

Debentures.

deemed expedient; and they may have *coupons* annexed to them, for the half-yearly interest payable on them, which coupons, being signed by the Mayor or the Treasurer of the said Corporation, shall be respectively payable to the bearer thereof, when the half-yearly interest therein mentioned becomes due, and shall, on payment thereof, be delivered up to the said Corporation; and the possession of any such coupon by the Corporation, shall be *prima facie* evidence that the half-year's interest therein mentioned has been paid, according to the tenor of such debenture; and all such debentures, and as well the interest as the principal thereof, are and shall be secured on the general funds of the said Corporation, as well as by a special privilege on the Water Works of the said City, on the property to be acquired, and on the works to be made under the authority of this Act; the same being hereby specially mortgaged for the payment of the Debentures, both in capital and interest; provided, however, the aforesaid privilege and mortgage shall in no manner or way interfere with or injure the rights of holders of debentures or coupons issued in virtue of the above cited Acts, or of any Act amending the same.

Mortgage for securing payment of principal and interest.

How and where debentures may be made payable.

IV. The amount which the said Corporation is empowered to borrow by the preceding section, may be borrowed either in this Province or elsewhere, and the principal sum, and interest thereon as aforesaid, may be made payable either in this Province or elsewhere, and either in sterling money aforesaid, or the currency of this Province, or in that of the place where the same shall be payable, and generally all the provisions of the Acts now in force as to debentures issued by the said Corporation, shall apply to those to be issued under this Act, except only in so far as they may be inconsistent with this Act.

Yearly appropriations to be made by the City Council.

V. From and after the civic year which shall commence for the said City on the first day of February, one thousand eight hundred and sixty-two, it shall be the duty of the Council of the said City to make every year, on or before the first day of May, an appropriation of the amounts necessary to meet the expenses of the current year, by providing—

1. For the payment of the interest, and sums required for the sinking fund on the debt due by the said City;
2. For the general and ordinary expenses of the City;
3. For the sums required for contemplated improvements;
4. For a reserve of not less than five per centum to meet unforeseen expenditure;

Appropriations limited.

Such appropriation shall never exceed the amount of the receipts from the preceeding year, added to the balance of the said receipts which shall not have been expended.

Council to limit the City expenditure to the said appropriations, &c.

VI. It shall not be lawful for the said Council to expend beyond the amount so appropriated, and the amount of the other sums at their disposal out of the receipts of the current year, except in the cases and under the conditions hereinafter set forth; but the Council may at any time vary the application of the sums set apart for improvements, and make use of the amount reserved for unforeseen expenditure.