

*An Act to Incorporate
The Scottish
Saskatchewan Trust
Corporation*

being a Private Act

Chapter 49 of the *Statutes of Saskatchewan, 1910-11*
(effective February 23, 1911).

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

Table of Contents

1	Incorporation	16	Entry in register
2	Provisional directors	17	Exchange debenture stock
3	Capital stock	18	Cancellation of stock
4	Head office	19	Preference stock
5	Commencing business	20	Reserve fund
6	Powers as to loans	21	Issue of paid up shares
7	Agency association	22	To hold real estate
8	Liquidation of other companies	23	Court may direct how money to be invested
9	Power to acquire other companies	24	Render statement
10	Loan money for others	25	Corporation not bound to see to execution of trusts
11	Corporation may act as trustee, executor, etc.	26	Directors may apply to court in cases of doubt
12	Corporation may act as safe deposit	27	Subject to the law
13	Trust moneys to be kept separate	28	<i>The Companies Act</i> to apply
14	May borrow money		
15	Creation of debenture stock		

1910-11
CHAPTER 49

An Act to incorporate the Scottish Saskatchewan Trust Corporation

(Assented to February 23, 1911)

Preamble

WHEREAS a petition has been presented praying for the incorporation of a company for the purpose and with the powers herein set forth and it is expedient to grant the prayer of the said petition:

Therefore His Majesty by and with the advice and consent of the Legislative Assembly of Saskatchewan enacts as follows:

Incorporation

1 John Wallace Nay, financial agent; Francis J. James, financial agent; George Homer Sneath, financial agent; Albert Leslie Gordon, barrister; Melville Bell Weeks, civil engineer; Franklin J. Robinson, deputy minister, and James A. Allan, barrister all of the city of Regina in the Province of Saskatchewan together with such other persons as become shareholders in the corporation are hereby incorporated under the name of "The Scottish Saskatchewan Trust Corporation" hereinafter called "the corporation".

1910-11, c. 49, s. 1.

Provisional directors

2 The persons named in section 1 of this Act shall be the provisional directors of the corporation a majority of whom shall be a quorum for the transaction of business and they may forthwith open stock books, procure subscription of stock for the undertaking, make calls on stock subscribed and receive payments thereon and may generally do what is necessary to organise the corporation.

1910-11, c. 49, s. 2.

Capital stock

3 The capital stock of the corporation shall be \$200,000 divided into two thousand shares of \$100 each:

Provide for increase

Provided however that the directors if authorised thereto by a vote of shareholders at any time after the whole of the capital stock of the corporation has been subscribed and fifty per cent thereof paid up but not sooner may from time to time provide for the increase of the capital stock of the corporation to any amount that they may consider requisite.

Currency of issue

(2) Such capital stock may be issued in either sterling or currency or both as the directors may determine and if any such capital stock is issued in sterling it shall be at the rate of four dollars and eighty-six and two-third cents per pound sterling.

1910-11, c. 49, s. 3.

Head office

4 The head office of the corporation shall be at the city of Regina or such other place in Saskatchewan as the directors may from time to time determine by bylaw.

(2) The corporation may establish other offices and places of business.

1910-11, c. 49, s. 4.

Commencing business

5 The corporation shall not be entitled to commence business until at least fifty per cent of the authorised capital of the corporation has been subscribed and ten per cent of the said subscribed capital has been fully paid up.

Qualification of directors

(2) No person shall be a director unless he holds in his own name and for his own use at least five shares of the capital stock of the corporation and has paid all calls due thereon and all liabilities incurred by him to the corporation.

(3) Every shareholder of the corporation who has paid all calls due on his shares shall be entitled to one vote for each share held by him.

1910-11, c. 49, s. 5.

Powers as to loans

6 The corporation may carry on the business of lending money on the security of or purchasing or investing in:

(a) Mortgages or hypothecs upon freehold or leasehold real estate or other immoveables; and

(b) The debentures, bonds, fully paid up stock and other securities of any Government or of any municipal corporation or school corporation or of any chartered bank or incorporated company if incorporated by Canada or any province of Canada but not including bills of exchange or promissory notes:

Provided that the loan upon the security of or the purchase or investment in the debentures, bonds, stocks or other securities of any company so incorporated shall not exceed one-fifth of the paid up capital of any such company nor one-fifth of the paid up capital of the corporation;

No loans to officers of corporation

Provided further that no loans whatsoever shall be made by the corporation to any of its officers.

Personal security

(2) The corporation may take personal security as collateral security for any advance made or to be made or contracted to be made by or for any debt due to the corporation.

1910-11, c. 49, s. 6.

Agency association

7 The corporation may act as an agency association for the interest and on behalf of others who entrust it with money for that purpose and may either in the name of the corporation or of such others lend and advance money to any person or municipal or other authority or any board or body of trustees or commissioners upon such securities as are mentioned in the next preceding section and may purchase and acquire any securities on which they are authorised to advance money and again resell the same.

Enforcement of agreement

(2) The conditions and terms of such loans and advances and of such purchases and resales may be enforced by the corporation for its benefit and for the benefit of the person or corporation for whom such money has been lent and advanced or such purchase and resale made and the company shall have the same power in respect of such loans, advances, purchases and sales as are conferred upon it in respect of loans, advances purchases and sales made from its own capital.

Guarantee of moneys

(3) The corporation may also guarantee the repayment of the principal or the payment of the interest or both of any moneys entrusted to the corporation for investment.

Employment of capital

(4) The corporation may for every or any of the foregoing purposes lay out and employ the capital and property for the time being of the corporation or any part of the moneys authorised to be raised by the corporation in addition to its capital for the time being or any moneys so entrusted to it as aforesaid; and may do, assent to and exercise all acts whatsoever which in the opinion of the directors of the corporation for the time being are requisite or expedient to be in regard thereto.

Money guaranteed to be deemed borrowed

(5) All moneys of which the repayment of the principal or payment of the interest is guaranteed by the corporation shall for the purposes of this Act be deemed to be money borrowed by the corporation.

1910-11, c. 49, s. 7.

Liquidation of other companies

8 The corporation may liquidate and carry on for the purposes of such liquidation the business of any other company or companies carrying on any business which the corporation is authorised to carry on upon such terms as may be agreed upon.

1910-11, c. 49, s. 8.

Power to acquire other companies

9 The corporation may purchase the entire assets and acquire and undertake the whole or any part of the business, property and liabilities and the name and good will of any other company or companies carrying on any business which the corporation is authorised to carry on or possessed of property suitable for the purposes of the corporation and pay therefor in cash or in stock either fully paid up or partly paid up or partly in cash and partly in stock either fully paid up or partly paid up or in any other manner; and any of the companies whose assets the corporation desires to purchase are hereby authorised to sell and transfer their respective assets, business, property, name and good will; and the corporation and any of such companies may enter into all agreements of purchase and sale and do all other acts necessary or convenient for the purpose of such purchase and sale.

(2) Subject to the provisions of *The Land Titles Act* and amendments thereto as to registration and priority the execution of any agreement made in pursuance of the powers hereby granted shall *ipso facto* vest in the corporation the interest and title in and to the property the subject matter of the agreement and all and singular the business, property, (real and personal) and all rights and incidents appurtenant thereto also all stock, mortgages or other securities, subscriptions and other debts due on whatever account and all other things belonging to such other company as may be party to the agreement shall be taken and deemed to be transferred to and vested in the corporation without further act or deed.

1910-11, c. 49, s. 9.

Loan money for others

10 It shall be lawful for the corporation in exercising the powers conferred by this Act as agent on behalf of others to lend money on any security, real or personal or both; and to purchase mortgages, bonds, debentures of municipal or other corporations, the stock of incorporated banks and other securities or evidences of debt and the same to resell as it may seem advisable; and for that purpose to execute such assignments or other instruments as may be necessary for carrying the same into effect.

1910-11, c. 49, s. 10.

Corporation may act as trustee, executor, etc.

11 The corporation may also take, receive and hold all estates and property (real and personal) which may be granted, committed, transferred, delivered or conveyed to it with its consent upon any trust or trusts whatsoever (not contrary to law) at any time or times by any person or persons, body or bodies corporate or by any court of the province, and may administer, fulfil and discharge the duties of such trust for such remuneration as may be agreed or as may be directed by the court and may also accept and execute the offices of executor and administrator, *administrator de bonis non*, trustee, receiver, curator, assignee, liquidator, sequestrator, receiver or guardian or may perform any of the duties appertaining to any such office in respect of any estate, matter or proceeding under the authority of any court or judge; and in all cases where applications shall be made to any court in the province having jurisdiction for that purpose or for the appointment of any executor, trustee, receiver, guardian, *administrator de bonis non* it shall be lawful for any such court to appoint the corporation subject as hereinafter provided with its consent to hold such office or offices and the accounts of the said corporation as such executor, administrator, *administrator de bonis non*, trustee, receiver or assignee shall be regularly settled and adjusted by the proper officers or tribunals; and all proper, legal, usual and customary charges, costs and expenses shall be allowed to the corporation for the care and management of the estate committed to it.

(2) The corporation shall have power to invest all moneys which it may receive or have for investment as executor, administrator or trustee upon such securities and in the manner provided by *The Trustee Act*.

1910-11, c. 49, s. 11.

Corporation may act as safe deposit

12 The corporation is also authorised to act as a safe deposit company and to receive and store for safe keeping all kinds of securities and personal property and to rent spaces and compartments for the storage of securities or personal property and to enter into all legal contracts for regulating the terms and conditions upon which the said business is to be carried on; and for such purpose to acquire by purchase, lease or otherwise such real and personal estate and property as may by the said corporation be considered necessary.

1910-11, c. 49, s. 12.

Trust moneys to be kept separate

13 The moneys and securities of each trust shall always be kept distinct from those of the corporation and in separate accounts and so marked in the books of the corporation for each particular trust as always to be distinguished from any other in the register and any other books of the corporation and shall be so invested that at no time shall trust moneys form part of or be mixed with the general assets of the corporation and the corporation shall in respect to all trust moneys and securities and the overseeing and management of the same keep distinct records and accounts of all operations connected therewith:

Provided always that in the management of money and property held by the corporation as trustees under the powers conferred by this Act the corporation may unless the authority creating such trust otherwise directs invest the same in a general trust fund of the corporation.

1910-11, c. 49, s. 13.

May borrow money

14 The corporation may borrow money and receive money on deposit upon such terms as to interest, security, time of payment or otherwise as may be agreed on and may issue its bonds, debentures and other securities for money borrowed.

1910-11, c. 49, s. 14.

Creation of debenture stock

15 The directors of the corporation may with the consent of the shareholders at a special general meeting duly called for the purpose create and issue debenture stock in sterling or currency in such amounts and manner, on such terms as to redemption or payment thereof and otherwise and bearing such rate of interest as the directors from time to time think proper; but such debenture stock shall be treated and considered as part of the ordinary debenture debt of the corporation and such debenture stock shall rank equally with the ordinary debenture and deposit debt of the corporation and no greater rights or privileges shall be conferred upon the holders of debenture stock in respect thereof than are held or enjoyed by depositors or holders of ordinary debentures of the corporation.

1910-11, c. 49, s. 15.

Entry in register

16 The debenture stock aforesaid shall be entered by the corporation in a register to be kept for that purpose in the head office of the corporation wherein shall be set forth the names and addresses of those from time to time entitled thereto with the respective amounts of the said stock to which they are respectively entitled, and the register shall be accessible for inspection and perusal at all reasonable times to every debenture holder, mortgagee, bondholder, debenture stockholder and shareholder of the corporation without the payment of any fee or charge; such stock shall be transferable in such amounts and in such manner as the directors may determine.

1910-11, c. 49, s. 16.

Exchange debenture stock

17 The holders of the ordinary debentures of the corporation may with the consent of the directors at any time exchange such debentures for debenture stock.

1910-11, c. 49, s. 17.

Cancellation of stock

18 The directors having issued debenture stock may from time to time as they think fit and for the interest of the corporation buy up and cancel the debenture stock or any portion thereof; and the directors may at any time with the consent of those holding not less than one-half in value of the debenture stock of any company whose assets and business may at any time be acquired by the corporation cancel the debenture stock of such company and give in lieu thereof to the respective holders thereof debenture stock of the corporation.

1910-11, c. 49, s. 18.

Preference stock

19 The directors of the corporation may make a bylaw for creating and issuing any part of the capital stock as preference stock giving the same such preference and priority as respects dividends and otherwise over ordinary stock as may be declared by the bylaw.

 Holders may select directors

(2) The bylaw may provide that the holders of shares of such preference stock shall have the right to select a certain stated proportion of the board of directors or may give the said holders such control over the affairs of the corporation as may be considered expedient.

Bylaws to be sanctioned

(3) No such bylaw shall have any force or effect until it has been sanctioned either by the shareholders in writing or by a vote of the shareholders present or represented by proxy at a general meeting of the company duly called for considering it; such shareholders holding stock upon which there has been paid not less than one-half of the amount paid up upon the capital stock of the corporation.

Preference stockholders to have rights of shareholders

(4) Holders of shares of such preference stock shall be shareholders within the meaning of this Act and shall in all respects possess the rights and be subject to the liabilities of shareholders within the meaning of this Act:

Provided however that in respect of dividends and otherwise they shall as against the ordinary shareholders be entitled to the preferences and rights given by such bylaw.

Rights of creditors

(5) Nothing in this section contained or done in pursuance thereof shall affect or impair the rights of creditors of the corporation.

1910-11, c. 49, s. 19.

Reserve fund

20 The directors may set aside out of the profits of the corporation such sum as they think proper as a reserve fund to meet contingencies or for equalising dividends or for repairing, improving and maintaining any part of the property of the corporation and for such other purposes as the directors shall in their discretion think conducive to the interests of the corporation and may invest the several sums so set aside upon such investments (other than shares of the corporation) as they may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the corporation and may divide the reserve fund into such special funds as they think fit with full power to employ the assets constituting the reserve fund in the business of the corporation and that without being bound to keep the same separate from the other assets:

Proviso

Provided always that the investment of the reserve fund shall be subject to the limitations contained in section 6 of this Act.

1910-11, c. 49, s. 20.

Issue of paid up shares

21 The corporation may by resolution authorise the issue of paid up shares in payment of any of its obligations provided that the amount of the paid up stock as issued shall not exceed the amount of its authorised capital.

1910-11, c. 49, s. 21.

To hold real estate

22 The corporation shall have the power to hold real estate not exceeding \$50,000 in value for the purposes of its business and further subject to the laws in force in the province any real estate of whatever value which being mortgaged to it may be acquired by it for the protection of its investments; and may from time to time sell, mortgage, lease or otherwise dispose of the same.

1910-11, c. 49, s. 22.

Court may direct how money to be invested

23 Any court of competent jurisdiction or any judge thereof may by order made with the consent of the corporation direct that any money held by such court or under its control be deposited with the said corporation upon such terms as to the payment of interest thereon and otherwise as may be provided in and by such order and in such event the corporation may invest the same in the manner authorised by this Act.

1910-11, c. 49, s. 23.

Render statement

24 The corporation shall be subject at all times to the further orders, judgments and decrees of any court of record or judge from which it shall have accepted any trusts, appointment or commission as to such trust; and shall render to such court itemised and verified accounts, statements and report as may be required by law or as such court or judge shall order in relation to such particular trust.

1910-11, c. 49, s. 24.

Corporation not bound to see to execution of trusts

25 The corporation shall not be bound to see to the execution of any trust, whether express, implied or constructive to which any share of its stock or debentures or debenture stock or any deposit or any moneys payable by or in the hands of the corporation may be subject, and the receipt of the party in whose name such share, debentures, debenture stock, deposit or moneys stand in the books of the corporation shall from time to time be sufficient discharge to the corporation for any payment made in respect of such share, debentures, debenture stock, deposit or moneys notwithstanding any trust to which it may then be subject and whether or not the corporation has had notice of such trust and the corporation shall not be bound to see to the application of the money paid upon such receipt.

1910-11, c. 49, s. 25.

Directors may apply to court in cases of doubt

26 Whenever the directors shall entertain reasonable doubt as to the legality of any claim to or upon such shares, bonds, debentures, obligations, dividends or coupons or the proceeds thereof, then and in such case it shall be lawful for the directors to file in the supreme court of Saskatchewan a petition stating such doubts and praying for an order or judgment adjudicating and awarding the said shares, bonds, debentures, obligations, dividends, coupons or proceeds to the parties legally entitled thereto; and such court shall have authority to restrain any action, suit or proceedings against the corporation, the directors and officers thereof for the same subject matter pending the determination of the petition; and the corporation and the directors and officers thereof shall be fully protected and indemnified by obedience to such order or judgement against all actions, suits, claims and demands in respect of the matters which shall have been in question in such petition and the proceedings thereupon:

Provided always that if the court adjudges that such doubts were reasonable the costs, charges and expenses of the corporation in and about such petition and proceedings shall form a lien upon such shares, bonds, debentures, obligations, dividends, coupons or proceeds and shall be paid to the corporation before the directors shall be obliged to transfer or assent to the transfer of or to pay such shares, bonds, debentures, obligations, dividends, coupons or proceeds to the parties found entitled thereto.

1910-11, c. 49, s. 26.

Subject to the law

27 The powers granted under this Act shall be subject to the provisions of any Act respecting loan companies which may at any time hereafter be in force in the province.

1910-11, c. 49, s. 27.

The Companies Act to apply

28 Subject to the provisions of this Act the provisions of *The Companies Act* shall apply to the corporation in so far as the same may be applicable thereto.

1910-11, c. 49, s. 28.