

right, and they are hereby required to insure, at such Insurance Office or Offices as they and the said Corporation may agree upon, or if they cannot agree, then in such Office as the Governor shall direct, and for an amount sufficient to cover 5 such loan or loans, or the amount thereof actually owing at the time such Insurance shall be effected, and no more, the houses or other buildings which may be erected and built as aforesaid, and to continue such Insurance from year to year until the repayment of the amount lent under this Act, 10 shall have been made, and to charge the proprietor or proprietors of such houses, or other buildings, with the premium of Insurance paid for such Insurance, as aforesaid, which said premium of Insurance the person or persons for whom such Insurance shall have been effected, shall be bound to repay 15 forthwith, and upon the first demand; and the amount of such Insurance in the event of the property so insured being destroyed or injured by fire, shall be appropriated to the payment, first, of the arrears of interest due upon the amount lent, and secondly, towards the payment of the principal so 20 lent.

V. And be it enacted, That to the extent of the sum of one hundred thousand pounds as aforesaid, the guarantee of this Province shall be given in the manner hereinafter provided, for the due performance by the said Corporation of the City of 25 Montreal, of the obligations it shall take upon itself by such suretyship as aforesaid, that is to say: in the event of the said party or parties lending the said money, being unable to enforce payment thereof or of the interest thereon from the parties borrowing the same, after due diligence and discussion of the 30 personal and real estate of the said last mentioned parties; and in the event also of the said Corporation not then paying the same on demand as aforesaid, it shall be lawful for any person or persons, company or firm of persons, body politic or corporate, having made such loan or loans as aforesaid, 35 to apply to the Governor of this Province for payment of any sum or sums so due as aforesaid, either for principal or interest, and upon such application for payment it shall be lawful for the Governor to issue his Warrant for the amount so due, to the Receiver General of the Province, requiring 40 him to pay the amount mentioned in the said Warrant, and to charge the same upon the unappropriated funds of the Province then in his hands.

Province to guarantee the performance of the obligation which the Corporation shall take upon itself.

VI. And be it enacted, That upon such sum or sums of money being paid upon such Warrant as aforesaid, the 45 Crown shall immediately be substituted and subrogated to all the rights and actions which the parties to whom such sum or sums of money shall have been paid, might or could have exercised against the person or persons to whom the loan or loans shall have been made, or against the said Cor- 50 poration of the City of Montreal, for the recovery of the sum or

Payment of any sum by the Province to operate subrogation, &c.