



CHAPTER 73.

An Act respecting the Corporation of the City of Prince Rupert.

[Assented to 20th March, 1929.]

WHEREAS the Municipal Council of the Corporation of the City of Prince Rupert, with the assent of the electors given pursuant to Part VI. of the "Municipal Act," R.S.B.C. 1924, chapter 179, has passed By-law No. 682, entitled "Power Corporation of Canada Limited By-law, 1929," and has executed an Agreement dated the first day of March, 1929, with the Power Corporation of Canada Limited in the form set out in the Schedule to said by-law, for the sale to said Power Corporation of Canada Limited as a going concern of the entire assets of the Corporation's light and power department, free from all encumbrances: Preamble.

And whereas doubts have arisen as to whether the Municipal Council of the Corporation has power under this said "Municipal Act" to sell the said assets:

And whereas the Corporation of the City of Prince Rupert has by petition prayed that legislation be enacted to validate the said by-law and the said Agreement, and to grant and confirm to the said Power Corporation of Canada Limited all the powers, privileges, and rights conferred on it by the said by-law and the said Agreement:

And whereas it is expedient to grant the prayer of the said petition:

Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:—

1. In this Act "Corporation" means the Corporation of the City of Prince Rupert, "the Council" means the Municipal Council of the Corporation, and "the Company" means Power Corporation of Canada Limited. Interpretation.

Validation of
by-law.

2. By-law No. 682 of the Corporation, entitled "Power Corporation of Canada Limited By-law, 1929," as set out in the Schedule hereto, is ratified and confirmed and declared to be legal, valid, and binding on the Corporation and the Council.

Validation of
Agreement.

3. The said Agreement dated the first day of March, 1929, between the Corporation and the Company, in the form of the Agreement set out in the Schedule to said By-law No. 682, is ratified and confirmed and declared to be legal, valid, and binding on the Corporation, the Council, and the Company.

Outstanding debentures of Corporation not to be charge on assets sold.

4. It is declared that none of the outstanding debentures of the Corporation shall henceforth constitute a lien, charge, or encumbrance on any of the assets agreed to be sold by the Corporation to the Company by the said Agreement dated the first day of March, 1929.

Disposition of
purchase price.

5. The Council of the Corporation shall not make any disposition of any money received from the Company until a sufficient sum has been set aside to provide for the payment of the interest and instalments of principal falling due from year to year on the bonds representing the liabilities outstanding of the Corporation in respect of the assets acquired by the Company under the Agreement confirmed and validated by this Act. The money so set aside may until required for such purposes be invested in the manner provided in section 196 of the "Municipal Act," or may be used at any time for the purchase or redemption of the bonds hereinbefore mentioned, and shall be subject to the restrictions and conditions set out in section 197 of the "Municipal Act" as applying to sinking funds.

Confirmation of
powers, etc.

6. All the powers, privileges, and rights conferred on the Company by the said By-law No. 682 and the said Agreement dated the first day of March, 1929, are confirmed to the Company subject to the terms of the said by-law and Agreement.

Short title.

7. This Act may be cited as the "City of Prince Rupert By-law Validation Act, 1929."

SCHEDULE.

BY-LAW No. 682.

A BY-LAW AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH POWER CORPORATION OF CANADA LIMITED FOR THE SALE TO IT OF THE HYDRO-ELECTRIC PLANT AT WOODWORTH LAKE AND THE TRANSMISSION AND DISTRIBUTION SYSTEM AND FOR THE SUPPLY OF ELECTRIC POWER BY SAID POWER CORPORATION OF CANADA LIMITED TO THE CITY.

WHEREAS the Corporation of the City of Prince Rupert (hereinafter referred to as "The Corporation") owns and operates a hydro-electric plant at Woodworth Lake and a transmission and distribution system to and in the City of Prince Rupert (hereinafter referred to as "the City"), and has borrowed moneys for the purpose of meeting the cost of such plant and systems:

AND WHEREAS the requirements of the Corporation and the citizens of the City for electric power are increasing and it will be necessary for the Corporation to raise further moneys to meet the cost of further hydro-electric development:

AND WHEREAS Power Corporation of Canada Limited (hereinafter referred to as "the Company") is prepared to develop hydro-electric power for the purpose of supplying the needs of the Corporation and of the citizens of the City, and has offered to purchase the hydro-electric plant and transmission and distribution systems of the Corporation at and for the sum of Three Hundred and Seventy-five Thousand Dollars (\$375,000.00) upon the terms contained in the Agreement hereinafter referred to:

AND WHEREAS in the interests of the industrial development of the City it is desirable that the Company should undertake such development so as to insure an adequate supply of electric power for the increasing requirements of the City and of its citizens:

AND WHEREAS a draft proposed Agreement has been prepared and has been approved by the Company and by the Council of the Corporation and is set out in Schedule "A" hereto and is hereinafter referred to as "the Agreement":

AND WHEREAS the present hydro-electric plant, transmission and distribution systems of the Corporation are, in the opinion of the Council, in view of the Agreement, no longer required for corporate purposes:

NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE CITY OF PRINCE RUPERT ENACTS AS FOLLOWS:

1. After the assent of the electors has been given in the manner hereinafter provided, and after this By-Law is in full force and effect and the Agreement shall have been executed by the Company, the Corporation shall forthwith execute and deliver the Agreement to the Company, and on the execution thereof by both parties thereto and delivered as aforesaid, the Agreement shall be deemed to form part of and be read with this By-Law and shall be in full force and effect.

2. The covenants, terms and conditions contained in the Agreement are hereby approved and confirmed, and it shall be lawful for the Corporation to carry out, perform and fulfil the Agreement and every term thereof:

3. The Corporation is hereby authorized to sell to the Company the assets mentioned in paragraph 2 of the Agreement for the price and upon the terms therein mentioned.

4. This By-Law shall before the final passing thereof be submitted to and receive the assent of the electors of the City in the manner provided in Part VI., Division 1, of the "Municipal Act."

5. This By-law shall be cited as "Power Corporation of Canada Limited By-Law, 1929."

PASSED THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE CITY OF PRINCE RUPERT THIS THIRTEENTH DAY OF FEBRUARY, A.D. 1929.

Read first time February 13, 1929. Rules suspended and read second time February 13, 1929.

Received the Assent of the Electors the 1st day of March, A.D. 1929.

Reconsidered and finally adopted by the said Council the first day of March, A.D. 1929.

SEAL OF THE
CORPORATION.

S. P. McMORDIE,
Mayor.
E. F. JONES,
Clerk.

"SCHEDULE "A"

THIS AGREEMENT made this _____ day of _____
in the year of our Lord, one thousand
nine hundred and twenty-nine

BETWEEN :

THE CORPORATION OF THE CITY OF PRINCE RUPERT, hereinafter
called "the Corporation " OF THE ONE PART

AND

POWER CORPORATION OF CANADA LIMITED, hereinafter called
"the Company " OF THE OTHER PART

WITNESSETH that the parties hereto mutually covenant, promise and agree each with the other as follows :

1. In this Agreement the term " City " shall mean the City of Prince Rupert, in the Province of British Columbia, as at present constituted or as it may from time to time be extended, and the term " Citizens " shall mean the residents, whether ratepayers or not, and industrial and commercial users of power, of the City, and the term " Corporation " shall mean the Corporation of the City, and the term " Company " shall include its assigns.

2. The Corporation will sell and transfer to the Company, but without warranty as to title, the entire assets of the Electric Light and Power Department of the Corporation, as a going concern (excluding only cash on hand and in bank and accounts receivable) consisting of but without in any way limiting the generality of the foregoing, those lands and water rights which it now possesses, occupies and/or enjoys the use of, at the site of its development at Woodworth Lake, the dam now constructed at the outlet of the said lake, penstock, power house and machinery, and all transmission and distribution lines, sub-stations, lands and rights-of-way, transformers, meters, stores, tools, equipment and appliances in use by the Department, free from all encumbrances save as is hereafter particularly set forth, at and for the price of \$375,000.00 payable on completion as later herein provided.

3. The Corporation shall have the right at all times, in priority to any use by the Company to take at the present connection of the Corporation's water main with the penstock to the said dam, all the water required for the reasonable and ordinary use of the Corporation and the citizens, and the Corporation agrees to use care and diligence and to take all reasonable precautions to see

that water is not unnecessarily wasted or lost, and so long as joint use is made of the said penstock the Corporation agrees to pay one-third of the cost of the maintenance of the said penstock. If at any time the Corporation wishes to draw its supply of water directly from the said dam (at an elevation not higher than the level of the present penstock) and to discontinue the present connection of its water main with the said penstock, it may do so and thereafter will be absolved from any share of maintenance charges thereafter incurred from the said penstock. The Company agrees that it will at all times maintain the said dam in fit state of repair and will not reduce the level of the waters of Woodworth Lake in such a manner as to prevent the flow of water to the water main of the City, and the City Engineer shall be the sole judge as to whether the level of the said waters is being maintained and on being notified by the said Engineer that the supply of water is being endangered the Company shall comply with any and all directions which said Engineer may give to ensure the level of the waters being maintained, but so that no such direction shall be such as shall necessitate the raising of the dam by the Company.

4. The Company will maintain all its items of the system referred to in clause 2 hereof intact until it shall be in a position to supply sufficient electrical energy from the development to be carried out in accordance with the provisions of paragraph 16 hereof to meet the then requirements of the Corporation and the citizens. If at any time the Company by written notice to the Corporation abandons the use of the dam at the outlet of Woodworth Lake, the Company shall then be released from all further liability in connection therewith, whether by way of maintenance or otherwise howsoever, upon reconveying to the Corporation all the lands, water rights, dam and penstock hereinbefore referred to forming part of the present development at Woodworth Lake.

5. The foregoing sale shall be completed forthwith after the execution of this agreement, when the Company shall pay \$375,000.00 to the Corporation against execution and delivery by the Corporation of appropriate instruments transferring to the Company all its rights, title and interest in all of the assets hereby agreed to be sold, and when this Agreement shall have been ratified by the Legislative Assembly of the Province of British Columbia, when possession thereof shall be given to the Company free from encumbrances save as herein provided.

6. Out of the said purchase price of \$375,000.00 the sum of \$150,000.00 shall be paid by the Corporation to the Montreal Trust Company to hold in trust and invest in trustee securities as authorized by the Trustee Act, other than mortgages on real estate, until all debentures of the Corporation which constitute a charge upon the assets herein agreed to be sold or on the rates derivable therefrom are paid and discharged. If at any time the Corporation shall make default in respect of any such debentures and the holders thereof or any of them shall seize or attach the said assets or any of them or said rates, the Company shall be indemnified out of the securities or moneys so held in trust. Pending such default the income of any such securities shall be paid to the Corporation. Provided that this clause shall only be binding until such time as an Act is passed by the Legislature of the Province of British Columbia validating this Agreement, and the By-Law of which it forms a part and declaring that the Debentures of the City shall not be a charge upon the assets sold to the Company by the City under this Agreement. As soon as such Act comes into force the above mentioned sum of \$150,000.00 shall be paid to the City by the said Trustee.

7. The meters of the existing consumers shall be read so soon after the execution of this Agreement as is practicable by an officer of the Corporation together with a representative of the Company, and all revenue accruing there-

from prior to the date of this reading shall belong to the Corporation and be billed by it, and all revenue accruing after the date of this reading shall belong to the Company.

8. The Company shall assume and it does hereby assume all the obligations of the Corporation (which are hereby transferred to the Company so as to relieve the Corporation therefrom) under the following existing special agreements between the Corporation and certain light and power customers, namely :

- (a) Agreement made between the Corporation and His Majesty the King in the Right of the Dominion of Canada, dated February 12, 1925.
- (b) Agreement made between the Corporation and the Grand Trunk Development Company, Limited, dated October 18, 1926.
- (c) Agreement between the Corporation and the Canadian Fish and Cold Storage Company, Limited, dated October 18, 1926.

9. The Corporation shall at all times have the right to make use for municipal purposes of such of the poles of the Company as are situate in the City, subject to and in accordance with an agreement to be entered into between the parties hereto in the standard form of the Bell Telephone Joint Pole Agreement to be identified by the signatures of the Engineers of the respective parties hereto.

Provided, however, alternatively that the Company will lease to the Corporation (at the option of the Corporation) the use of each and every pole required for the purposes of the Corporation at an annual rental of \$2.00 for each pole, and similarly the Corporation will lease to the Company the use of such poles of the Corporation as the Company may require and, as may be available, at the same rental.

10. The Corporation will assist the Company in every possible manner, to obtain a good marketable title to the site of the present hydro-electric development at Woodworth Lake, and to all lands and rights-of-way (other than streets, lanes and other public places in the City) intended to be included in this sale, and rights to the water of said lake sufficient to enable the Company to perform its obligations hereunder.

11. The Corporation agrees that during the term of this Agreement or any renewal thereof, it will not compete with the Company in the sale and distribution of electrical power for light, heat and power purposes, and will purchase and take from it and from no other person or corporation, all the electric power for light, heat and power purposes that the Corporation may require.

12. The Corporation hereby grants to the Company the right to carry on in the City the business of a light, heat and power company, and to install, extend, operate, repair and maintain in the streets, lanes and other public places in the City, poles, conduits, wires, cables and all other necessary equipment and appliances for the transmission, distribution and sale of electric power for light, heat and power purposes, with the right under the supervision and direction of an officer appointed by the Corporation, to trim and cut any trees in such public places which may interfere with the proper installation or operating of the Company's equipment.

13. The Corporation hereby grants to the Company the sole and exclusive right, license and privilege during the term of this Agreement, or any renewal thereof, to erect in and on any streets, lanes or other public places in the City, any poles, conduits, wires, cables or other equipment and appliances forming or to form part of any system for the transmission, distribution and sale of light, heat and power.

14. The Company will, before proceeding with the construction or extension of its distribution system or any part thereof within the City, submit plans thereof to the Corporation and obtain the Municipal Council's approval of such plans and will, where possible, construct, erect, or lay its poles, conduits, wires and cables through and along lanes in preference to streets used as highways.

15. When the Company at any time with the approval of the Municipal Council as aforesaid, commences any work on the street, lane, or other public place in the City in the way of extending, repairing or maintaining its said distribution system, it will complete the said work with all convenient speed and upon the completion thereof shall restore the said public place to a proper and efficient state of repair equal in all respects as nearly as may be to the condition of repair in which the same was immediately prior to the commencement of such work, and on default by the Company then the Corporation may undertake such restoration and the Company shall be liable for the cost thereof.

16. The Company shall proceed at once with the further development of power other than Woodworth Lake, and will complete within two (2) years a hydro-electric development having a capacity of not less than 5,000 h.p., but should the Company be delayed by act of God, fire or King's enemies, expropriation proceedings, or any cause over which the Company has no control, the said time for completion shall be extended for a period equal to the time during which the said cause operated to delay the Company in completing said works. The Company will thereafter complete further development until 100,000 h.p. or more shall be available for private or commercial use for the citizens and industries located within the City. Such further development shall be carried out and completed from time to time as prospects for the sale of power justify, and if the Municipal Council shall at any time require the Company to undertake further development at a time or to an amount which the Company shall not think the prospects then justify then the matter shall be referred to the Public Utilities Commission of the Province of British Columbia if such body shall then be in existence and if it shall be acceptable to both parties hereto: if not, then to the Water Board constituted under the Water Act of the said Province, and if such Board shall not be acceptable to both parties hereto then the matter shall be referred to arbitration as constituted under Clause 31 of this agreement and any such decision shall be final and binding on both parties hereto, and forthwith thereafter the Company shall undertake and complete such further development in accordance with such decision.

17. During the term of this Agreement or any renewal thereof the Company will supply at all times, according to the forms herein provided, the electric energy required by the Corporation and the citizens, for light, heat and power, and shall maintain a reasonable surplus to meet increased demands.

18. The Company will supply electric energy to the Corporation and to the citizens for lighting and heating purposes, and for use in small motors, in the form of single phase alternating current at 110 volts, two wires, or at 110 and 220 volts, three wires, at option of the Company, and at a normal frequency of 60 cycles per second.

19. (a) The maximum rates or prices which the Company shall exact from or charge to consumers for light, heat and power in the City during the term of this Agreement, shall be as set out in Schedule "A" of By-Law No. 494 of the Corporation. The Company may, regardless of such rates, sell electric power to the Corporation and to consumers within the City at rates lower than those set out in said Schedule "A" where the quantity of consumption, load factor, or off-peak conditions warrant the Company in doing so, and also for off-peak heating, cooking and similar purposes, provided that there shall be no discrimination as between consumers where all conditions are similar, and provided that in no such case shall the minimum net bill be less than the minimum specified in said Schedule "A."

(b) The rates and conditions on which electric power shall be supplied for operation of electric motors shall be in accordance with the terms and conditions set forth in Schedules "A," "B," "C," "D," "E" and "F" deposited



with the City Clerk of the Corporation, and with the Inspector of Municipalities, Victoria, B.C. The rates in the said schedules shall apply to customers signing contracts subject to the rules, regulations and general conditions as noted thereon.

20. The Company will supply, and the Corporation agrees to pay for street lighting services during the term of this Agreement subject to the following conditions:

- (a) The service shall be supplied from at least dusk to dawn throughout the year.
- (b) The initial installation shall consist of such lights as now exist and additional lights shall be supplied by the Company from time to time on thirty days' written notice from the Municipal Council to the Company.
- (c) The price per 100 watt or 100 candlepower lamp or lamps spaced not farther apart than on alternate poles shall be \$15.00 net per year, with an additional charge of \$.50 per month for each pole span used in excess of two spans per lamp. This additional charge shall not, however, be applicable to any lamps installed at the date of the execution of this agreement but shall be applicable in the discretion of the Company to all future extensions thereof. The price per lamp for lamps of higher rating or capacity than aforementioned shall be proportional to the price for the 100 watt or 100 candlepower. A penalty of ten per cent. (10%) shall be charged if not paid within fifteen days from the date of the rendering of the account.
- (d) The number or capacity of lamps shall not be decreased at any time during this Agreement.
- (e) The Company shall install the street lighting system with the exception of the lamps and renewals thereof which shall be supplied by or at the expense of the Corporation, but the Company will furnish the Corporation with all lamps that may be required, at cost, and will install the same without further charge to it. Cost shall mean the actual invoice price plus freight, delivered in the Company's stores, Prince Rupert. No fixtures are to be installed for lamps of less than 100 watts capacity.
- (f) The Company will upon demand of the Corporation install at its own expense in the streets of the City a fully modern ornamental system of high intensity street lighting fixtures, the service for which will be charged for at prices in the same proportion per 100 watt lamps as those charged for the lamps mentioned in paragraph C. hereof.
- (g) The Company shall not be obliged to suspend lamps between poles, nor to install, poles on the opposite side of a street to that on which its ordinary equipment is installed.
- (h) Any change in the location of fixtures or lamps shall be at the expense of the Corporation.
- (i) The switching of the lamps shall be done by an officer of the Company.
- (j) The Company is hereby exonerated from any liability due to the failure of any lamp or lamps to be lit at any time.

21. The prices set out in the preceding paragraph for street lighting shall come into force immediately upon the passing by the electors of the By-Law ratifying this Agreement and its due execution. The rates set out in Schedule "A" to By-Law No. 494 shall be deemed to continue in force as under this Agreement from the time of its ratification and due execution.

22. Nothing in this Agreement shall release the Company from liability at law for injury sustained or suffered by any person or property by reason of an act or omission of the Company, its agents and servants, and the Company shall indemnify and save harmless the Corporation from all loss, costs,

charges, damages or expenses which may arise or be incurred, suffered or sustained by the Corporation as a result of the exercise by the Company of the rights, powers and privileges hereby granted, which, without restricting the generality of the foregoing, include any work that may at any time be undertaken by the Company on any streets or lanes in the City, or at the generating plant at Woodworth Lake.

23. The Company shall observe all By-Laws of the Corporation and shall conform to all regulations imposed by any By-Laws which are applicable to the Company and its operations.

24. The rights, powers and privileges reserved to and conferred upon the Corporation by this Agreement may be exercised and enjoyed by the Municipal Council of the Corporation, and any person or persons from time to time authorized by the said Council.

25. (a) The Company shall not be exempt from Municipal taxation but the Corporation shall not impose upon the Company at any time any discriminatory taxation, whether by way of tax, license or other charge.

(b) The Company may increase the rates or prices which it is authorized to charge or impose by paragraphs 19 and 20 hereof, to cover any increase in the cost of supplying the service due to any future tax, license, royalty, fee or other charge hereafter imposed by any Government authority, Federal or Provincial.

26. The Company will pay all its employees in the City and at Woodworth Lake the prevailing rate of wages for all skilled labour prevailing in Prince Rupert, and the civic rate of wages for unskilled labour.

27. Nothing in this Agreement shall remove the Company from the jurisdiction of any Commission of the Province of British Columbia having jurisdiction over public utilities of the Province, if, as and when formed.

28. (a) In the event of the Company making any default in the fulfilment or performance of any of its obligations under paragraphs 3, 4 and 26 hereof, unless in the case of a default under clauses 3 and/or 4 it shall happen through an act of God, fire, or the King's enemies, or any cause over which the Company has no control, the Company will pay to the Corporation in respect of each such default the sum of \$100.00 per day for each day during which any such default continues, as liquidated damages, such sum having been fixed by mutual agreement as due compensation to the Corporation in view of the difficulty of assessing the damage actually sustained in each case.

(b) In the event of the Company making default in the performance of its obligations under paragraph 16 hereof, the Company will pay to the Corporation the sum of \$1,000.00 per day for each day during which such default shall continue as liquidated damages fixed beforehand by mutual consent, in order to overcome the difficulty of a mathematical computation, as being the sum which may fairly be considered due compensation to the Corporation.

(c) In the event of the Company making any such default hereunder and should the City so desire the said default may be referred to the Public Utilities Commission of the said Province if then formed and if it will agree to act, and if not then to the Water Board under the Water Act of said Province if it will agree to act, and if not then to a Board of Arbitration as constituted under Clause 31 of this Agreement, and if in the opinion of such Commission or Board or such Arbitrator or Arbitrators the said default shall justify the termination of this Agreement, the Corporation may, by notice in writing to the Company, terminate this Agreement and thereupon all the assets hereinbefore enumerated in Clause 2 hereof shall forthwith revert in the Corporation, together with all improvements effected thereon, and all such further assets as may have been acquired by the Company in connection therewith, and the Corporation shall thereafter pay to the Company the fair value of all such material assets to be settled by mutual agreement or arbitration

under the Arbitration Act, but so that nothing shall be paid for goodwill or any other intangible subject, and so that the Corporation shall be entitled to deduct from any moneys payable to the Company all moneys due or accruing due from the Company to the Corporation hereunder.

(d) The Corporation shall be entitled at any time and from time to time, in its own name, to apply for an injunction to restrain the Company from breaking any negative covenant on the part of the Company herein contained, and also to apply for the specific performance of any affirmative covenant on the part of the Company herein contained, without in either case joining any other party.

29. Time is of the essence of this Agreement and of every provision thereof.

30. The term of this Agreement shall be twenty-five years from the date hereof.

31. The Corporation shall have the right at the end of the said twenty-five years to buy from the Company all the Company's property situate within the City, together with all the property of the Company then situate at or near the existing Woodworth Lake development, at a price which if not agreed upon between the Corporation and the Company shall be referred to a single arbitrator if the Corporation and the Company agree upon a single arbitrator; otherwise to three arbitrators, one to be appointed by the Corporation, a second by the Company, and a third, or umpire, by the two arbitrators appointed by the Corporation and the Company respectively. The Corporation's right of purchase as above mentioned is conditional upon its giving notice to the Company at least twelve months before the end of the said term of twenty-five years.

32. If the Corporation shall fail to give the notice referred to in the preceding paragraph, then it shall have the right to renew this Agreement for a further period to be agreed upon, and the rates or prices for the services mentioned in paragraphs 19 and 20 hereof for such period shall, if not agreed upon between the Corporation and the Company, be referred to arbitration as hereinbefore provided unless there shall be in existence a Commission of the Province of British Columbia having jurisdiction over the Public Utilities of the Province, in which event such rates or prices shall be fixed by such Commission.

33. The Company shall apply, in the name of the Corporation, at the Company's expense, to the Legislature of the Province of British Columbia for an Act validating this Agreement, and the By-Law of which it forms part, and such application shall be made at the present Session of the Legislature.

34. This Agreement shall, but only with the consent of the Municipal Council (which consent shall not be unreasonably withheld) be assignable by the Company to an operating Power Company, either existing, or to be organized for the purpose of carrying out the terms hereof, the said Company to be of sufficient financial responsibility and ability to carry out the undertaking, and everything herein contained shall respectively enure to the benefit of and be binding upon the parties hereto, their successors and assigns. Upon the Municipal Council approving the financial responsibility and ability of the said operating Company, upon this Agreement being assigned by the Company to it the Company shall thenceforth be relieved of all obligations hereunder.

35. The Company will place at the disposal of the Corporation and the Board of Trade its Industrial Research Department and endeavour in every way to induce the establishment and the fostering of new industries in the City.

36. The City shall forthwith submit a By-Law to the electors of the said City under the provisions of the "Municipal Act" for the ratification of this agreement, and to grant to the Company the immunities and exemptions herein

contained, and this Agreement shall have no force or effect and shall not be enforceable until the same is ratified and confirmed as aforesaid by the said electors.

IN WITNESS WHEREOF the City has caused these presents to be signed by its Mayor and City Clerk and its Corporate Seal to be affixed hereto, and the Company has hereunto affixed its Corporate Seal attested by the hands of its proper officers in that behalf.

VICTORIA, B.C.:

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1929.