

Bill No. 1 of 1945.

A BILL TO PROVIDE FOR THE REORGANIZATION OF  
THE FUNDED INDEBTEDNESS OF THE PROVINCE

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NOTE.

This is a Bill to authorize the Lieutenant Governor in Council and the Provincial Treasurer to carry into effect the Provincial Debt Reorganization Programme.

The Bill enables the Lieutenant Governor in Council to make an offer or offers to the several holders of any or all outstanding securities to surrender said securities to the Province in exchange for such sum or sums of money and such new securities as may be provided in the offer. It also enables the Lieutenant Governor in Council to authorize the Provincial Treasurer to declare operative any Debt Reorganization Programme or any other financial plan as may be provided for in the offer.

The Bill further enables the Lieutenant Governor in Council to authorize the creation of new securities of the character prescribed by the offer to carry out the Debt Reorganization Programme.

The Bill further enables the Lieutenant Governor in Council to raise money by way of loan in such manner and at such times as it may be deemed expedient by the issue and sale of new securities to provide for the payment of moneys required to carry out in full the provisions of the offer.

The Bill further authorizes the Lieutenant Governor in Council to make regulations or provisions relating to the inscription, registration or transfer of the new securities, and enables the Provincial Treasurer to execute all documents and do all things necessary for the carrying out of the terms, conditions and provisions of the offer and to pay out of the General Revenue Fund all fees, charges and expenses incurred in connection therewith.

The Bill also validates, ratifies and confirms the terms of Order in Council No. 925-45, and all other acts and proceedings made, done or taken by the Lieutenant Governor in Council or by the Provincial Treasurer prior to the date upon which the Act is assented to, and makes the Act retroactive to the first day of May, A.D. 1945.

W. S. GRAY,  
*Legislative Counsel.*

*(This note does not form any part of the Bill, but is offered in explanation of its provisions.)*

# BILL

No. 1 of 1945 (2nd Session)

An Act to provide for the reorganization of the funded indebtedness of the Province.

(Assented to \_\_\_\_\_, 1945.)

**H**IS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

## SHORT TITLE.

**1.** This Act may be cited as "*The Provincial Debt Reorganization Act, 1945.*"

## INTERPRETATION.

**2.** In this Act unless the context otherwise requires,—

(a) "Outstanding securities" means and includes,—

(i) bonds, debentures, and Alberta Government stock, issued by the Province prior to 1st April, 1936; and

(ii) bonds and debentures guaranteed by the Province prior to 1st April, 1936;

which may be from time to time outstanding, and whether matured or unmatured;

(b) "New securities" means and includes, bonds, debentures and notes of the Province, Alberta Government stock, and any other securities creating or evidencing any obligation of the Province, which may be issued pursuant to the provisions of this Act.

**3.—**(1) The Lieutenant Governor in Council may from time to time authorize the Provincial Treasurer for and on behalf of the Government of the Province to make an offer or offers to the several holders of any or all outstanding securities to surrender to the Province outstanding securities held by such holders respectively and to release all claims for principal, interest or otherwise in respect thereof in consideration of such sum or sums of money, or in exchange for such new securities, or in exchange for such sum or sums of money and such new securities, as the case may be, as may be specified in any such offer.

(2) Any offer may be made subject to such terms, provisions, stipulations and conditions as the Lieutenant Governor in Council may approve or determine.

(3) An offer to any holder or holders of any outstanding securities may differ from an offer to any other holder or holders of outstanding securities, but any or all of such offers may be combined and any such combined offer shall be an offer within the meaning of this Act.

(4) Any offer so authorized shall be signed by the Provincial Treasurer and a copy thereof shall be published in *The Alberta Gazette* and thereupon the offer shall become an effective offer for the purposes of this Act.

(5) Notice of any offer may be published in such form or forms and in such manner and in such places as may be approved by the Provincial Treasurer.

4. The Lieutenant Governor in Council may authorize the Provincial Treasurer for and on behalf of the Province to declare operative any debt reorganization programme or other financial plan which may be provided for in any offer.

5.—(1) Where any offer provides for the issue and delivery of new securities, with or without the payment of moneys, in exchange for outstanding securities, the Lieutenant Governor in Council may at any time and from time to time authorize the creation of such new securities of the character prescribed by the offer and in the maximum amounts required to carry out in full the provisions thereof if the offer were accepted by all the holders of the outstanding securities in respect of which the offer is made.

(2) A recital or declaration in any Order in Council authorizing the creation of new securities for the purpose mentioned in subsection (1) of this section, that the amount of the securities so authorized to be created is necessary for such purpose, shall be conclusive evidence of that fact.

(3) Any such new securities so authorized to be created but which are not issued and delivered pursuant to the terms of any such offer shall be cancelled.

6.—(1) Where any offer provides for the payment of moneys, with or without the issue and delivery of new securities, in exchange for outstanding securities, the Lieutenant Governor in Council is hereby authorized to raise money by way of loan in such manner and at such times as may be deemed expedient by the issue and sale of new securities in such amounts as will realize the whole or any part or parts of the maximum net sum required to carry out in full the provisions of the offer if it were accepted by all of the holders of the outstanding securities in respect of which the offer is made.

(2) A recital or declaration in any Order in Council authorizing the issue of new securities for the purpose mentioned in subsection (1) of this section, to the effect that the amount of the new securities so authorized is necessary to realize the whole or any part or parts of the net sum required to be raised by way of loan for such purpose, shall be conclusive evidence of the fact.

(3) The Provincial Treasurer may pay to the holders of outstanding securities from the General Revenue Fund of the Province, the moneys necessary to carry out the terms of any such offer, and when money has been raised by way of loan for such purpose the Provincial Treasurer may use such money or any part thereof for such purpose without any further or other appropriation than is provided by this Act, and any money so raised, which is not actually expended for such purpose, shall be applied by the Provincial Treasurer in the purchase or redemption of outstanding securities or new securities in such manner and at such times as the Provincial Treasurer may deem expedient.

7.—(1) New securities which may be issued and delivered or issued and sold pursuant to the terms of any offer, or to the provisions of this Act, may bear such date or dates, bear interest from such date or dates and at such rate or rates, be payable as to principal and interest at such place or places and in the currency of such country or countries, and be in such form or forms and in such denomination or denominations, and be issued and delivered or issued and sold at such time or times and in such amounts, and mature on such date or dates as the Lieutenant Governor in Council may approve or authorize, provided that any of the new securities may be issued subject to redemption in advance of maturity at such price or prices and at such place or places and in such currency or currencies, and, notwithstanding the provisions of section 2 of *The Provincial Loans Act*, at such time or times and on such notice as the Lieutenant Governor in Council may deem expedient, and provided further that nothing herein contained shall prevent the issue of non-interest bearing new securities.

(2) Pending the preparation of new securities in definitive form temporary securities or interim certificates may be issued in such form and be executed in such manner as the Lieutenant Governor in Council may approve to be exchangeable for definitive securities when the latter are ready for delivery.

(3) The principal of the new securities and the interest thereon and the amount of any special adjustment coupons or other obligations issued therewith, attached thereto, or provided for therein, shall be charged on and paid out of the General Revenue Fund.

(4) The provisions of subsection (2) of section 11 of *The Provincial Loans Act* shall apply to the new securities.

8. The Lieutenant Governor in Council may make regulations or provisions,—

- (a) relating to the inscription, registration and transfer of new securities; and
- (b) prescribing the manner in which new securities and the coupons, if any, attached thereto shall be executed, and providing that the signature or signa-

tures thereon or affixed thereto may be printed, engraved, lithographed or otherwise mechanically reproduced, and such mechanically reproduced signature or signatures shall, for all purposes, be valid and binding upon the Province, notwithstanding that any person whose signature is so reproduced has ceased to hold office before the date of the new securities or before the date of issue thereof.

**9.** All outstanding securities surrendered to the Province, pursuant to the provisions of any offer, shall be cancelled, except outstanding securities guaranteed by the Province which may be cancelled by Order of the Lieutenant Governor in Council.

**10.** The Provincial Treasurer may,—

- (a) execute all such documents and do all such things and appoint all such agents, attorneys and persons as he may consider necessary or advisable in connection with the issue of new securities and the making of any offer authorized by this Act and the carrying out of the terms, conditions and provisions thereof; and
- (b) pay out of the General Revenue Fund all fees, charges and expenses incurred for the purposes of carrying out the provisions of this Act and of any offer made hereunder.

**11.** Any bonds, debentures or other securities heretofore issued or guaranteed by the Province and now held in any Sinking Fund and in the Special Investment Fund of the Province may be cancelled by order of the Lieutenant Governor in Council.

**12.** The powers conferred by this Act are in addition to the powers conferred by any other Act of the Legislature and may be exercised notwithstanding the provisions of any other Act, and in the case of conflict between any of the provisions of this Act and *The Provincial Loans Act*, being chapter 53 of the Revised Statutes of Alberta, 1942, the provisions of this Act shall prevail.

**13.** Order in Council No. 925-45, dated June 6th, 1945, Order in Council No. 1168-45, dated July 17th, 1945, and all other orders, acts and proceedings made, done or taken by the Lieutenant Governor in Council or by the Provincial Treasurer prior to the date upon which this Act is assented to in connection with the formulation, making or carrying out of the terms of any offer or offers of the kind or character referred to in this Act are hereby validated, ratified and confirmed and shall have the same force and effect as if they had been made, done or taken pursuant to the provisions of this Act.

**14.** This Act shall come into force on the day upon which it is assented to and upon so coming into force shall be deemed to have been in force at all times since the 1st day of May, A.D. 1945.

No. 1.

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SECOND SESSION  
TENTH LEGISLATURE

9 GEORGE VI

1945

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**BILL**

An Act to provide for the reorgani-  
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of the Province.

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Received and read the

First time.....

Second time.....

Third time.....

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HON. MR. MANNING.

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EDMONTON:  
A. Shnitka, King's Printer  
1945