

C A P. I I I.

An act respecting the consolidated railway fund of the province of Quebec.

[Assented to 28th December, 1876.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

Establishment of the fund.

1. There shall be and there is hereby created a railway fund for the province of Quebec, to be known as "The consolidated railway fund of the province of Quebec."

Composition of the fund.

2. This fund shall be composed of the debentures of this province, or of the proceeds of any debentures of this province, which have been heretofore, or which shall be hereafter issued, negotiated and sold under any act of the Legislature of this province, passed or to be passed, and of any unexpended balances of any sum of money now in the hands of the treasurer of this province, or which may hereafter come into his hands to aid in the construction of any railway now entitled to a subsidy or which may hereafter become entitled to one, or to construct the Quebec, Montreal, Ottawa and Occidental Railway.

All the municipal debentures, or municipal subscriptions mentioned in schedule A. of Chapter 2, of 39 Vict., of the acts of this province, shall also fall into and form part of this fund.

Employment of the moneys constituting the fund.

3. It shall be lawful for the Lieutenant-Governor in council to pay, out of the said fund, unto any railway company entitled to any subsidy by virtue of any act of this province, or unto the commissioners of the Quebec, Montreal, Ottawa and Occidental Railway, such subsidy, at such time, and in such amounts, as by law they are entitled to have and demand the same.

Advance of \$3,000,000 to the commissioners of the Q. M. O. Railway.

4. It shall be lawful for the Lieutenant-Governor in council, if he shall deem it expedient so to do, to advance out of the said fund unto the commissioners of the Quebec, Montreal, Ottawa and Occidental Railway, such sum or sums of money, not exceeding in the aggregate the sum of \$3,000,000 as he shall deem meet.

Delivery of bonds to the treasurer.

But in such case, and at the time of such advance being made, the said commissioners shall deliver unto the treasurer of this province, of the bonds, which, by section twenty-five of the said act, they are authorized to issue, a sum equivalent in amount to such advance. And the said bonds shall forthwith enter into and form part of the said fund; and the interest accruing on the said bonds shall be deducted from the net earnings of the said road, and be paid into the credit of the

Interest accruing on such bonds.

said fund to form part thereof, so long as the said bonds remain in the hands of the treasurer of this province.

5. The Lieutenant-Governor in council may, at any time when he deems it expedient so to do, pledge by way of collateral security the said bonds for any advance of moneys made or required for the purposes of this act, or order the issue, negotiation and sale by the treasurer of this province, of the aforesaid bonds or any part thereof, subject to such terms and conditions as the Lieutenant-Governor in council may devise or prescribe.

The bonds may be pledged or negotiated, by the Lt.-Governor.

6. It shall be lawful for the Lieutenant-Governor in council, by endorsement upon the said bonds or otherwise, as he may determine, to guarantee the due, faithful and punctual payment of the interest to accrue on the said bonds, or the due, faithful and punctual payment of the interest and principal of the said bonds.

Security given by the Gov. for the payment of interest and principal.

7. To avoid doubts, it is hereby declared that in the events of the said province advancing the whole or any part of the amount of the said bonds, the province shall be substituted to and subrogated in all the rights and powers, privileges and advantages granted or intended to be granted, vested, or authorized to be vested, in the holders of the said bonds or debentures, or any trustee or trustees for them; and in case of the said bonds falling into the hands of the said treasurer, as hereinbefore set forth; all the powers, privileges and authority vested in the said commissioners respecting the said bonds, or which they are authorized or empowered to confer upon others, by virtue of sections 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, of 39 Vict., cap. 2, or by any other section of the said act, shall be vested in, and exercised by, the treasurer of this province, or conferred by him upon others, as fully and effectually as the said commissioners might or could have done; and the same rank and priority in the revenues of the said road shall be preserved to and enure to the province, as if the said bonds had been sold to the said province by the commissioners.

Subrogation of the province in the rights vested in the holders.

Rights of the commissioners vested in the treasurer.

Rank allowed to the province.

8. Nothing in this act shall have the effect of amending or revoking the statutes in force by which any aid or subsidy has been granted to any railway company whatsoever.

Proviso.

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

Act into force.