

## An Act to encourage Shipbuilding within this Province.

**W**HEREAS doubts have arisen as to the security of parties advancing money on Ships in the progress of construction within this Province; And whereas the removal of the same would encourage the trade: Therefore Her Majesty, &c., enacts as follows.

Preamble.

5 I. So soon as the keel of a vessel shall be laid within this Province, the  
owner thereof may mortgage, hypothecate and grant a privilege on the  
said vessel to any person or persons contracting to advance money or  
goods for the completion thereof, and such mortgage, hypothecation and  
10 privilege shall apply and attach not only on and to that portion constructed  
at the time of the granting of the same, but also to and on the said vessel  
during her construction and afterwards until the same shall be removed  
by payment or by the contracting parties; Provided always, that it shall  
not be lawful for such owner to grant more than one such mortgage,  
15 hypothecation and privilege, and all subsequent grants without the express  
consent of the first advancer or advancers shall be void.

Vessel may be  
hypothecated  
as soon as the  
keel is laid.

Proviso

II. It shall also be lawful for said contracting parties to agree that such  
vessel whose keel shall be so laid as aforesaid, shall be the property of said  
party or parties advancing thereon as aforesaid, so that such advancer  
may obtain the register of said vessel and sell the same and grant a good  
20 and clear title therefor, and such agreement shall *ipso facto*, transfer and  
vest, for the purposes aforesaid and for the security of said advances, not  
only the property of such portion of the vessel as shall be then constructed,  
but of the said vessel up to and after completion, and the said advancer  
shall give and grant the builder's certificate for the said vessel; Provided  
25 always, that nothing herein contained shall take away the right of the  
owner to his action of account, or such other remedy as the law affords  
him against the advancer,

Or the pro-  
perty of the  
vessel may be  
assigned.

Proviso.

III. It shall be lawful for the first advancer in like manner to mortgage,  
hypothecate and grant a privilege, and to grant delivery as aforesaid, to  
30 any subsequent advancer, and so by one advancer to another; Provided  
always, that in such case the formalities required by this Act shall be fol-  
lowed and not otherwise; And provided also, that the owner shall have  
his legal recourse against the first and subsequent advancer or advancers  
for an account jointly and severally.

First advancer  
may grant  
hypothec, &c  
Proviso

Proviso.

IV. It shall be the duty of the proper officer to grant the register of said  
vessel to the party producing an authentic copy of such contract, or the  
original when not passed before a Notary, with the certificate of registra-  
tion endorsed thereon of the Registrar of the County or place where such  
ship shall have been built; and in the event of more than one advancer,  
40 then to the advancer last in date duly registered as aforesaid; and such  
first or subsequent advancer, as the case may be, is hereby authorised and

Register to be  
granted to  
party produ-  
cing the con-  
tract, &c.