

De Maligne  
Emmuesinoge

1922

ON THIS DAY, the twelfth of the  
month of December, in the Year of Our Lord  
One Thousand nine hundred and twenty two,  
before me, CHARLES DELAGRAVE, the under-  
signed Notary Public for the Province of  
Quebec, residing and practising at the City  
of Quebec, in the said Province.

CAME and APPEARED:-

THE HONOURABLE HONORE MERCIER, of the City  
of Montreal, herein acting in his quality of Minister of  
Lands and Forests of the Province of Quebec and for and  
in the name of the Government of the Province of Quebec,  
duly authorized to the purposes hereof by and in virtue  
of an Order in Council dated at Quebec the seventh day  
of December, One thousand nine hundred and twenty two -  
(1922) and approved by the Lieutenant-Governor on the  
ninth day of December One thousand nine hundred and  
twenty two (1922), a copy whereof duly certified has  
remained annexed to the original hereof duly signed for  
identification by the Parties hereto and the undersigned  
Notary.

PARTY OF THE FIRST PART.

hereinafter named "THE GRANTOR", and

QUEBEC DEVELOPMENT COMPANY, LIMITED, a corporation  
organized under the Dominion Companies Act, and having  
its principal office and place of business at the City  
of Montreal and hereto represented by H. LEWIS BROWN, -  
of the City of New York, lawyer, duly authorized to the  
purposes hereof by and in virtue of a Resolution of the

B.  
registre à Hébertville  
no. 24,173  
et à Roberval, no. 34,993



the Board of Directors of the said Company passed at a duly convened Meeting thereof held at the City of Quebec on the thirtieth day of November 1st (1922), a certified copy whereof duly signed for identification by the Parties hereto and the undersigned Notary, has remained annexed to the original hereof,

PARTY OF THE SECOND PART

hereinafter named "THE GRANTEE" ,

WHICH SAID PARTIES, acting as aforesaid, have declared, covenanted and agreed as follows :

The said Party of the First Part declares to have granted and conveyed, and doth hereby grant and convey unto the said Party of the Second Part, its successors and assigns, accepting hereof, the following, on the terms and conditions hereinafter stated, namely :

DESCRIPTION

"1. THE RIGHT, subject to Federal Government approval, if any be required, to raise and maintain the level of Lake St. John by the construction, operation and maintenance of one or more dams abutting in part on Ile Maligne as may be built and raised from time to time in such a way that the level of the water of said lake may be maintained at a maximum height of seventeen and one half (17½) feet above the zero mark of the gauge at the wharf at Roberval; which zero mark is or shall be referred to a permanent bench mark established at a convenient spot to the satisfaction of the Minister of Lands and Forests; and by means of such dams to store

" store water in and withdraw water from Lake St. John  
" as may be desired; provided that the grantee may not,  
" without the approval of the Lieutenant-Governor-in-  
" Council, build said dams to an elevation in excess of  
" seven and one-half ( $7\frac{1}{2}$ ) feet above said zero mark -  
" prior to the end of the twenty four (24) calendar -  
" months next following the completion of the building  
" of said dams to an elevation of seven and one - half -  
" ( $7\frac{1}{2}$ ) feet above said zero mark ". -

" 2. THE RIGHT to construct, operate and maintain  
" such other dam or dams at or near the outlet of the  
" lake in the LITTLE " DISCHARGE " as may be necessary or  
" desirable to the exercise and enjoyment of the rights  
" set forth in paragraph One (1) above, provided, however,  
" that proper works on said dams shall leave always a  
" minimum flow of Three hundred and fifty cubic feet  
" per second (350 c.f.s.) in said Little Discharge in  
" order to provide for the domestic needs and welfare  
" of the public living on the slopes and watershed of said  
" said Little Discharge; and provided, further, that  
" the Government reserves the right to have the Little  
" Discharge flushed conveniently at periodical intervals  
" if this should be found necessary by the Provincial  
" Hygiene Service; provided also that all claims for da-  
" mages as a result of the exercise of this right as it  
" affects holders of Government rights already sold -  
" shall be borne by the Grantee, the Government to be  
" kept free of all claims in this respect. ". -

" 3. FOR THE CONSIDERATION stated below the Grantor  
"renounces all claims for damages resulting from such  
"impounding, including damage from the flooding of Go-  
"vernment lands, partly or wholly, beaches or islands,  
"water powers or other rights that may belong to the  
"Crown, saving and excepting, however, damages to pri-  
"vate property or to Government improvements, buildings,  
"public roads, which shall be payable by the Grantee,  
"its successors and assigns ".

"4. ISLAND number ONE HUNDRED AND SEVENTY -THREE  
" (173) of the Islands of the Grand Discharge, as known  
"on the Official Cadastre and Book of Reference for the  
"Township of Dolisie, County of Lake St. John, containing  
"about two hundred and thirty-three (233) acres and -  
"commonly known as Ile Maligne, at the price of Five  
"dollars (\$5.00) per acre, payment in full of which -  
"price is hereby acknowledged ".

C O N S I D E R A T I O N

5. THE CONSIDERATION for the properties, rights and  
privileges aforesaid and their full enjoyment shall be  
as follows :

(a) The cash considerations herein stated as having  
been paid according to clause four (4) hereof;

(b) The Grantee hereby waives as respects lands -  
granted by the Crown by Letters Patent that did not res-  
erve the right of flooding hereinafter mentioned, and  
which lands said Grantee as assignee of Oyamel Company  
had a right to flood under two certain grants from the-  
Crown to said last named Company dated respectively Au-  
gust fourth and fifth, nineteen hundred and three -

three (August 4 & 5, 1903) all claims for damages against the Crown and all right to flood said lands by virtue of said Letters Patent to the Oyamel Company;

(c) The Grantee hereby covenants and agrees within five years subsequent to the date hereof to develop at Ile Maligne, at least, two hundred thousand horse power (200,000 H.P.) to be ascertained by the capacity of the turbines installed, with extension of said delay of five years corresponding to time lost through fortuitous - events ( cas fortuits) or force majeure, or securing federal approval, if any be required.-

(d) The Grantee hereby covenants and agrees to pay - to the Crown, herein represented by the Provincial Government, at the rate hereinafter stated for each horse power per annum generated at said development at or near Ile Maligne in excess of two hundred thousand (200,000) horse power per annum.-

The term "HORSE POWER PER ANNUM " shall mean SIX THOUSAND, FIVE HUNDRED AND THIRTY-FOUR AND NINETY-SIX ONE-HUNDRETHS (6,534.96) KILOWATT HOURS.- Said rate for the fifty (50) year period beginning at the date hereof shall be fifty (50) cents per horse power per annum and for each succeeding twenty-one (21) year period it shall be the amount agreed for any such period and if the Parties cannot agree for any such period the rate for that period shall be the amount fixed by such Government - agency as may be authorized by the Government so to do.

6. The Grantee, for itself, its successors and assigns hereby undertakes to pay as a minimum for horse power hereunder the sum of FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year for and with respect to each year occurring after five (5) years from the date hereof.-

7. Payments hereunder shall be made to the Department of Lands and Forests, in gold coin of the present standard of weight and fineness at the City of Quebec for each quarter as soon after the end of such quarter as the amount can be properly audited and ascertained and for this purpose the grantee, its successors and assigns, shall install and maintain at their own expenses at said development accurate meters correctly measuring and recording the horse power generated, such meters to be open to the reasonable inspection and test of any person appointed and authorized for this purpose by the Minister of Lands and Forests.-

8. The method of calculating the power production shall be based on the electric horse power generated at said development as measured at the outgoing meters at the station.-In case any difficulty should arise in this regard the matter will be referred to the Quebec Public Service Commission for arbitration and the parties hereto agree to abide to its decision.-

9. The Grantee shall submit to the Grantor a quarterly statement of its operations, showing the amount of energy produced and how utilized, the whole certified under oath by a qualified officer.- If requested, any person appointed by the Minister of Lands and Forests may have access to the Books and records of the Grantee for auditing pur-

purposes in connection with such statements.-

C O N D I T I O N S

10. The Grantee further agrees to commence work promptly on said Ile Maligne development and agrees that if it should fail to commence work thereon within two months from the date hereof, the Lieutenant-Governor-in-Council will have the right to demand as penalty and damages the sum of FIFTY THOUSAND DOLLARS (\$50,000.00) and in default of payment thereof by the Grantee within a reasonable time after written demand, the Lieutenant-Governor-in-Council shall have the right to annul the Letters Patent for Ile Maligne or the contract resulting hereunder without reimbursement of the payments made at the date of such annulment.-

11. Should the Grantee within the five (5) year period stated in article Five-c (5-c) above not perform the covenant and agreement set forth therein and expend as much as EIGHT MILLIONS DOLLARS (\$8,000,000.00) in and about the doing of the same ( unless prevented from so doing by fortuitous events ( cas fortuits ) or force majeure, or securing federal Government approval, if any be required, in which case there will be a corresponding extension of the delay ) the said Grantee shall pay upon the written demand of the Minister of Lands and Forests as penalty and damages over and above the fifteen thousand dollars (\$15,000.00) herein mentioned the several sums hereinafter named for each term of twelve (12) months after said period, until said covenant and agreement shall have been performed, namely :

For the FIRST TWELVE (12) MONTHS after such period  
the sum of FIFTEEN THOUSAND DOLLARS (\$15,000.00) :

For the SECOND TWELVE (12) MONTHS after such period  
the sum of TWENTY THOUSAND DOLLARS (\$20,000.00) :

For the THIRD TWELVE (12) MONTHS after such period  
the sum of TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) :

For the FOURTH TWELVE (12) MONTHS after such period  
the sum of THIRTY THOUSAND DOLLARS (\$30,000.00) :

For the FIFTH TWELVE (12) MONTHS after such period  
the sum of THIRTY FIVE THOUSAND DOLLARS (\$35,000.00) :

For each TWELVE (12) MONTHS thereafter the sum of  
THIRTY FIVE THOUSAND DOLLARS (\$35,000.00) until said cove-  
nant and agreement shall have been performed; and in de-  
fault of such payments being made within a reasonable

time after such demand the Lieutenant-Governor-in-Council  
shall have the right to annul the Letters Patent for Ile  
Maligne or the contract resulting hereunder without  
reimbursement of the payments made at the date of such  
annulment.-

12. The Grantee shall submit, in conformity with the  
Provincial Laws, copies of all plans, including eleva-  
tions, profiles, sections or other like drawings, showing  
and describing the projected development, dams, power-  
houses, wharves, piers and all other buildings whatsoever,  
and also for the information and convenience of the De-  
partment from time to time, all details and descriptions  
of modifications and improvements thereof, and in each  
and every case giving full particulars with regard to the



The capacity of the machinery and its actual or possible production.- Moreover, the Grantee shall supply and furnish the Grantor with copies of all data it may have or that it will obtain in the future concerning the flow and levels of the river; but nothing herein contained shall be construed to prevent the work done within the next sixty days from being a compliance with clause ten (10) of the present agreement.-

13. The Grantee shall notify the Grantor in writing when said works are completed and put in operation.-

14. The rights granted hereby shall in no way interfere with those of third parties or with Federal and Provincial Laws (S. Geo. V Cp. 68 etc.) concerning navigation, mines, fisheries and driving of logs.-

15. The Grantee shall keep and maintain in good working order all structures, works and plant erected for the development and utilization of the said water power and shall attend to all necessary repairs in order to secure their normal and satisfactory working.-

16. As soon as practicable the Provincial Government will issue and deliver Letters Patent granting the aforesaid rights, privileges and properties as above set forth.-

17. The Grantee shall pay the cost of the present agreement and of two certified copies for the Minister of Lands and Forest.-

Whereof acts...

WHEREOF ACTE

THUS DONE AND PASSED at the  
said City of Quebec, on the day, month and year  
first above written under the number five thousand  
four hundred and ninety of the minutes of the un-  
dersigned Notary and signed by the said Parties  
with and in the presence of the said Notary after  
due reading hereof according to Law.-

(signed) " HONORE MERCIER "  
" MINISTER OF CROWN LANDS AND FORESTS "  
" QUEBEC DEVELOPMENT COMPANY " LIMITED "  
" by " H. L. BROWN "  
" CHARLES DELAGRAVE N.P. "

A TRUE COPY of the original remaining of record  
in my office.-

COPY OF A REPORT of a Committee of the Honorable the Executive Council dated the 7th December, 1922, approved by the Lieutenant Governor on the 9th December, 1922.-

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CONCERNING the Grand Discharge of Lake Saint John.-

NO. 2478  
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THE HONORABLE the Minister of Lands and Forests, in a report dated the 7th December, (1922), sets forth:

WHEREAS the Quebec Development Company, Limited, a corporation organized under the Dominion Companies act, desires forthwith to proceed to a water power development to be located at or near Ile Maligne situate in the Grand Discharge of Lake St. John by the construction of one or more dams at or near the said island; and

WHEREAS it is estimated that the cost of construction of such development work, with such other works as may be the consequence thereof, will be approximately - twelve millions dollars, (\$12,000,000.) and that there will be spent under existing agreements resulting from said development from fifteen to eighteen million - dollars, (\$15,000,000. to \$18,000,000.00) by a customer of said company, in building and equipping plants and lines to take power from such development, and

WHEREAS it is in the public interest that substantial aid be given to promote industries that will be the result thereof;

NOW THEREFORE the Honorable the Minister recommends that he be authorized to grant to said Quebec Development Company, its successors and assigns, the following upon the terms and conditions hereinafter set forth, nemely :

1. The rights, subject to Federal Government approval, if any be required, to raise and maintain the level of Lake St. John by the construction, operation and maintenance of one or more dams abutting in part on Ile Maligne as may be built and raised from time to time in such a way that the level of the water of said lake may be maintained at a maximum height of seventeen and one-half, ( $17\frac{1}{2}$ ) feet above the zero mark of the gauge at the wharf at Roberval, which zero mark is or shall be referred to a permanent bench mark established at a convenient spot to the satisfaction of the Minister of Lands and Forests; and by means of such dams to store water in and withdraw water from Lake St. John as may be desired. Provided that the Company may not, without the approval of the Lieutenant Governor in Council, build said dams to an elevation in excess of seven and one-half, ( $7\frac{1}{2}$ ) feet above said zero mark prior to the end of the twenty four (24) calendar months next following the completion of the building of said dams to an elevation of seven and one-half, ( $7\frac{1}{2}$ ) feet above said zero mark.

2. The right to construct, operate and maintain such other dam or dams at or near the outlet of the lake in the Little Discharge as may be necessary or desirable to the exercise and enjoyment of the rights set forth in paragraph one, (1) above, provided, however, that proper

proper works on said dams shall leave always a minimum flow of three hundred and fifty cubic feet per second (350 c.f.s.) in said Little Discharge in order to provide for the domestic needs and welfare of the public living on the slopes and watershed of said Little Discharge; and provided further that the Government reserves the right to have the Little Discharge flushed conveniently at - periodical intervals if this should be found necessary by the Provincial Hygiene Service, provided also that all claims for damages as a result of the exercise of this right as it affects holders of Government rights already sold shall be borne by the Company, the Government to be kept free of all claim in this respect.-

3. For the consideration stated below the Government renounces all claims for damages resulting from such impounding, including damage from the flooding of Government lands, partly or wholly, beaches or islands, water-powers or other rights that may belong to the Crown, saving and excepting, however, damages to private property or to Government improvements, buildings, public roads, which shall be payable by the Company, its successors and assigns.-

4. To issue Letters Patent for Island number One hundred and seventy three (173) of the Islands of the Grand Discharge, as known on the Official Cadastre and Book of Reference for the Township of Delisle, County of Lake St. John, containing about two hundred and thirty three, - (233) acres and commonly known as Ile Maligne at the price of five dollars, (\$5.00) per acre, payment in full of which is hereby acknowledged.-

5. The consideration for the properties, rights and privileges aforesaid and their full enjoyment shall be as follows :

(a) The cash consideration herein stated as having been paid;

(b) A waiver by said Quebec Development Company as respects lands granted by the Crown by Letters Patent that did not reserve the right of floodage hereinafter mentioned, and which lands said company as assignee of Oyamel Company had a right to flood under two certain grants from the Crown to said last named company dated respectively August fourth and fifth, nineteen hundred and three, (August 4 & 5, 1903) of all claims for damages against the Crown and of all right to flood said lands by virtue of said Letters Patent to the Oyamel Company;

(c) The covenant and agreement on the part of said Quebec Development Company within five years subsequent to the date of the grant to be made hereunder to develop at Ile Maligne at least two hundred thousand horse power (200,000 H.P) with extension of said delay of five years corresponding to time lost through fortuitous events (cas fortuits) or force majeure, or securing Federal approval, if any be required;

(d) The covenant and agreement on the part of said Quebec Development, Company to pay to the Crown herein represented by the Provincial Government at the rate hereinafter stated for each horse power per annum generated at the said development at or near Ile Maligne in excess of two hundred thousand (200,000) horse power per annum.- The term " horse power " per annum ", shall mean six thousand, five hundred and thirty four and ninety -

ninety six one-hundredths (6.534.96) kilowatt hours. Said rate for the fifty (50) year period beginning at the date of the grant to be made hereunder shall be fifty (50) cents per horse power per annum and for each succeeding twenty one (21) year period it shall be the amount agreed for any such period and if the Parties cannot agree for any such period the rate for that period shall be amount fixed by such Government agency as may be authorized by the Government so to do.

6. Said company, its successors and assigns, shall undertake to pay as a minimum for horse power hereunder the sum of fifteen thousand dollars (\$15,000.00) per year for and with respect to each year occurring after five years from the date of the grant to be made hereunder.-

7. Payments hereunder shall be made to the Department of Lands and Forests in gold coin of the present standard of weight and fineness at the City of Quebec for each quarter as soon after the end of such quarter as the amount can be properly audited and ascertained and for this purpose said company, its successors and assigns shall instal and maintain at their own expense at said development accurate meters correctly measuring and recording the horse power generated, such meters to be open to the reasonable inspection and test of any person appointed and authorized for this purpose by the Minister of Lands and Forests.-

8. The Company will further agree to commence work promptly on said Ile Maligne development and agree that if it should fail to commence work thereon within two months from the date of the grant to be made hereunder, the Lieutenant-Governor-in-Council will have the right to

to demand as penalty and damages the sum of fifty thousand dollars (\$50,000.) and in default of payment thereof by the Company within a reasonable time after written demand, the Lieutenant Governor in Council shall have the right to annul the Letters Patent for Ile Maligne or the Contract resulting hereunder without reimbursement of the payments made at the date of such annulment.-

9. Should the company within the five (5) year period stated in article 5c above not perform the covenant and agreement set forth therein and expend as much as eight millions dollars (\$8,000,000.) in and about the doing of the same, (unless prevented from so doing by fortuitous events " cas fortuits" or force majeure, or securing Federal Government approval, if any be required, in which case there will be a corresponding extension of the delay ), the said company shall pay upon the written demand of the Minister of Lands and Forests as penalty and damages over and above the \$15,000.00 herein mentioned, the several sums hereinafter named for each term of twelve (12) months, after said period, until said covenant and agreement shall have been performed, namely:

For the first twelve (12) months after such period the sum of fifteen thousand dollars, (\$15,000.00) ;

For the second twelve (12) months after such period the sum of Twenty thousand dollars (\$20,000.) ;

For the third twelve (12) months after such period the sum of twenty five thousand dollars (\$25,000.00);

For the fourth twelve (12) months after such period the sum of thirty thousand dollars (\$30,000.00);



For the first twelve (12) months after such period the sum of Thirty five thousand dollars (\$35,000.00);

For each twelve (12) months thereafter the sum of Thirty five thousand dollars (\$35,000.00) until said covenant and agreement shall have been performed; and in default of such payments being made within a reasonable time after such demand, the Lieutenant Governor in Council shall have the right to annul the Letters Patent for Ile Maligne or the contract resulting hereunder without reimbursement of the payments made at the date of such annulment.-

10. The method of calculating the power production shall be based on the electric horse power generated at said development as measured at the out going meters at the station.- In case any difficulty should arise in this regard the matter will be referred to the Quebec Public Service Commission for arbitration and the parties hereto agree to abide to its decision.-

11. As soon as practicable the necessary contracts shall be entered into and the Provincial Government will issue and deliver Letters Patent granting the aforesaid rights, privileges and properties as above set forth.-

12. Such articles of form "E" (Hydraulic Service ) that apply, mutatis mutandis, may be embodied in the contract.-

CERTIFIED.

" A. MORISSET "

Clerk Executive Council

This is .....

THIS IS the Order in Council referred to in  
a certain Deed of Grant and Agreement executed before  
C. Delagrave Notary Public at Quebec on the twelfth day  
of December One thousand nine hundred and twenty two  
No. 5490 of his minutes and which has remained annexed  
to the original thereof.-

(signed) HONORE MERCIER "

"H.L. BROWN "

"CHARLES DELAGRAVE N.P. "

A TRUE COPY. -

EXTRACT from minutes of Special Meeting of Board of Directors of Quebec Development Company, Limited, held pursuant to waiver signed by all of the Directors, at the Chateau Frontenac, Quebec, P.Q. at five o'clock in the afternoon of Thursday, November 30, 1922.-

"On motion, duly made and seconded, the following resolution was unanimously passed :

RESOLVED: That H. Lewis Brown, Esquire, a lawyer of New York, City, U.S.A. be and he is hereby authorized for and on behalf of and in the name of this Company to enter into such contracts and agreements with, and accept such sales, grants and conveyances from, the Province of Quebec and / or its authorized Ministers as he, the said Brown, may deem to be to the best interest of this company, of and with respect to the right to store water in and to withdraw water from Lake St. John, the right to divert the waters of the Little Discharge, the island in the Grand Discharge commonly known as Ile Maligne, the bed and water powers of the Saguenay River from Chute a Caron to the mouth of the Shipshaw River and / or the bed and water powers of the Shipshaw River from the mouth of said river up to the river where the same is crossed by prolongation of the division line between Ranges A and One (1), hereby conferring full power and full discretion upon the said Brown for each and every of the purposes aforesaid, including therein authority, to the said Brown to make on behalf of this company such covenants, undertakings and agreements as he may deem proper as a part of the terms and conditions of any such contracts, agreements, sales, grants and / or conveyances".-

I, W.C. PARKER, do hereby certify that I am Secretary of Quebec Development Company, Limited, a corporation or-

organized under the Dominion Companies Act, and that the foregoing is a full, true and complete extract from the minutes of a duly convened special meeting of the Board of Directors of said Company held, pursuant to waiver signed by all of the Directors, at the Chateau Frontenac, in the City of Quebec, at five o'clock in the afternoon of Thursday, November 30, 1922, and that at said meeting a quorum of the Directors of said company was present.-

GIVEN under my hand and the seal of the company this 2nd day of December, 1922.-

(signed) " W.C. PARKER "

Subscribed and sworn to before me this 2nd day of December 1922.

(signed) " ROBERT A. NORRIS "

Notary Public No. 111  
In and for New York County N.Y.  
Register's Certificate No. 3090  
My commission expires March 30, 1923  
Certificate filed Nassau County.

THIS IS the Resolution referred to in a certain Deed of Grant and Agreement executed before C. Delagrave Notary Public at Quebec, on the twelfth day of December One thousand nine hundred and twenty two No. 5490 of his minutes annexed to the original thereof.-

(signed) " HENRI MERCIER "

" H.L. BROWN "

" CHARLES DELAGRAVE N.P. "

A TRUE COPY.-

NUMBER: 5490.-

QUEBEC, 12th DECEMBER 1952.-

D E E D

OF

GRANT AND AGREEMENT

BETWEEN

THE HONORABLE HONORE MERCIER

AND

QUEBEC DEVELOPMENT COMPANY, LIMITED.

copy,

CHARLES DELAGRAVE,

Notary Public,

Quebec.-