

REPRINTED BILL.

## BILL

No. 51 of 1923.

An Act to Facilitate the Borrowing of Money for the  
Purchase of Seed Grain.

(Assented to , 1923.)

**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 Mortgagees' Seed Grain  
Security Act, 1923.*"

### ADVANCES BY MORTGAGEE.

**2.**—(1) Whenever the registered owner of land subject to a mortgage (hereinafter referred to as the "original mortgage"), borrows money from the mortgagee thereof for the purpose of seeding the mortgaged land with grain, and the said owner secures the repayment thereof by the execution of a seed grain charge in Form A in the schedule hereto and the registration of the same as hereinafter provided, the sums thereby secured shall be deemed to have formed part of the debt secured by the original mortgage, save that they shall bear interest only from the date of the execution of the seed grain charge, and no covenant on the part of any prior registered owner to repay the same shall be implied and the original mortgage and the said seed grain charge shall for all purposes be deemed to form one mortgage.

(2) No sums of money shall be secured by a seed grain charge other than the sum borrowed from the mortgagee and such reasonable sum as has been actually expended by the mortgagee for the inspection of the land or lands mortgaged, and for solicitors' fees and disbursements in connection with the preparing and registration of such charge.

(3) Whenever a mortgagee provides a registered owner with seed in lieu of money, and takes a seed grain charge, the agreed value of such seed shall be deemed to be a sum borrowed from the mortgagee.

(4) The provisions of *The Dower Act* shall not apply to a seed grain charge.

(5) No seed grain charge shall operate as a charge upon the land therein described unless the same shall have been registered in the manner hereinafter provided within thirty days from the date when the advance was made or the seed was provided, as the case may be.

**3.**—(1) The Registrar of Land Titles for the proper Land Registration District shall upon the presentation of a seed grain charge to him, together with an affidavit of attestation and an affidavit in Form B in the schedule hereto, register the same by altering the amount of the principal sum secured by the original mortgage in the memorandum thereof made upon the certificate of title and the duplicate certificate, and shall attach the seed grain charge to the original mortgage.

(2) There shall be paid to the Registrar upon the registration of a seed grain charge a fee of fifty cents.

**4.**—(1) Any mortgagee who has registered a seed grain charge may at any time within sixty days thereafter file in the registration district within which the mortgaged land is situated a copy thereof certified by the Registrar of Land Titles, and such seed grain charge when so filed shall form a valid security upon the crops grown upon the land and sown within one year of the date of the execution of such charge for the amount thereby secured, and shall have the same effect and priority as a mortgage upon growing or future crops to secure the price of seed grain permitted by *The Bills of Sale Act*.

(2) There shall be paid to the Registration Clerk upon the filing of a seed grain charge a fee of twenty-five cents.

MORTGAGEES' SEED GRAIN SECURITY ACT, 1923.

**5.**—(1) Whenever the registered owner of land subject to a mortgage (hereinafter referred to as the "original mortgage" has sold the land under an agreement for sale and the purchaser thereunder borrows money from the mortgagee thereof for the purpose of seeding the mortgaged land with grain and the repayment thereof is secured by the said owner and purchaser by the execution of a seed grain charge in Form C in the schedule hereto, and by the registration of the same as hereinafter provided, the sums thereby secured shall be deemed to have formed part of the debt secured by the original mortgage, save that they shall bear interest only from the date of the execution of the seed grain charge and no covenants on the part of the registered owner or of any prior registered owner to pay the same shall be implied, and the original mortgage and the seed grain charge, shall, for all purposes, be deemed to form one mortgage.

(2) The provisions of subsections (2), (3) and (4) of section 2 and sections 3, 4, 6, 7, 8 and 9 shall apply to all seed grain charges given by the registered owner of mortgaged land and the purchaser thereof under the provisions of this Act, allowance being made for the fact that the charge upon the land is given by the registered owner of the land and the charge upon the crops by the purchaser of the land.

REALIZATION OF SECURITY.

**6.**—(1) Any mortgagee having filed a seed grain charge as aforesaid, shall in case of default on the part of the mortgagor to pay the amount of principal and interest set out in the charge at the time or times therein mentioned, be entitled—

- (a) to seize the crop affected by such charge or any part thereof and to sell the same or so much thereof as shall be sufficient to satisfy his claim and costs;
- (b) to seize the grain obtained from such crop or any part thereof and to sell so much of the grain so seized as may be sufficient to satisfy his said claim and costs;
- (c) to serve personally or by post prepaid and registered, a notice in Form D of the schedule hereto (or to the like effect) upon any person to whom such crop or grain or any part thereof has been sold by the mortgagor.

(2) Every person so served with a notice as aforesaid shall retain for a period of twenty days after receipt of such notice any unpaid purchase moneys to which the said mortgagor may be entitled.

(3) The mortgagee may within the said period of twenty days apply to the judge of the District Court of the judicial district within which the seed grain charge is filed for an order requiring such purchase moneys, or sufficient thereof to pay his claim and costs including the costs of the application, to be paid to him, and the judge, upon being satisfied by affidavit or otherwise, that such purchase moneys are proceeds of a sale of crop or grain covered by the said seed grain charge, may grant such order.

(4) At least three clear days' notice of the application shall be served on the mortgagor, and upon the purchaser.

(5) At the expiration of the said period of twenty days the purchaser shall be at liberty to pay the purchase money to the mortgagor, unless he has during that period, or thereafter and before payment, been served with a copy of an order of the judge obtained as aforesaid within the said period of twenty days, in which case he shall deal with such moneys according to the tenor of such order.

**7.** The provisions of *The Extra-judicial Seizures Act* shall apply to every seizure made under the provisions of this Act.

**8.** Any person who borrows money or is provided with seed under the provisions of this Act, and uses such money or seed otherwise than for the purpose of sowing a crop upon the land, the crops upon which are charged by the seed grain charge given by him, shall be liable upon summary conviction thereof to a penalty of not less than fifty dollars nor more than five hundred dollars and to imprisonment for not more than three months, either in addition to or in lieu of the said penalty.

**9.**—(1) Upon repayment of all sums of money secured by a seed grain charge the mortgagee shall sign and deliver in duplicate to the borrower a memorandum in writing, stating that his claim under such charge has been satisfied, and upon such memorandum, together with an affidavit of execution made by a witness attesting the same, being produced to the Registrar or Registration Clerk, as the case may be, all entries respecting such charge shall be cancelled.

(2) There shall be paid to the Registrar or Registration Clerk, as the case may be, a fee of twenty-five cents in respect of his services under the provisions of this Act.

#### ADVANCES BY VENDOR OF LAND.

**10.**—(1) Whenever the purchaser of land under an agreement for sale borrows money from the vendor thereof being the registered owner thereof for the purpose of seeding the land sold under such agreement for sale and the said purchaser secures the repayment of such money by the execution of a seed grain charge in Form D in the schedule hereto, the sums thereby secured shall be deemed to have formed part of the the principal sum of money secured by the said agreement, save that they shall bear interest only from the date of the execution of the said seed grain charge.

(2) Subsections (2), (3) and (4) of section 2 of this Act and sections 4, 6, 7, 8 and 9 shall apply to all seed grain charges given by a purchaser of land under the provisions of this Act as if his vendor were a mortgagee who had registered a seed grain charge in a Land Titles Office.

(3) The vendor when registering a seed grain charge given under the provisions of this section shall leave with the Registration Clerk an affidavit in Form B in the schedule hereto.

11. *The Mortgagees' Seed Grain Security Act*, being, chapter 137 of the Revised Statutes of Alberta, 1922, is hereby repealed, save as to any undertaking or notice of lien registered or filed prior to the date of this Act coming into force.

12. This Act shall come into force on the day upon which it is assented to.

SCHEDULE.

FORM A.

(Section 2.)

SEED GRAIN CHARGE.

This further charge is supplemental to a mortgage dated the . . . . . day of . . . . ., 19. . . . ., and registered at the Land Titles Office for the . . . . . Land Registration District as No. . . . . ;

And I hereby charge the land thereby mortgaged with the repayment of the sum of . . . . . dollars, advanced to me under the provisions of *The Mortgagees' Seed Grain Security Act, 1923*, by . . . . . and of the sum of . . . . . dollars, the costs incurred in connection with the making of the said advance;

And I further charge all crops to be grown on the said land and all grain obtained from any such crops during the year . . . . . with the repayment of the said sums and of interest at the rate of . . . . . per cent. per annum, on or before the . . . . . day of . . . . ., 19. . . . .

In witness whereof, I have hereunto signed my name this . . . . . day of . . . . ., 19. . . . .

Signed by the above named }  
A.B., in the presence of } *Signature of the person*  
 . . . . . } *giving the charge.*

FORM B.

(Section 3.)

AFFIDAVIT.

I, . . . . . in the, . . . . .  
of . . . . . make oath and say—

That... .dollars (or that seed grain to the value of ...dollars), being the money secured by the seed grain charge dated the...day of ...19..., was duly advanced to me by ... upon the...day of ...19.., for the purpose of seeding the following land namely:..

Sworn before me at..... }  
in the...this..... }  
day of... , 19. . } Signature of Mortgagor or  
Purchaser,  
(as the case may be.)  
A Commissioner, etc., (or as the case may be).

FORM C.

(Section 5.)

SEED GRAIN CHARGE BY REGISTERED OWNER AND PURCHASER

This further charge is supplemental to a mortgage dated the...day of... , 19. . and registered at the Land Titles Office for the...Land Registration District as No..

And I, .. (registered owner of the land), hereby charge the land thereby mortgaged with the repayment of the sum of...dollars, advanced to me under the provisions of *The Mortgagees' Seed Grain Security Act, 1923*, by...and of the sum of...dollars, the costs incurred in connection with the making of the said advance;

And I, .. (purchaser of the land), further charge all crops to be grown on the said land and all grain obtained from any such crops during the year... with the repayment of the said sums and interest at the rate of...per cent. per annum, on or before the...day of... , 19.

In witness whereof, we have hereunto signed our names this...day of... , 19...

Signed by the above named }  
and... }  
in the presence of. } Signature of the person giving  
the land charge.

Signature of the person giving  
the charge on crops and grain.

FORM D.

(Section 5.)

NOTICE TO PURCHASER OF GRAIN OR CROP.

You are hereby notified under the provisions of section 5 of *The Mortgagees' Seed Grain Security Act, 1923*, that the undersigned by virtue of a seed grain charge filed with the Registration Clerk of the . . . . . registration district, has a charge upon all crops grown during the year 19. . . upon the following lands, namely: . . . . .

. . . . . and upon all grain obtained from any such crop, and you are hereby required in accordance with the provisions of the said Act to retain for a period of twenty days after receipt hereof all moneys owing by you to . . . . .

of . . . . . in respect of the purchase of such crop or grain or any part thereof, and further take notice that within the said period of twenty days, the undersigned is entitled under the said Act to apply to a judge of the District Court for an order requiring the said moneys to be paid to him.

To . . . . .  
. . . . . (Signature of Mortgagee, his Agent or Attorney.)

FORM E.

(Section 10.)

PURCHASER'S SEED GRAIN CHARGE.

This charge is supplemental to an agreement for sale of the following land, namely: . . . . .

dated the . . . . . day of . . . . ., 19. . ., made between . . . . . Vendor, and . . . . . Purchaser;

I, . . . . ., Purchaser under the said agreement for sale, charge all crops to be grown on the said land and all grain obtained from any such crops during the year . . . . . with the repayment of the sum of . . . . . dollars, advanced to me under the provisions of *The Mortgagees' Seed Grain Security Act, 1923*, by the said . . . . ., and of the sum of . . . . . dollars, the costs incurred in connection with the making of the said advance, and also of interest at the rate of . . . . . per cent. per annum, on or before the . . . . . day of . . . . ., 19. . .

In witness whereof, I have hereunto signed my name this . . . . . day of . . . . ., 19. . .

Signed by the above named }  
in the presence of } Signature of the person giving the charge.

No. 51.

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THIRD SESSION  
FIFTH LEGISLATURE  
13 GEORGE V  
19 3

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BILL

An Act to Facilitate the Borrowing of  
Money for the Purchase of  
Seed Grain.

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Received and read the

First time.....

Second time.....

Third time.....

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HON. MR. BROWNLEE.

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EDMONTON:  
J. W. JEFFERY, KING'S PRINTER  
A.D. 1923