

Laws of His Majesty's Province of Upper Canada, passed in the year 1837. York: Robert Stanton, 1837.

7 William IV – Chapter 68

An Act to Loan a sum of money to the Erie and Ontario Rail Road Company. Passed 4th March, 1837.

Whereas the President, Directors and Company, of the Erie and Ontario Rail Road Company, have petitioned the Legislature to grant them a Loan of Five Thousand Pounds, to enable them to prosecute with effect, the Rail Road commenced by them: And whereas, it is in their Petition set forth, that they have expended, from their own private funds, the sum of Four Thousand Pounds, and have every reason to believe that with the aid of the said loan of Five Thousand Pounds, they will be able to complete the said work, and it is expedient that the prayer of the said petition should be granted: Be it therefore enacted by the King's most Excellent Majesty, by and with the advice and consent of the Legislative Council and Assembly of the Province of Upper Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of Great Britain, entitled, "*An Act to repeal certain parts of an Act passed in the fourteenth year of His Majesty's reign, entitled, 'An Act for making more effectual provision for the Government of the Province of Quebec, in North America, and to make further provision for the Government of the said Province,'*" and by the authority of the same, That whenever the said Erie and Ontario Rail Road Company shall have executed a Bond, in due form of Law, conditioned for the punctual payment of the interest and principal of such Debentures as shall, by the authority of this Act, be issued for their benefit, and shall also have executed a Mortgage upon the said Rail Road, and the Tolls thereon, as collateral security for the payment of the said condition, and shall have procured such real or personal security as the Lieutenant Governor, for the time being, shall deem sufficient to ensure the punctual payment of the interest annually, and the ultimate payment of the principal of such loan, at the time herein appointed for the redemption thereof, then and in that case it shall be lawful for the Governor, Lieutenant Governor, or Person Administering the Government, to direct His Majesty's Receiver General of the Province to issue and deliver, to the President and Directors of the said Company, the Debentures of this Province, to the amount of Five Thousand Pounds, at a rate of interest not exceeding Six per centum per annum, payable half yearly, in sums of not less than Fifty Pounds each, as may be required by the said Directors; which Debentures shall be made out in such method and form, as the Receiver General shall think most safe and convenient, and shall be redeemable at the expiration of ten years from the passing of this Act, and shall be signed by the said Receiver General.

II. And be it further enacted by the authority aforesaid, That the Debentures hereby authorised to be issued shall be, and are hereby charged and chargeable upon, and shall be re-paid and borne out of the monies, that shall come into the hands of the Receiver General to and for the public uses of this Province, and at the disposal of the Legislature thereof.

III. And be it further enacted by the authority aforesaid, That it shall be the duty of the Directors, in the appropriation of their funds, to make provision for the payment of the interest of the

aforesaid Debentures, pursuant to terms of their loan, sufficient for one year in advance, and to have that sum always at their command, before any dividend of profits to the Stockholders shall be declared.

IV. And be it further enacted by the authority aforesaid, That all such Debentures, with the interest thereon, and all charges incident to or attending the same, shall be, and are hereby charged and chargeable upon the fund provided by the securities given for the re-payment thereof, by the said Erie and Ontario Rail Road Company; and if at any time satisfactory provision shall not have been made, in the manner mentioned in the preceding Clauses, for the payment of the interest when due, it shall and may be the duty of His Majesty's Receiver General of this Province, for the time being, and he is hereby required, in the name and on behalf of His Majesty, to take possession of the said Rail Road, and appoint such Agent, Collectors and other Officers, as may be necessary to manage the affairs of the same, and deposit and apply the proceeds thereof, to the payment of interest and principal aforesaid.

V. And be it further enacted by the authority aforesaid, That the sum of Five Thousand Pounds, hereby loaned to the said Erie and Ontario Rail Road Company, shall be applied by the said Company to the completion of the said Rail Road commenced by them as aforesaid, and to no other use or purpose whatsoever.