

REPRINTED BILL

BILL

No. 57 of 1930

An Act to authorize the Guarantee by the Government of Alberta of Certain Advances made to the Canadian Co-operative Wheat Producers, Limited.

(Assented to _____, 1930.)

WHEREAS Canadian Co-operative Wheat Producers, Limited (hereinafter called "the Corporation"), is indebted to the Bank of Montreal, The Canadian Bank of Commerce, The Royal Bank of Canada, The Bank of Nova Scotia, The Bank of Toronto, The Dominion Bank, and the Imperial Bank of Canada in various sums for moneys advanced by them respectively to the Corporation on the security of grain delivered to the Corporation by Saskatchewan Co-operative Wheat Producers, Limited, Alberta Wheat Pool and the Manitoba Wheat Pool; and

Whereas additional advances may be made to the Corporation by the said banks or some of them before the first day of August next, on the like security, as they may deem advisable; and

Whereas, as a condition of obtaining such advances, the Corporation has agreed to maintain at all times in the hands of the banks respectively security on grain which at market prices will provide a margin of fifteen per cent in excess of the indebtedness of the Corporation; and

Whereas, the banks are willing to forego the requirements of such margin on condition that they are guaranteed against ultimate loss by the Governments of Alberta, Manitoba and Saskatchewan;

Now, therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. The Lieutenant Governor in Council may authorize the Provincial Treasurer, on behalf of the Government of Alberta, to give guarantees to the Bank of Montreal, The Canadian Bank of Commerce, The Royal Bank of Canada, The Bank of Nova Scotia, The Bank of Toronto, the Dominion Bank, and the Imperial Bank of Canada respectively, such guarantees to be substantially in the form set out in the schedule to this Act, and with such further terms and conditions consistent herewith as may be agreed upon.

2. The Provincial Treasurer is hereby authorized to pay to the said banks out of the general revenue fund of the Province, such sums as may be found due and payable under any guarantee given in accordance with the terms hereof.

3. The Provincial Treasurer may take from Alberta Wheat Pool and the Alberta Pool Elevators, Limited, such security against loss under any guarantee given as the Lieutenant Governor in Council may deem advisable, and it is hereby declared that all such securities heretofore or hereafter given shall bind the said corporations and the property therein expressed to be charged, notwithstanding any want of power or capacity to enter into the same or defect therein or with regard thereto, arising from want of form or from failure to comply with any condition precedent, compliance with which would otherwise be necessary to give such securities complete validity.

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

SCHEDULE.

Form of guarantee to be given by the Government of Alberta to each bank mentioned in this Act.

In consideration of advances heretofore made, or which may or shall be made, before the first day of August next by the Bank of..... (hereinafter called "the Bank") to the Canadian Co-operative Wheat Producers, Limited (hereinafter called "the Corporation"), and of the Bank not insisting within that time upon the Corporation maintaining in the hands of the Bank security on grain to the value, at market prices, of fifteen per cent or any part thereof in excess of the indebtedness, including interest from time to time owing to the Bank by the Corporation in respect of such advances, the Government of the Province of Alberta (hereinafter called "the Government") hereby guarantees repayment to the Bank of all such past and future advances including interest: provided, however, that the liability of the Government hereunder shall be limited in amount to such sum as shall bear the same ratio to the amount of the ultimate balance owing by the Corporation to the Bank as the total quantity of grain delivered to the Corporation by Alberta Wheat Pool between the first day of August, 1929, and the first day of August, 1930, bears to the total quantity of grain delivered to the Corporation during said period by Saskatchewan Co-operative Wheat Producers, Limited, Alberta Wheat Pool and the Manitoba Wheat Pool, such quantities of grain to be shown by statements to be furnished to the Bank and the Government by the Corporation on request, and such statements to be binding upon both the Government and the Bank.

The ultimate balance owing by the Corporation to the Bank is to be ascertained when the total quantity of grain upon which advances have been made has been sold.

The Government agrees with the Bank that the giving of time for payment or other indulgence to the Corporation shall not affect or prejudice the rights of the Bank

under this guarantee, nor shall this guarantee affect or prejudice the rights of the Bank as between it and the Corporation, except as the same may be hereby modified.

It is also a condition of this guarantee that the Bank will not sell, or cause to be sold, any of the grain covered by its securities without giving four clear days' notice to the Government, and in any event not before the first day of November, 1930.

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FOURTH SESSION
SIXTH LEGISLATURE
20 GEORGE V
1930

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the Government of Alberta of
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Canadian Co-operative Wheat Pro-
ducers, Limited.

Received and read the

First time

Second time.....

Third time.....

HON. MR. BROWNLEE

EDMONTON:
W. D. MCLEAN, KING'S PRINTER
A.D. 1930