CHAPTER 36

An Act respecting agreements between municipal or school corporations and their creditors

[Assented to, the 20th of April, 1934]

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 inserting therein, after Chapter 111B thereof, as enacted by the act 23 George V, chapter 51, the following chapter: R. S., c. 111C, added.

"CHAPTER 111C

"AN ACT RESPECTING AGREEMENTS BETWEEN MUNICIPAL OR SCHOOL CORPORATIONS AND THEIR CREDITORS

"**1.** This act may be cited as the *Municipal or School Corporation Creditor Agreement Act.* Short title.

"**2.** In this act the words "school corporation" mean any corporation of school commissioners or school trustees, and, generally, any commission and any board incorporated for the purpose of administering schools in the Province. "School corporation".

"**3.** Any municipal or school corporation, governed by a general or special act, may make all kinds of agreements with its creditors generally, or with its creditors to whom it is indebted under one or more loan by-laws or as a result of its floating debt, provided that the said agreements have been ratified by two-thirds in value of such creditors and approved by the Quebec Municipal Commission, which had same brought to its notice in the form of a by-law in Making of agreements. Proviso.

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the case of a municipal corporation, and in the form of a resolution in the case of a school corporation.

Whom agreements to affect.   Such agreements shall be binding upon all the creditors generally, or upon any category of creditors, as the case may be.

Additional approval.   Moreover, if such by-law or resolution contemplates an issue of bonds, it must be approved by the Lieutenant-Governor in Council, but without the necessity of being approved by the elector-proprietors."

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