

BILL

No. 47 of 1924.

An Act to amend The Alberta Co-operative Credit Act.

(Assented to _____, 1924).

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

1. This Act may be cited as "*The Alberta Co-operative Credit Act Amendment Act, 1924.*"

2. Section 11 of *The Alberta Co-operative Credit Act*, being chapter 161 of the Revised Statutes of Alberta, 1922 is amended by striking out the words "not less than thirty farmers" where they occur therein and substituting therefor the words "not less than twenty-five farmers."

3. Section 28 of the said Act is amended by adding subsection (2) thereto as follows:

"(2) Any society may by by-law change the day mentioned in the last section to the last day of November, January, February or March, but any such by-law shall not be altered until the expiry of three years from the date thereof."

4. Section 31 of the said Act is amended by striking out subsection (1) thereof and substituting therefor the following:

"**31.**—(1) Before any moneys are advanced in pursuance of an approved application the society shall require the borrower to sign a note or notes for the amount of the moneys to be advanced, together with interest thereon, and shall, upon the request of the lender and before the making of the loan, indorse such note or notes over and guarantee payment thereof to the lender, but the terms of such note or notes shall not vary in any material way from the terms of the application and approval of the society or from the provisions of this Act."

5. Section 32a is added to the said Act as follows:

"**32a.**—(1) In order to provide a common sinking fund for the purposes hereinafter set out, every lender shall, in taking a note from a borrower, add to the rate of interest properly payable thereunder, one quarter of one per cent, or such other percentage not exceeding one half of one per cent, as the Lieutenant Governor in Council may direct, which portion of interest the lender shall deposit to the

credit of the Provincial Treasurer and shall forward all sums so deposited to the Provincial Treasurer as and when directed by him.

“(2) The moneys in the said sinking fund shall be utilized for defraying any losses made by any society at such times and in such manner as the Minister may direct, and in accordance with such regulations as he may make, in connection therewith.

“(3) The said sinking fund shall be invested in such securities as the Provincial Treasurer may direct, and shall not form any portion of the general revenue fund.”

6. Section 34 of the said Act is amended by adding subsection (4) thereto as follows:

“(4) The granting of a renewal under the provisions of this section shall not in any way affect any lien, charge or other remedy for the recovery of the loan.”

7. Section 42 of the said Act is amended:

(a) as to subsection (1) thereof by striking out all words after the words “valid security” where they occur therein, and substituting therefor the words “and upon the crops therein mentioned, notwithstanding any provision to the contrary of *The Bills of Sale Act*, or any other Act, and shall, save as herein otherwise provided, have priority over every chattel mortgage, seed grain lien, execution or distress given, issued or levied, either heretofore or hereafter”;

(b) by striking out subsection (2) thereof.

8. The amendment to subsection (1) of section 42 of this Act shall have effect as from April 19th, one thousand nine hundred and twenty-one, but not so as to affect any case pending in any court at the date of the coming into force of this Act.

9. Section 42a is added to the said Act as follows:

“42a.—(1) Copies of all certificates creating liens or charges upon crops under this Act shall be filed in the land titles office of the district in which the lands affected are situated within thirty days of the creation thereof, or if created prior to the first day of May, one thousand nine hundred and twenty-four within thirty days of such date, and if not so registered shall lose the priority hereinbefore conferred upon them, and shall only have such priority as springs from the date of their creation.”

“(2) Upon receipt of a certificate creating any such lien or charge, the registrar shall make a memorandum thereof upon the certificate of title and upon the duplicate certificate, which shall be delivered to the society by the borrower for that purpose.

“(3) Notwithstanding any other provisions of this Act, every lien and charge upon crops shall terminate, when the land affected thereby comes into the hands of a *bona fide* purchaser for value without notice of the existence of such lien or charge.

“(4) The registration of any such lien or charge shall constitute notice to all purchasers within the meaning of this section.

“(5) When any land affected by the lien or charge herebefore created is subject to a mortgage and such mortgage is foreclosed or the land is sold for the purpose of realizing the mortgage moneys, the land shall, in the hands of the foreclosing mortgagee or the purchaser thereof or their respective assigns, remain subject to the said charge or lien until the loan charged upon the crops growing upon such land has been discharged under the provisions of this Act.”

10. Section 47 of the said Act is amended as to subsection (1) thereof—

- (a) by striking out the words “the land upon which the borrower carries on operations for which the loan was made” where they occur therein and substituting therefor the words “any land owned by the borrower or in which he has an interest and described in the certificate”;
- (b) by striking out the words “the land in which the borrower carries on the aforesaid operations” where they occur therein and substituting therefor the words “the said land.”

11. Section 51 of the said Act is amended as to subsection (2) thereof—

- (a) by striking out the words “by notice sent by registered mail” where they occur therein and substituting therefor the words “by notice served personally or sent by registered mail”;
 - (b) by striking out the words “after the time at which such registered notice” where they occur therein and substituting therefor the words “after the time of such service or the time at which such registered notice”;
 - (c) by adding after the words “usual course of the mail” where they occur therein, the words “as the case may be”;
- (2) By adding as subsection (3) thereof the following:
 “(3) Such notice shall be in Form L in the schedule hereto.”

12. Section 57*a* is added to the said Act as follows :

"57*a*. Whenever a society is of opinion that a borrower is about to abscond from the Province or that the security effected by this Act and the documents drawn up in accordance therewith are otherwise likely to be endangered, or when it seems to the society to be advisable so to do, it may demand payment of the amount of the loan made to the borrower, and upon such demand being served personally upon the borrower or posted up on the land on which he carries or carried on farming operations, in the event of his having left the Province, the society shall be entitled to enforce all securities given under this Act and to use all remedies given by this Act, in the same way as if the note given by the borrower under the provisions hereof had matured and remained unpaid."

13. Section 61 of the said Act is amended by adding as subsection (2) thereof the following:

"(2) All such securities in which the capital of any society is invested as aforesaid shall be deposited with and remain in the possession of the Provincial Treasurer."

No. 47.

FOURTH SESSION
FIFTH LEGISLATURE
14 GEORGE V
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BILL

An Act to amend The Alberta Co-
operative Credit Act.

Received and read the

First time

Second time

Third time

HON. MR. REID

EDMONTON:
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A.D. 1924