

Bill No. 97 of 1936.

A BILL RESPECTING THE SECURITY FOR ADVANCES MADE IN THE YEAR 1936 BY MORTGAGEES AND OTHERS FOR THE ACQUISITION OF SEED GRAIN, FEED GRAIN, FODDER, FUEL OIL AND LUBRICATING OIL.

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NOTE.

This Bill relates to advances made in the year 1936 by mortgagees of land to mortgagors, and by vendors of land under agreement of sale to purchasers, and by lessors to lessees holding land under lease with an option to purchase the same, for the purpose of enabling the person to whom the advance is made to obtain seed grain, feed grain, fodder, fuel oil and lubricating oil, or any of them, or for the purpose of paying off any such advance made by a municipality or by the Province in the year 1936.

Upon the making of any such advance the amount thereof is made part of the sum owing under the mortgage, agreement of sale or lease option.

The amount of every such advance is charged upon the crop grown upon the land subject to the mortgage, agreement for sale or lease during the years 1936 and 1937: such charge has priority over all other charges, liens and rights of distress except the right of distress of the municipality for taxes imposed in the years 1936 and 1937 and liens under *The Threshers' Lien Act*.

The misapplication of advances by the recipient is made an offence punishable by fine and imprisonment.

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. 97 of 1936.

An Act respecting the Security for Advances made in the Year 1936 by Mortgagees and Others for the Acquisition of Seed Grain, Feed Grain, Fodder, Fuel Oil and Lubricating Oil.

(Assented to \_\_\_\_\_, 1936.)

**H**IS 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 Seed Grain and Other Advances Security Act, 1936.*"

**2.** This Act shall apply to any advance or advances made in the year 1936, either before or after the passing of this Act,—

- (a) by a mortgagee to the registered owner of the mortgaged land or a purchaser thereof under an agreement of sale in possession thereof;
- (b) by the registered owner of land to a person who has entered into a contract for the purchase of the land; and
- (c) by the registered owner of land to a lessee of the land under a lease which entitled the lessee in certain events to become the purchaser of the land,—

for the purpose of enabling the person to whom such advance or advances is or are made to acquire any or all of the following, namely, seed grain, feed grain, fodder, fuel oil and lubricating oil for use in connection with the farming operations carried on by the recipient of the advance upon land comprised in the mortgage, contract or lease, as the case may be, or for the purpose of paying off any such advance already made by a municipality or by the Province of Alberta in the year 1936.

**3.** Upon the making of any advance to which this Act applies,—

- (a) in case the advance is made by a mortgagee to the registered owner, the amount of the advance shall, upon the making of the advance, be added to and form part of the principal sum secured by the mortgage and shall have the same priority as the other moneys so secured;
- (b) in case the registered owner of land which is subject to a mortgage has sold that land to a purchaser under an agreement of sale who or whose assignee

is in possession of that land and the mortgagee makes an advance to such purchaser or his assignee, the amount of the advance shall, upon the making of the advance, be added to and form part of the principal sum secured by the mortgage, and shall have the same priority as the other moneys so secured; but no covenants shall be implied on the part of the registered owner or of any prior registered owner to pay the amount of the advance or any interest thereon;

- (c) in case the advance is made by the registered owner of land to a purchaser thereof under an agreement of sale, the amount of the advance shall, upon the making of the advance, be added to and form part of the purchase price of the land; and shall have the same priority as the original purchase money; and
- (d) in case the advance is made by the registered owner of land to a person who is a lessee under a lease which entitles the lessee in certain events to become the purchaser of the land, the amount so advanced shall, upon the making of the advance, be added to and form part of the sum payable under the lease as the purchase price of the land.

**4.** Notwithstanding any of the provisions of *The Land Titles Act*, the security provided by this Act in respect of any advances made pursuant to this Act shall be good, valid and effectual without any registration of any kind in any Land Titles Office.

**5.** Every advance to which this Act applies shall become due and payable, in case the land which is subject to the mortgage, agreement or lease is situated in that part of the Province which lies to the south of the northern boundary of Township 35, on the first day of September, 1936, and in case such land is situated elsewhere, shall become due and payable on the first day of November, 1936, or in either case upon the first day on which the owner commences in that year to cut any crop grown on such land, whichever date is the earlier.

**6.—(1)** In addition to all other rights conferred by this Act in respect of any advance to which this Act applies, notwithstanding any provision of *The Bills of Sale Act* or of any other Act, every mortgagee and every registered owner who makes an advance shall have a charge upon all crops grown upon the land subject to the mortgage, agreement for sale or lease, as the case may be, in the year 1936 and in the year 1937, which charge shall have priority over all liens, charges and rights of distress except the right of distress of a municipality for taxes imposed in the year 1936 and the year 1937 and any lien upon the crop so charged under *The Threshers' Lien Act*.

(2) For the purpose of enforcing the charge created by this section, the person entitled to the benefit thereof shall,

notwithstanding any provisions of *The Debt Adjustment Act, 1933*, or of any other Act, be entitled to seize and sell so much of the crop subject to the charge as may be sufficient to realize the amount owing on account of the advance with interest and costs.

**7.** The rights and remedies given to a mortgagee, vendor or lessor, under the provisions of this Act shall be additional to and shall in no way prejudice any other rights which he may possess, either at common law or by statute.

**8.** Any person who borrows money or is provided with seed grain, feed grain, fodder, fuel oil or lubricating oil under the provisions of this Act and uses such money or seed grain, feed grain, fodder, fuel oil or lubricating oil otherwise than for the purpose of farming operations carried on by the recipient of the advance upon land comprised in the mortgage, agreement of sale or lease, as the case may be, shall be liable upon summary conviction thereof to a penalty of not 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.** The provisions of *The Dower Act* shall not apply to any advances to which this Act applies.

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

No. 97.

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FIRST SESSION  
EIGHTH LEGISLATURE

1 EDWARD VIII

1936

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**BILL**

An Act respecting the Security for  
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Acquisition of Seed Grain, Feed  
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Received and read the

First time .....

Second time .....

Third time.....

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HON. MR. CHANT.

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EDMONTON:  
A. Shnitka, King's Printer  
1936