

Such bonds or debentures shall be made payable to bearer at the dates fixed by the council, and shall bear interest payable semi-annually at dates to be fixed by by-law of the council, at a rate which shall not exceed six per cent per annum.”

3. Article 4524 of the Revised Statutes, 1888, is amended by replacing the words: “ the legal rate of interest”, at the end thereof, by the words: “six per cent.” Art. 4524 of R.S. 1888, am.

4. Article 4526 of the Revised Statutes, 1888, is amended by replacing the words: “ the legal rate”, at the end thereof, by the words: “six per cent”. Art. 4526, of R.S. 1888 am.

C H A P. 50

An Act to amend the Revised Statutes, 1909, respecting the registration and transfer of debentures by municipalities and other corporations.

[Assented to 19th February, 1914]

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

1. Article 5903 of the Revised Statutes, 1909, is replaced by the following: R. S. 5903, replaced.

“**5903.** Subject to the provisions of article 5777 regarding a sinking fund, any debenture issued by any municipal or other corporation shall be valid and recoverable to the full amount thereof, notwithstanding its negotiation by such corporation at a rate less than par, and shall not be impeachable for such reason in the hands of a holder for value.” Debenture valid to full amount even if negotiated at less than par.

2. The Revised Statutes, 1909, are amended by inserting therein, after article 5903, three new articles, as follows: R. S. 5903a, 5903b & 5903c, enacted.

“**5903a.** Where, owing to an advance in the rate of interest between the date of a loan by-law passed before the 19th February, 1914, and the date of the sale or other disposal of the debentures issued under such by-law, they or any of them cannot be sold or disposed of except at a discount involving a substantial reduction in the amount provided for by the by-law, the municipal council Rate of interest may be increased where necessary.

may, with the approval of the Lieutenant-Governor in Council, and without submitting the same for the approval of the municipal electors, pass a by-law to amend the first mentioned by-law by providing for an increased rate of interest, and also, if necessary, for a corresponding increase in the special annual tax imposed by such by-law.

Payment of interest for one year makes debentures valid.

“5903b. Where the interest for one year or more on a debenture, or the principal of one of a series of debentures, issued under a by-law passed either before or after the 19th February, 1914, has been paid by the municipal or other corporation which has issued such debentures, the by-law authorizing such issue, and the debentures issued thereunder, shall thereupon become valid and binding upon such corporation.

If by-law is approved by Lt.-Gov. in Council, every municipal debenture is valid.

“5903c. Every municipal debenture issued under a by-law approved of by the Lieutenant-Governor in Council, whether before or after the 19th February, 1914, in cases where such approval is required, is valid, and its validity cannot be contested for any cause whatsoever.”

Coming into force.

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

C H A P. 51

An Act to amend the Revised Statutes, 1909, by inserting therein articles 6119*a*, 6119*b*, 6119*c* and 6119*d*.

[Assented to 19th February, 1914]

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

R. S. 6119*a*—
6119*d*
enacted.

1. The Revised Statutes, 1909, are amended by inserting therein, after article 6119 thereof, a new sub-section and articles as follows:

“§ 4.—Powers of certain companies to issue and re-issue bonds, debentures and other securities

Joint stock company may hypo-

“6119*a*. Notwithstanding any existing law, any joint stock company, incorporated under an act of the Legislature of the Province of Quebec, or by letters-patent, or any company so incorporated outside the province, if empowered