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BILL.

An Act to authorize *The Grand River Navigation Company*, to raise, by way of Loan, a certain Sum of Money, and for other purposes therein mentioned.

Received and Read first time, Tuesday, 17th June, 1851.

Second Reading, Monday, 23rd June, 1851.

[200 Copies.]

HON. MR. MILLS.

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(Legislative Council)

BILL.

An Act to authorize the *Grand River Navigation Company* to raise, by way of Loan, a certain Sum of Money, and for other purposes therein mentioned.

WHEREAS the Grand River Navigation Company have heretofore necessarily incurred a Debt of upwards of Twelve Thousand Five Hundred Pounds in completing the Navigation to the Town of Brantford, and have issued Bonds or Debentures for the same, payable at different periods, with interest; and whereas the said Company are also otherwise indebted to upwards of Three Thousand Pounds; and whereas, in view of the increased business which would be done on the said Navigation in case the Lower Locks were enlarged to the same size as those nearest the Town of Brantford, and the Channel deepened to Three Feet and a half, the said Company are desirous, not only to provide for the payment of its present Debts, but also, to enlarge the said Lower Locks, and deepen the Channel; and whereas the expense of enlarging the said Locks and deepening the channel as aforesaid is estimated to cost the sum of Nine Thousand Pounds;

Be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland and intituled, "An Act to re-unite the Provinces of Upper and Lower Canada, and for the Government of Canada," and it is hereby enacted by the authority of the same, that it shall and may be lawful for the said Grand River Navigation Company to raise, by way of Loan, the sum of Forty Thousand Pounds, in order to pay off all its debts and deepen the Channel of the said River to not less than three and a half feet, and to enlarge the lower Locks on the said Navigation to an equal size as those nearest to the Town of Brantford; and that it shall and may be lawful for the said Company to issue its Debentures for the raising of the said Loan; in such sums as said Company may find expedient but not to run longer than twenty years nor to have a higher rate of interest than six per centum per annum; the interest to be paid semi-annually during the term such Debentures may have to run.

Loan of £40,000, may be raised on Debentures.

Creditors may subscribe for Stock, which may be increased by preferred Stock accordingly.

II. And be it enacted, that it shall and may be lawful for the present or future holders of the present Debentures and other Creditors of the said Company to subscribe for the Capital Stock in the said Company to the amount of their several and respective claims against the said Company ; and that in such case the Directors of the said Company shall and may by a By-Law or By-Laws increase the Capital Stock of the said Company to the amount so to be subscribed for, and that such increased Stock shall be preferred Stock upon which the said Company shall pay a sum, first, semi-annually, as shall be equal to Six per centum per annum before making any dividends or payments on other Capital Stock of said Company ; but said Six per centum per annum, so to be paid on such preferred Stock shall be in the nature of Dividends, and said Stock shall not share in further Dividends out of the profits made by said Company, until the Dividends on the remaining Stock shall annually amount to an equal sum of Six per cent. per annum ; after which all of which said Capital Stock shall share equally any profits over and above the amount of Six per cent. per annum.

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Town of Brantford may lend its credit to the Company, by issuing Debentures to the extent of £40,000.

III. And be it enacted, that it shall and may be lawful for the Town of Brantford in its Corporate capacity to lend its credit to the said Grand River Navigation Company, by issuing the Debentures of the said Town, in such sum or sums as may be agreed upon, by and between the Directors of the said Company, or a majority of them, and the Town Council of the said Town of Brantford, to the extent of Forty Thousand Pounds, bearing interest not exceeding Six per cent. per annum ; such interest to be payable semi-annually, and the principal sum within Twenty Years ; such Debentures to be applied, firstly, in payment of the said debt, of the said Company, and secondly, in deepening the Channel of the said navigation and enlarging the lower Locks on the same to the required size ; that it shall not be necessary for the said Town Council of Brantford to advertize the intention of passing a Bye-Law granting such credit before granting the same ; and it shall be the duty of the said Council, in granting such credit, to pass a By-Law imposing a rate on all Taxable property of the said Town of Brantford as will provide for the payment of the said interest on such Debentures and the ultimate payment of the principal sum thereof in case the said Grand River Navigation Company shall for any cause be unable to pay the same ; and that such rate may be assessed on all the assessable property in the said Town of Brantford which may be in the said Town at the time of actually levying the same, but that the said assessments shall not be levied at any time excepting to supply any deficiency on the part of the said Grand River Navigation Company in paying the interest or principal sum of Forty Thousand Pounds.

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IV. And be it enacted, that in case the said Town of Brantford so loaning its credit as aforesaid the said Town of Brantford shall be entitled to elect two Directors to the Board of Directors, of the said Grand River Navigation Company on or after the annual election now defined by the Act or Acts relating to the said Company, which said two Directors shall be in addition to the present number and shall be appointed or elected by the Town Council of the said Town of Brantford from amongst the members of the said Town Council or from amongst the Rate-Payers of the said Town of Brantford qualified to be elected Councillors of the said Town, and the said Town shall be so represented at the said Board of Directors until the said Debentures and interest thereon shall be finally and fully paid, and on and after which the power of electing such two Directors shall cease.

In that case the Town to elect two Directors of the Company.

V. And be it enacted, that for the security of the said Town of Brantford against loss by its so loaning its credit, the said Debentures shall have the same effect as a Mortgage upon all the property and income of the said Grand River Navigation Company, with the exception of Town or Village Lots now or hereafter to be laid out (not meaning to except those Lots on which there is or may be Water Power); and that the proceeds of the sale of such Lots, which may hereafter be sold shall be applied to the payment of the interest on such Debentures.

Debentures to be as a Mortgage on the property of the Company.

VI. And be it enacted, that in case the said Town of Brantford shall so loan its credit to the said Grand River Navigation Company, the Directors of the said Company shall after the expiration of Ten Years from the passing of this Act annually set apart a sum of not less than two per cent. upon the Capital Stock out of the annual revenues of of the said Company after paying the interest on the said Debentures, to form a sinking fund to redeem the said Debentures, which said per centage shall be invested by the Board of Directors of the said Company in such funds as they may see fit for that purpose.

Sinking Fund to be formed if Town loans its credit.

VII. And be it enacted, that the said Town Council shall and may elect the two Directors aforesaid for the current year to represent the said Town immediately on and after so loaning its credit to the said Grand River Navigation Company for any portion of such Loan.

Directors for current year.