



CHAPTER 46

An Act respecting loans redeemable by anticipation

[Assented to, the 14th of June, 1940]

HIS MAJESTY, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

1. The Revised Statutes, 1925, are amended by ^{R. S.} inserting therein, after Chapter 111C thereof, as enacted ^{c. 111D,} by the act 24 George V, chapter 36, the following ^{added.} chapter:

"CHAPTER 111D

"AN ACT RESPECTING LOANS CONTRACTED WITH A CLAUSE FOR REDEMPTION BY ANTICIPATION

"1. This act may be cited as the *Loan Redemption* ^{Short title.} Act.

"2. In this act, the words "municipal corporation" ^{"Municipal corporation";} include any body entrusted with the administration of a territory for municipal purposes in the Province, and the words "school corporation" ^{"School corporation";} include any corporation of school commissioners or school trustees, and, generally, any body entrusted with the administration of schools in any part of the Province.

"3. It is, and always has been, lawful for any ^{Redemption by anticipation.} municipal or school corporation to stipulate, in a procedure it is authorized to adopt for the effecting of a loan, that the bonds or debentures issued shall be redeemable, before their respective dates of maturity,

at the times and upon the conditions determined in such procedure and at a price not lower than their face value. The right of redemption must be mentioned on the bonds or debentures, otherwise it cannot be exercised against the will of the holders.

Date of redemption.

Notice.

Mailing.

Interest.

Effecting loan for redemption, by by-law.

Idem, by resolution.

Amounts whereof.

Coming into force.

“4. The bonds or debentures thus redeemable may, at the will of the corporation, be redeemed by anticipation at any interest maturity date by complying with the conditions determined at the time of their issue and, in all cases, by giving notice once in the *Quebec Official Gazette* not less than thirty days, nor more than sixty days before the date of redemption, and by posting up or publishing such notice in the manner prescribed for the public notices of such corporation.

The same notice must, within the same delay, be sent by registered mail to the last known address of every registered holder of a bond or debenture ordered to be redeemed.

“5. Any bond or debenture, the redemption whereof is ordered in conformity with the hereinabove mentioned provisions, shall cease to bear interest from the date of redemption determined in the notices if, at such date, the required sum was available at the place of payment.

“6. A municipal corporation may, by a by-law approved by the Quebec Municipal Commission and by the Minister of Municipal Affairs, Trade and Commerce, effect any loan required for such redemption, without the necessity, in any case, of it being voted upon by the elector-proprietors.

In the case of a school corporation, such loan may be effected by resolution approved by the Quebec Municipal Commission, as well as by the Minister of Municipal Affairs, Trade and Commerce and the Provincial Secretary, on the recommendation of the Superintendent of Education, without being bound to give the notices prescribed by sections 243 and 307 of the Education Act.

The amount of such loans shall not exceed the face value of the bonds or debentures to be redeemed.”

2. This act shall come into force on the day of its sanction.