

**Municipal Corporations, may lend such moneys to Boards of School Trustees.** 4. Any Municipal Corporation having surplus moneys derived from the Upper Canada Municipalities Fund shall have power by by-law to set such surplus apart for educational purposes, and to invest the same in a loan or loans to any Board or Boards of School Trustees within the limits of the Municipality, for such term or terms, and at such rate or rates of interest as may be agreed upon by and between the parties to such loan or loans respectively, and set forth in such by-law. 45

**Boards of School Trustees may borrow such moneys from Municipal Corporation for what purposes.** 5. Any Board of School Trustees may, with the consent of the freeholders and householders of their school section first had and obtained at a special meeting duly called for that purpose, by by-law authorize the borrowing from any Municipal Corporation of any such surplus moneys as aforesaid, for such term and at such rate of interest as may be set forth in such by-law, for the purpose of purchasing a school site or school sites, or erecting a school-house or school-houses; and any sum or sums so borrowed shall be applied to that purpose and to that only. 50 55

**Investment of moneys in contravention of law to be a misdemeanor.** 6. Any member of any Municipal Corporation or Board of School Trustees who shall take part in, or in any way be a party to the investment of any such moneys as are mentioned in this Act, by or on behalf of the corporation of which he is a member, otherwise than is authorized by this Act or by the eleventh section of the Act respecting Clergy Reserves, or by any other law in that behalf made and provided, shall not only be held personally liable for any loss sustained by such corporation, but shall also be guilty of a misdemeanor and be liable to conviction in any Court of competent jurisdiction in Upper Canada, and upon conviction to be sentenced to fine or imprisonment, or both, in the discretion of such Court. 60 65

**Limitation.** 7. This Act shall apply to Upper Canada only.