

An Act to establish a Landed Credit Institution (*Crédit Foncier*)  
in Lower Canada.

**W**HEREAS it is desirable to establish a monetary institution the security of which shall be based upon real property, with the view of affording help and assistance to the agricultural classes, by granting them loans proportioned to their requirements, and securing them a safe investment for their savings; Therefore, Her Majesty, &c., enacts as follows:

- 1.** A landed credit company shall be established in the manner hereinafter prescribed, of owners of real property, who shall submit their property to the provisions of this Act with the view of obtaining loans and of enjoying the advantages conferred upon them by this Act; the said Society shall be called the \_\_\_\_\_ and shall be a Corporation, and as such shall, while this Act remains in force, have continued succession and a common seal, with power to break, alter and renew the same at pleasure, and may plead and be impleaded in all Courts of Law and Equity in all actions, suits or matters whatsoever.
- 2.** Any owner of real property whose property shall be valued at \_\_\_\_\_ dollars, may become a member of the Society.
- 3.** The amount of the loan contracted from the Society shall never exceed one half of the value of the property hypothecated, as fixed at the valuation.
- 4.** If the value so estimated appear to the Society to be too high, so as to compromise its interests, or if such valuation appear too low, then the Society may cause another valuation to be made by *experts*, in the form and manner prescribed by its by-laws.
- 5.** Every member shall be bound to pay six per cent. annually on account of his loan.
- 6.** The Society may issue notes in such form as it may think proper under its collective name.
- 7.** The hypothecs of the said Society shall be in executory form.
- 8.** The notes and letters of credit issued by the Society shall be signed by the President, Vice President or Cashier, or by any one of them: The notes issued by them containing a promise to pay any sum of money to any person or to his order, or to bearer, although the seal of the Society shall not be affixed thereto, shall bind it in the same manner and as securely as they would bind any individual who might have issued them in his individual capacity, they shall be transferable without any formality, and redeemable at their place of issue.

Preamble.

Formation of Society.

Corporate name.

Members.

Amount of Loan.

Valuation regulated.

Interest at six per cent.

The Society may issue notes.

Hypothec.

Notes, their form and effect.