums, with interest thereon at the rate of 6 per cent. per annum, and a fine of 20 per cent. upon the amount so paid.

31. In case of damage by fire, the Directors shall receive, from the Insurance Office, the amount payable in respect of such damage ; and the receipt of the Secretary and Treasurer of the Society, shall be a sufficient discharge, to the Insurance Office, for the money therein expressed to be received ; and the Directors shall have full power to settle and adjust with the Insurance Office any question relating to such insurance, and to accept the amount to be paid by the Insurance Office in respect to the damage done to the premises ; or to make such arrangements with the Insurance Office as to the rebuilding or repairing of the said premises, or relating thereto, as the Directors shall think reasonable.

32. The Directors shall, at their discretion, either lay out the money which shall be received from any Insurance Office as aforesaid, or any part thereof, in repairing the damage done to the premises ; or retain and apply the same, or such part thereof, as they shall think fit, in or towards payment and satisfaction of the amount which shall be due from the Mortgagor to the Society, and pay the surplus, if any, to the Mortgagor, or to such other person as he shall (by writing) direct to receive the same.

33. Every member executing a mortgage to the Society shall, if required at the time of such execution, give to the Secretary a written statement of all such particulars relating to the property comprised in such mortgage, as are usually required by Insurance Companies; and if at any subsequent period any trade shall be commenced, or erection made, or other matter or thing shall take place which would in any way affect the validity of the Policy of Insurance, the like statement shall be given; and the member neglecting to give such statement shall pay a fine, at the discretion of the Directors, of not more than fifty cents, but not less than five cents per week for each share; and the Directors shall, if they think fit to do so, at least once in every year, appoint some competent person to obtain all the information he can with respect to trades, &c., carried on in and about the mortgaged premises, and to report to the Directors accordingly.

34. If any member who shall have executed a mortgage to the Society, shall desire to sell the mortgaged property, subject to the mortgage, he shall be at liberty so to do, with the consent of the Directors, upon first duly transferring the shares secured by such mortgage, to the intended purchaser in manner provided by these rules; and upon such transfer being completed, and all arrears due to the Society, from the Mortgagor, being paid, and the conveyance to the purchaser executed, such purchaser shall thenceforth become liable to pay all re-payments payable in respect of such shares; and the Directors may grant to the original Mortgagor, and at his cost and charges, a release from all future liability in respect thereof.

35. It shall be lawful for any member, having executed a mortgage in favor of the Society, to substitute, at his own expense and subject to the approval and consent of the Directors, any other property, as security to the Society, in lieu of the property originally mortgaged.

36. If any member shall desire to have his property discharged from a mortgage to the Society, before the expiration of the full term for which it has been taken, he shall be allowed to do so on payment of all re-payments, and any fines, fees and other sums due in respect thereof, up to the time of the redemption of such mortgage, and of the present value of the future re-payments, calculated to the end of the term, and discounted at such rate of interest and on such terms as the Directors may determine.

37. On the redemption of any security by a member, of

when all re-payments have been made by him on advances pursuant to these rules, a full discharge of such security shall be executed, and the same shall be delivered to such member, with all other deeds and documents deposited by him in connection with such security ; and such discharge shall be prepared, and the necessary signatures obtained, and any matters relating thereto transacted, by the Solicitor and the Notary to the Society, at the expense of such member.

38. In case of the death or insanity of a member before receiving an advance, and upon the application of the legal representative of such diseased or insane member to withdraw from the Society, such representative shall be entitled to a preference before ordinary members, and to withdraw at any time, and to receive back the amount of subscriptions or shares which such deceased or insane member may have paid to the Society, less all fines and fees due and unpaid by the insane or deceased member at the time of his seizure or death, with the interest thereon, as hereinafter provided.

39. Any member being desirous of withdrawing from the Society the whole or a part of his unadvanced shares, provided such shares shall have been held for one year or more, and shall not have been invested as fixed or permanent capital may, at the discretion of the Directors and on giving one calendar month's notice in writing to the Secretary, be allowed to do so, and may receive back with interest at 6 per cent. the net amount of his monthly subscriptions paid up, deducting any monies that may be due to the Society. But the Directors may allow a higher rate of interest than 6 per cent. to members withdrawing if they think it advisable so to do.

40. Any shareholder may transfer his share or shares by causing an entry of such transfer to be made in the books of the Society, in such manner as the Directors may appoint, and upon payment of the sum of 50 cents for each transfer, and thereupon the transferee (after signing the rules) shall be entitled to all the privileges of the original shareholder.

41. In case of the death or insanity of any member the legatee or legal representative of such member shall, before becoming entitled to the privileges of an original shareholder, procure his place of abode and the particulars of his title to be registered in the books of the Society, and shall at the same time exhibit the will or probate thereof,

or grant of letters of administration or other document, (as the case may be), for the inspection and satisfaction of the Directors.

42. A general annual meeting of the members shall be held at the office or rooms of the Society, or such place as the Directors may appoint, on the first Wednesday in the month of April, in each year, for the purpose of electing four Directors to serve for the ensuing two years, and for all other general purposes relating to the management of the Society; and at each of the said general annual meetings shall be submitted a full and clear statement of the affairs of the Society for the previous twelve months, and each of the said Reports shall be attested by two auditors appointed by the Shareholders for the ensuing year, at the general annual meeting.

43. Extra general meetings of the members of the Society may be called by the Directors, upon the members being notified of such meeting, through the Post-Office, or otherwise, at the discretion of the Directors.

44. Special meetings shall be called by order of the President, or Vice-President, or two Directors, upon a requisition in writing stating the object of the meeting, and signed by 25 members. Upon receipt of such requisition the President, Vice-President, or Directors, shall instruct the Secretary to summon a special meeting by printed circulars, giving at least 30 days notice thereof, and in which the object must be specified, and it shall not be competent to entertain any other business at such special meeting than that for which it has been called.

45. All questions at the annual or other general meetings of the Society, (except the election of Directors, as before mentioned,) shall be decided by a majority of the members holding unadvanced shares, either in person or by proxy, represented at the meeting: the chairman of any meeting, either of the Directors or members, having a casting vote, in addition to his vote as a member.

46. The proceedings of the Society shall be entered in a minute book, in detail, in such manner as the Directors may, from time to time, direct; such entries to be signed by the President, Vice-President, or Chairman, as well as by the Secretary and Treasurer.

47. The Rules of the Society shall be copied into a book provided for that purpose, and shall be subscribed by the Shareholders, and the name and place of abode of each Shareholder shall be entered in a registry book to be kept

for that purpose. Any Member changing his residence shall, within one calendar month thereafter, give notice, in writing, to the Secretary, of such change, and of his new place of abode and address.

48. The Directors shall have power to make such arrangements as they may deem advisable with any Building Society wishing to become incorporated with this Society, and to allow to the members of such Building Society all the privileges of original shareholders in this Society on such terms as the Directors may consider safe and equitable, subject to the confirmation, amendment or disallowance of a special meeting of the shareholders to be called for that purpose.

49. No dissolution of this Society shall take place unless its affairs be deranged, or its principles prove inadequate to promote its objects, or its funds be insufficient to meet the claims, or from any other such cause, rendering the dissolution absolutely necessary, and then only by a vote of at least two-thirds of the members present either in person or by proxy at a special general meeting to be called for that purpose, 30 days notice of such meeting being previously given to all shareholders and advertised in one or more of the daily papers published in Montreal.

50. In the practical application of these rules, or any rules hereafter to be made in virtue thereof, the construction put upon them by the Board of Directors shall be final and conclusive, but any member may appeal from such decision to a general meeting of the Shareholders. Every word in the singular number shall be applicable to the plural, and every word importing the masculine gender shall where necessary be understood to mean a female as well as a male, unless there be something in the subject matter or context repugnant to such construction.

