



CHAPTER 27.

An Act to amend the "Landlord and Tenant Act."

R.S.B.C. 1924,
c. 130.

[Assented to 19th December, 1924.]

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

1. This Act may be cited as the "Landlord and Tenant Act Amendment Act, 1924." Short title.

2. (1.) Section 33 of the "Landlord and Tenant Act," being chapter 130 of the "Revised Statutes of British Columbia, 1924," is repealed, and the following is substituted therefor:— Re-enacts s. 33.

"33. (1.) In construing any word or expression occurring in this section, reference may be had to the interpretation section of the 'Bankruptcy Act,' chapter 36 of the Statutes of Canada, 1919, as amended. Application of interpretation section of the "Bankruptcy Act."

"(2.) Where a receiving order or an assignment is made against or by any lessee under the 'Bankruptcy Act,' chapter 36 of the Statutes of Canada, 1919, as amended, the custodian or trustee shall, notwithstanding any condition, covenant, or agreement in any lease, have the right to hold and retain the leased premises for a period not exceeding three months from the date of the receiving order or assignment, or until the expiration of the tenancy, whichever shall first happen, on the same terms and conditions as the lessee might have held such premises had no receiving order or assignment been made. Rights of custodian or trustee of leased premises.

"(3.) If the lessee is a tenant of premises the tenancy of which is not determined by the making of such receiving order or assignment, the custodian or trustee may surrender possession at any time, and such tenancy shall thereupon terminate; but nothing herein shall prevent the trustee from selling, transferring, or otherwise disposing of any lease or leasehold property, or any interest of the lessee Rights as to unexpired term of lease.

therein, for the unexpired term thereof or any part thereof to as full an extent as could have been done by the lessee had the receiving order or assignment not been made; and if the lease contains any covenant, condition, or agreement that the lessee or his assigns should not assign or sublet the premises without the leave or consent of the landlord or other person, such covenant, condition, or agreement shall be of no effect in case of such sale, transfer, or disposition of the lease or leasehold property as aforesaid, if a Judge of the Supreme Court, on the application of the trustee and after notice of such application to the landlord, approve of the sale, transfer, or other disposition proposed to be made of the lease or leasehold property: Provided, however, that before the person to whom the lease or leasehold property is transferred or disposed of is permitted to go into occupation, he shall deposit with the landlord a sum equal to three months' rent, or supply to him a guarantee bond approved by the Court in a penal sum equal to three months' rent, as security to the landlord that such person will observe and perform the terms of the lease; but the amount so deposited or secured to the landlord shall not exceed the rent for the term so assigned or sublet.

Right of custodian or trustee to disclaim lease.

“(4.) The custodian or trustee shall have the further right, at any time before surrendering possession, to disclaim any such lease, and his entry into possession of the leased premises and their occupation by him while required for the purposes of the trust estate shall not be deemed to be evidence of an intention on his part to elect to retain the premises, nor affect his right to disclaim or to surrender possession pursuant to the provisions of this section; and if after occupation of the leased premises he elects to retain them and thereafter assigns the lease to a person approved by the Court as by subsection (3) provided, the liability of the trustee and of the estate of the debtor shall, subject to the provisions of subsection (5), be limited to the payment of rent for the period of time during which the custodian or trustee remains in possession of the leased premises for the purposes of the trust estate.

Preferred claim of landlord.

“(5.) The landlord shall have a preferred claim against the estate of the lessee for arrears of rent not exceeding three months' rent accrued due prior to the date of the receiving order or assignment, together with all costs of distress properly made before such date in respect of the rent or any part thereof hereby made a preferred claim.

Right to prove as general creditor.

“(6.) The landlord may prove as a general creditor for:—

“(a.) All surplus rent accrued due at the date of the receiving order or assignment; and

“(b.) Any accelerated rent to which he may be entitled under his lease, not exceeding an amount equal to three months' rent.

Right as to unexpired term of lease.

“(7.) Except as aforesaid, the landlord shall not be entitled to prove as a creditor for rent for any portion of the unexpired term

of his lease, but the trustee shall pay to the landlord for the period during which he or the custodian actually occupies the premises from and after the date of the receiving order or assignment a rental calculated on the basis of the said lease and payable in accordance with the terms thereof; except that any payment already made to the landlord as rent in advance in respect of that period, and any payment to be made to the landlord in respect of accelerated rent, shall be credited against the amount payable by the trustee for that period.

“(8.) The landlord shall not be entitled to distrain upon the goods of the lessee after the date of the receiving order or assignment, and all goods distrained upon before such date shall on demand be delivered by the person holding them to the custodian or trustee. Distrain.

“(9.) Nothing contained in this section shall render the trustee personally liable beyond the assets of the debtor in his hands.” Liability of trustee.

(2.) Said section 33 as re-enacted by subsection (1) shall be deemed to have been in force on, from, and after the first day of October, 1923, except as to property distributed and payments made in the course of distribution before the date on which this Act comes into force, and without prejudice to rights vested in any person by virtue of any judicial decision or to litigation pending at that date. Retrospective application of section.

VICTORIA, B.C.:

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