

granted and effected, and as such party as aforesaid to become surety, (*caution*) for any such Loan or Loans, made by any person or persons, Company or Firm of Persons, Body Politic or Corporate, to any person or persons, under the authority of this Act; and for the purposes of such suretyship to bind 5 and oblige itself as surety (*caution*) only, for the repayment of the same, and the due payment of the interest thereon in whole or in part, (as the case may be) in the event of the lenders being unable to enforce payment thereof, from the parties borrowing the same, after due diligence and the discussion of the personal 10 and real estate of the said parties for that purpose.

Extent of suretyship limited to £100,000; and to £500 in each case.

II. Provided always, that the Loans for which the said Corporation shall become surety under the authority of this Act shall not exceed at any time the sum of One Hundred Thousand Pounds, current money of Canada; and provided also, 15 that no loan for which the said Corporation shall be surety under the provisions of this Act, shall in any case exceed the sum of Five Hundred Pounds current money aforesaid, for each lot of ground to be built upon, each lot of ground within the meaning of this Act not to contain less than one 20 thousand feet in superficies; and that any sum or sums of money to be lent under the provisions of this Act, and for the repayment of which the said Corporation shall be surety shall be so lent at a rate of interest not exceeding six per centum per annum, and for a period not exceeding twenty years. 25

Rate of interest.

Privileges for securing sums so lent.

III. And be it enacted, That any person or persons, company, or firm of persons, body politic or corporate so making any loan or advance under any instrument to which the Corporation shall be a party as aforesaid, shall have a privilege for such loan, in principal, interest and costs, upon the 30 houses or other buildings erected and built upon the lot of ground described in such instrument, which privilege shall be superior to, and have preference over any other claim, debt, mortgage or privilege whatsoever, on such houses or buildings, and that to secure such privilege it shall not be necessary 35 to observe any of the formalities now required by law, or any other formality whatsoever; Provided always, that such privilege shall, as regards the ground itself upon which such houses or buildings may be erected, rank next after the privileges, debts, mortgages or claims already 40 existing or which may exist upon such ground, (*fonds*) at the time of making such loan; but nothing herein contained shall prevent the parties making such loan or loans from taking a hypothec as provided by law, upon the said ground (*fonds*) which hypothec if duly registered, shall rank as 45 aforesaid.

Property to be insured.

IV. And be it enacted, That the person or persons, company or firm of persons, bodies politic or corporate, making such loan or loans as aforesaid, shall have the