

Bill No. 66 of 1932

A BILL TO RATIFY AN AGREEMENT MADE BETWEEN THE BOARD OF TRUSTEES OF THE MAGRATH IRRIGATION DISTRICT AND THE ALBERTA RAILWAY AND IRRIGATION COMPANY.

NOTE

This Bill provides for the validation of an agreement made between the Magrath Irrigation District and the Alberta Railway and Irrigation Company providing for the liquidation of arrears of principal and interest due under a debenture issue of the District to the Company in respect of the years 1930 and 1931: by the agreement the company foregoes its rights in respect of the default upon the District issuing and delivering to the company a debenture issue for \$50,000 and interest at 6%, payable as set out in clause (2) of this agreement.

The Bill gives the provisions of the agreement the force of a Statute.

By section 5 of the Bill provision is made for the withdrawal, with the approval of the trustees, of any parcel in respect of which at least two dollars and sixty cents per irrigable acre has been paid on account of the irrigation rates levied in 1929 from the rate enforcement return prepared in respect of the rates last mentioned.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 66 of 1932.

An Act to ratify an Agreement made between the Board of Trustees of the Magrath Irrigation District and the Alberta Railway and Irrigation Company.

(Assented to _____, 1932.)

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 Magrath Irrigation District Act, 1932.*"

2. The Agreement, a copy of which is set out in Schedule A to this Act, made between the Board of Trustees of the Magrath Irrigation District, a body corporate organized under the provisions of *The Irrigation Districts Act*, being Chapter 114 of the Revised Statutes of Alberta, 1922, herein called "the Board" and the Alberta Railway and Irrigation Company, is hereby ratified and confirmed and declared to be legally binding, according to the tenor thereof, upon the parties thereto; and the parties to the said agreement are hereby authorized and empowered to do whatever is necessary to give full effect to the said agreement, the provisions of which are to be taken as if they had been expressly enacted hereby and formed an integral part of this Act.

3. The new debentures to be issued pursuant to the terms of the said agreement shall be subject to the approval of the Provincial Treasurer.

4. The approval of the new debentures by the Provincial Treasurer shall be in writing, and when filed with the Clerk of the Executive Council shall be conclusive evidence of the legality of the issue of such new debentures; and their validity shall not be questioned by any Court in the Province of Alberta, but the same shall be a good and indefeasible security in the hands of any *bona fide* holder thereof to the full extent provided by *The Irrigation Districts Act* with respect to debentures issued thereunder and shall rank *pari passu* with the original debentures in the said Agreement mentioned.

5. In case there shall have been paid in respect of any parcel of land within the said district on account of the irrigation rates levied against such parcel in the year 1929 a

sum of not less than two dollars and sixty cents per irrigable acre as shown on the last revised assessment roll of the district, the secretary-treasurer of the district may, with the approval of the trustees, withdraw such parcel from the rate enforcement return prepared in respect of the rates so levied.

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

SCHEDULE

THIS AGREEMENT made in duplicate this 21st day of March, A.D. 1932.

Between:

THE BOARD OF TRUSTEES OF THE MAGRATH IRRIGATION DISTRICT, A BODY CORPORATE ORGANIZED UNDER THE PROVISIONS OF THE IRRIGATION DISTRICTS ACT, BEING CHAPTER 114 OF THE REVISED STATUTES OF ALBERTA 1922

(Hereinafter called "The Board")
of the First Part,

and

THE ALBERTA RAILWAY AND IRRIGATION COMPANY
(Hereinafter called "The Company")
of the Second Part.

Whereas by Agreement made between the Parties hereto on the 18th day of June, 1926, and pursuant to the provisions of *The Irrigation Districts Act*, being Chapter 114 of the Revised Statutes of Alberta, 1922, certain debentures were issued by the District, herein called the original debentures;

And whereas the Company is the holder of the original debentures;

And whereas the District is in default under the original debentures with respect to the payments of principal and interest falling due thereunder on the 1st day of December in each of the years 1930 and 1931, is unable to make the said payments, and has requested the Company to accept in lieu thereof new debentures of the nature hereinafter described which the Company has agreed to do, subject to the conditions herein contained;

And whereas it is necessary for the District to obtain legislation sanctioning this Agreement and authorizing the District to issue the new debentures;

Now therefore this Agreement witnesseth that the parties mutually covenant and agree as follows:

(1) The Company will not, with respect to the payments due and in default as aforesaid, take any steps to collect the

said payments or seek to put in force or invoke any of the provisions of *The Irrigation Districts Act* for the collection of principal moneys and interest due under the original debentures, and payable in the years 1930 and 1931.

(2) The District undertakes to procure the passing by the Legislature of the Province of Alberta of legislation enabling the District to validly issue and deliver to the Company new debentures, fifteen in number, of the par value of Five Thousand (\$5000.00) Dollars each, the said new debentures being payable at par at the Bank of Montreal in the City of Montreal in the Province of Quebec, one on the 1st day of December 1938 and one on the 1st day of December in each of the years 1939 to 1952, both inclusive, and one debenture of the par value of \$3654.92 payable at par at the Bank of Montreal in the City of Montreal on the 1st day of December, 1953; each of the said fifteen debentures to have attached thereto six coupons, each for the sum of Two Hundred (\$200.00) Dollars and each payable at par at the said Bank of Montreal one on the 1st day of December 1932, and one on the 1st day of December in each of the years 1933 to 1937, both inclusive, the said new debentures to bear date the 1st day of December, 1931, and to rank *pari passu* with the original debentures, to have the same effect, to be enforceable and to be secured in the same manner as is provided by *The Irrigation Districts Act* with respect to debentures issued pursuant to the provisions thereof.

(3) Forthwith upon the passing of such legislation the District will do all things necessary or requisite to enable the District to issue good and valid new debentures for the amounts and payable in the manner and at the time and place set forth in paragraph two (2) hereof, and shall execute and issue such new debentures (approved as hereinafter provided), and shall deliver the same to the Company.

(4) The new debentures shall be subject to the approval of the Provincial Treasurer.

(5) On delivery to the Company of the new debentures the payments due and owing by the District in the years 1930 and 1931 shall be deemed to be fully paid and satisfied and the coupons representing said payments shall be delivered up to the District to be cancelled.

(6) The Company agrees that if the sums due and payable as aforesaid on the 1st day of December in each of the years 1930 and 1931, together with interest thereon at the rate of six (6) per cent per annum calculated from the dates on which said sums respectively became due, to the 1st day of December, 1931, do not in the aggregate amount to the sum of Fifty Thousand (\$50,000.00) Dollars, the difference together with interest thereon at the rate of six (6%) per cent per annum from the 1st day of December 1931,

shall by the Company be credited on and in reduction of the amounts falling due on the 1st day of December, 1932, under the terms of the original debentures.

(7) This Agreement is subject to ratification by the Legislature for the Province and should the enabling legislation not be passed at the present Session of the Legislature this Agreement shall be null and void.

(8) Neither the execution of this Agreement nor anything done to carry out the terms hereof shall impair or invalidate the rights or remedies of the Company or the holders of the debentures issued under the recited Agreement in respect of any further or other default on the part of the District, saving that in respect of the payments due in the years 1930 and 1931 as hereinbefore mentioned.

AS WITNESS the corporate seals of the parties hereto and the hands of their respective officials below named.

Corporate Seal of Magrath
Irrigation District.

L.S.

J. T. STEELE
(Secretary-Treasurer)
CHRISTIAN JENSEN
R. S. THOMPSON
J. H. BRIDGE

THE ALBERTA RAILWAY AND IRRIGATION
COMPANY

Corporate Seal of the Al-
berta Railway and Irrig-
ation Company.

L.S.

E. W. BEATTY
(President)
H. C. OSWALD
(Secretary)

No. 66.

SECOND SESSION
SEVENTH LEGISLATURE
22 GEORGE V
1932

BILL

An Act to ratify an Agreement made
between the Board of Trustees of
the Magrath Irrigation District
and the Alberta Railway and Irrigation Company.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. SMITH

EDMONTON:
W. D. McLEAN, KING'S PRINTER
1932