

An Act respecting the Huron and Erie Loan and Savings Company.

WHEREAS the Huron and Erie Loan and Savings Company has, by its petition, prayed that it be enacted as herein-after set forth, and it is expedient to grant the prayer of the said petition : Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows :—

Preamble.

1. Section 2 of chapter 49 of the statutes of 1896 (First Session) is hereby repealed, and the following is substituted therefor :—

1896 (1st Sess.)
c. 49, s. 2
amended.

2. The aggregate amount of the said company's liabilities to the public outstanding from time to time shall not exceed four times the amount paid upon its capital stock, but the amount of cash on hand or deposited in chartered banks, and belonging to the said company, shall be deducted from such total liabilities for the purposes of this section ; provided always that the amount held on deposit shall not at any time exceed the aggregate amount of the said company's then actually paid up and unimpaired capital, and of its cash actually on hand or deposited in any chartered bank in Canada and belonging to the said company ; provided nevertheless that the extent to which the increased borrowing power hereby conferred is exercised by the said company in any year shall bear no greater proportion to the whole additional borrowing power conferred by this Act upon the said company, than the amount of the debentures of the said company paid off or renewed during such year shall bear to the whole present debenture debt of the said company."

Amount of
liabilities
limited.

2. The said company may lend money on the security of, or purchase or invest in,—

(a.) mortgages or hypothecs upon freehold or leasehold real estate or other immovables ;

Investment
powers.

Mortgages.

(b.) the debentures, bonds, stocks and other securities of any government, or any municipal or school corporation, or of any chartered bank (to the extent of not more than twenty per cent of the paid-up capital stock of any such bank) or incorporated company, if incorporated by or under the authority of the Parliament of Canada, or of the legislature of any former, or present or future province of Canada ; provided that the said company shall not lend upon the security of, or purchase or invest in bills of exchange or promissory notes ; and provided further that no loans or investments shall be made by the said company in any securities not at present authorized until the consent thereto of the shareholders of the said company shall have been obtained at a general meeting of the said company specially called for that purpose.

Debentures,
etc.

Proviso.