



CHAPTER 114

An Act to incorporate *Les Rentiers de l'Avenir*

[Assented to, the 22nd of March, 1928]

WHEREAS Honourable Philippe Paradis, member of the Senate of Canada, Honourable Cyrille F. Delâge, Superintendent of Education of Quebec, and Messrs. Paul E. Lambert, broker, and Gaston Pratte, insurance agent, all of the city of Quebec, and Uldéric Paris, merchant, of Deschaillons, have, by their petition, prayed to be incorporated under the name of *Les Rentiers de l'Avenir*, for the purpose of pension funds, and whereas they have represented that an association of the kind would be useful;

Whereas it is expedient to grant such prayer;

Therefore, His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

DIVISION I

INCORPORATION

1. Honourable Philippe Paradis, Honourable Cyrille F. Delâge and Messrs. Paul E. Lambert, Gaston Pratte, Uldéric Paris and all other persons, firms or corporations, whom they may associate with them, are incorporated under the name of *Les Rentiers de l'Avenir*.

2. The object of the company is to encourage and aid popular savings and social and national work.

3. The company shall have perpetual succession; it may acquire, by any title transferring ownership, moveable and immoveable property useful to its objects, and sell, alienate or otherwise dispose of the same; and may sue or be sued, on its own behalf and on behalf of the pension fund created by it, before any court of competent jurisdiction.

Capital stock.

4. The capital stock of the company shall be two hundred and fifty thousand dollars, divided into twenty-five hundred shares of one hundred dollars each.

Increase of capital stock by by-law.

5. When the authorized capital is fully subscribed and paid up, the company may by by-laws of its board of directors, ratified by a vote of the shareholders representing two-thirds of the shares, increase its capital at one time or progressively to not more than five hundred thousand dollars, and the shareholders shall have the first right to subscribe for the shares each time an issue is made, in proportion to the amount of the shares held by each.

Coming into force of by-laws.

These by-laws shall not come into force until the expiration of thirty days after their publication in the *Quebec Official Gazette*

Corporate seat.

6. The corporate seat of the company, of its branches and of the pension fund shall be in the city of Quebec.

Board of directors.

7. The affairs of the company and of the pension fund shall be managed by a board of directors consisting of at least five and not more than fifteen members chosen among the shareholders of the company.

Powers thereof.

Subject to the provisions of this act, the board of directors shall exclusively be entitled:

a. To administer the capital of the company and the pension fund, the properties and general business of the company and of its pension fund;

b. To determine, increase, or reduce to five the number of its members, and define their qualifications; to choose the seal of the company and of the pension fund and to change them at will;

c. To decide all matters concerning the company and the pension fund, their internal government and the relations of the members among themselves;

d. To establish, at such places as it may deem suitable, any agency or branch useful for the purposes of the company.

Provisional board of directors.

8. The persons named in section 1 of this act shall constitute a provisional board of directors which shall have all the powers of the permanent board and shall remain in office until replaced at the first general meeting of the shareholders.

First general meeting.

9. The first general meeting of shareholders shall be held as soon as possible after one hundred thousand dollars

of the capital stock have been paid up on account of the subscriptions.

Such meeting shall be called by the president, or, in his default, by two of the provisional directors, by registered letter mailed to each shareholder at least eight days before that of the meeting.

The meeting shall elect the regular board of directors and take cognizance of all matters within the scope of a general meeting of the shareholders.

10. Save where inconsistent with this act, or inapplicable, the provisions of Part II of chapter 223 of the Statutes, 1925, shall apply to the company.

The provisions of the Quebec Insurance Act shall also apply, *mutatis mutandis*, and subject to the provisions of this act, to the company, for all that relates to the pension fund.

11. The company consists of shareholders and the pension fund includes, as the case may be, members and pensioners.

A shareholder is a person who holds one or more shares of the company.

A member is a person who is admitted to contribute to the pension fund for the purpose of thereafter drawing a pension.

A pensioner is a member who, after twenty years of membership, for each share subscribed to the pension fund of *Les Rentiers de l'Avenir*, is admitted to participate in the pensions belonging to such shares.

12. The company shall not commence operations until one hundred thousand dollars of the capital stock have been paid up and until it has deposited a sum of five thousand dollars in the office of the Provincial Treasury.

Such deposit may be, from time to time, increased, at the request of the Superintendent of Insurance, if there be occasion, in view of the amount of the company's business and of the laws then in force.

13. The company may, by by-law of its board of directors, establish a pension fund designated by the name of *Fonds de Pension des Rentiers de l'Avenir* in conformity with the provisions of section 2.

The pension fund shall constitute a legal person distinct from *Les Rentiers de l'Avenir* and may sue and be sued, through its board of management, and liquidated for the benefit of the members, without affecting the company.

Coming into force of by-law. The by-law establishing the above pension fund shall not come into force until the expiration of thirty days after its publication in the *Quebec Official Gazette*.

Administra-
tion. **14.** The company, through its board of directors, shall administer separately, in as many distinct departments:
a. Its capital stock, moveable and immoveable property and individual revenues;
b. The capital, interest, the moveables and immoveables and generally all the property of the pension fund;

Cost of ad-
ministration
of pension
fund. **15.** The cost of administering the pension fund shall be borne and paid by the company alone, which shall receive, except in the case of the last paragraph of section 33, in compensation:

Compensa-
tion. *a.* The entrance fee, annual contribution and the fines collected for each share subscribed towards the pension fund;
b. The sums to which it is entitled under the provisions of the last paragraph of section 33 of this act.

DIVISION II

PENSION FUND OF LES RENTIERES DE L'AVENIR

Conditions to be mem-
bers. **16.** In order to become a member and partake of the advantages of the pension fund, it is necessary:

a. To have been admitted by the board of directors of the company;

b. To have paid in advance for each share subscribed for, an entrance fee of one dollar and the assessment and contribution for one year.

"Premium". The word "premium" means the assessment and contribution payable on each share held by a member or pensioner.

Shares. **17.** Every member may subscribe for as many shares in the pension fund as he wishes.

Payment. Every member and pensioner must pay to the company annually, for each share held by him, in a single payment or by instalments, as may be decided by by-law of the board of directors:

a. An assessment of three dollars; and

b. A contribution of not more than one dollar.

Certificate of admis-
sion. **18.** The company shall hand to each member a certificate of his admission. Such certificate shall be dated from the 1st of January of the current year, from which date the premium shall commence to run.

The member shall have the privilege of indicating on the back of his certificate who shall be the beneficiary in case of his death; he shall also have the privilege of changing such beneficiary at will, by following the same formalities.

19. Any employer may enroll, as members of the pension fund, one or more of his employees on the conditions determined by the board of directors. Such enrollment carries with it the privilege to the employer of discontinuing the payment of the instalments, at a period fixed in advance; and, in such case, the employee shall be entitled, after twenty years from the date of his enrollment, to a pension proportionate to the assessments paid. The employee, however, may continue paying the premium until the expiration of twenty years and be thus entitled to the full amount of the pensions declared.

The employee, who has become a pensioner, shall pay, each year, the premium in connection with his shares and the amount of such premium shall be retained out of his pension.

If the employee dies before becoming entitled to the pension, his estate shall be entitled to a refund of the assessments, paid for him, but without interest.

If the employer is twelve months in arrears in the payment of his premiums, his employees may be excluded from the pension fund upon a resolution of the board of directors, after notice to each one interested and they shall then lose all right in the sums till then paid in on their behalf.

It shall however be permissible for such workmen, in the case of their employer's failure to pay, themselves to pay the premiums due for their shares and to continue to enjoy the benefits.

20. A donor may enroll, as a member of the pension fund, any person whom he desires to benefit and pay the premiums for him.

If the donor ceases to pay such premiums, the person benefitted may continue the payments on his own account, in the same manner as if he had personally had himself enrolled.

21. Any member in arrears for twelve months in the payment of his premiums, except in the cases mentioned in sections 22 and 26, hereinafter, may be excluded from the company, without notice, by a resolution of the board of directors.

Effect thereof

The member so excluded loses all his rights, and the sums up to then paid in by him shall be confiscated for the benefit of the pension fund.

Member unable to meet his payments.

22. Nevertheless a member who is unable to meet his payments owing to sickness may, upon sufficient proof accepted by the board of directors, obtain a delay for making his payment until he is in a position to fulfil his obligations.

Minor.

A minor who loses the protection of the donor of his pension may, on proof to the satisfaction of the board of directors, obtain the suspension of his payments until he has attained his majority.

Period not to count.

The period during which payments were suspended shall not count towards the fulfilment of the twenty years required to become a pensioner, unless the member who obtained such suspension, when continuing payments, pays up the arrears with interest.

Exception.

No fines, in certain event.

A member to whom a suspension of payments has been granted is not liable for the fines which may be imposed for delay in the payments.

Married women.

23. Married women, previously authorized by their husbands, may subscribe for shares in the pension fund of the company and shall have full control of their rights as members or pensioners.

Repayment of assessments to representatives.

24. In the event of the death of a member, before having completed his twenty years of membership, but who was in good standing as to his payments at the time of his death, his legal representatives are entitled, upon proof of his death and surrender of his member's certificate, to repayment of his assessments, without interest.

Id., to donor.

A donor who has fulfilled his obligations until the death of the member whose premiums he pays shall alone be entitled to the repayment of the assessments he has paid, without interest.

Participation in the revenue.

25. Every member, after having been such for twenty years, becomes a pensioner, and is entitled during his lifetime to participate in the revenues produced each year by the pension fund, proportionately to the number of shares owned by him, in his capacity of pensioner, but, during the first ten years of the participation, such life-rent must not exceed one-third of the amount paid in to the pension fund by the member during twenty years, for each of his shares.

Payment of premium.

The pensioner shall continue to pay the premium in connection with his shares and the amount thereof shall be retained out of his pension.

26. After having paid premiums during five consecutive years, the member who is afflicted with a chronic illness, or who is victim of an accident preventing him from working and rendering him incapable of paying his premiums, may be allowed to remain a member as long as his illness lasts, on proof to the satisfaction of the company; but in such case he shall be entitled, after twenty years membership, only to a pension proportionate to the premiums he has paid, without regard to the date of the payments.

Member unable to pay after five years.

27. The company shall distribute each year the amount appearing in the statement for the 31st of December preceding as revenue for the year ending on that date, including the interest received but not the interest accrued, and everything produced by the capital as revenue and not as profits. By interest is meant the rate of the yield according to the purchase price of the securities.

Annual distribution.

Meaning of interest.

The surplus revenue of any year shall be added to the revenue of the following year.

Surplus revenue.

28. The pension shall not be transferable nor liable to seizure and shall be paid only to the person entitled thereto on his giving a quittance for same and producing a certificate that he is living.

Pension not transferable, etc.

The accumulated funds of the pension fund shall also be not liable to seizure, except for repayment of the assessments, when necessary, and for the payment of pensions.

Id., for accumulated funds.

29. If a pensioner die before receiving an amount equal to the capital of the assessments paid by him, or for him, the difference between the total of the pensions received and the amount of the assessments paid shall devolve to his heirs and be paid to them in a single payment.

In case of death of pensioner.

30. All unclaimed assessments or pensions shall be held for ten years. After that period they shall be declared forfeited and the company may pay them in to the pension fund.

Unclaimed assessments, etc.

31. The pension fund consists of:

Pension fund.

- a. All assessments paid by members and pensioners;
- b. The interest accrued on assessments;
- c. All profits from investments of the above amounts;
- d. The sums paid in under section 30.

32. The sums which form part of the pension fund shall be invested:

Investment of sums

- forming part of pension fund. *a.* In accordance with the provisions of article 981o of the Civil Code of the Province of Quebec; or
- b.* In the purchase of debts secured by first hypothec, on real estate in this Province and repayable in annuities or otherwise, and in loans secured by the assignment or transfer of such debts; but in no event shall the balance due on such debts exceed three-fifths of the amount of the municipal valuation of the property hypothecated; or
- c.* In deposits in a Canadian bank, the savings department of the post-office or in any loan company authorized to receive such deposits.
- The investments may be changed at will.

- Acquisition of certain properties. **33.** The company may, whenever it deems fit for the protection of its loans, and of those of the pension fund, acquire, by private or by judicial sale, the moveable and immoveable properties guaranteeing the payment of an investment made by it, on its own behalf or that of the pension fund, and may resell them.
- Administration. Pending such resale, the property shall be administered by the company at the cost of and for the benefit of the fund to which it belongs.

- Reserve. **34.** The company shall keep in reserve all sums necessary to meet the obligations it has assumed.
- Investment. These sums shall be invested in accordance with the provisions of the foregoing section 32.

DIVISION III

SUPERVISORY BOARD

- Supervisory Board. **35.** There shall be a supervisory board for the pension fund created under this act.
- Composition. **36.** The supervisory board shall be composed of five persons elected by the members of the pension fund and chosen from among them. It shall be elected each year immediately after the general meeting of the shareholders of *Les Rentiers de l'Avenir*, in the manner prescribed by the by-laws of the company for the election of the board of directors.

- Powers. **37.** The supervisory board shall have the following powers, to wit:
- a.* To choose from among its members a president, a vice-president and a secretary;
- b.* To regulate its own deliberations;

c. To keep minutes of its sittings, authenticated by the signatures of the president and the secretary;

d. To have, at all times, access to the books, securities and documents in connection with the operations of the pension fund which it represents, but it shall not interfere in the affairs nor in the administration of the company;

e. To receive quarterly a report of the receipts and expenditures of the pension fund for the period elapsed since the last report, and, each year, thirty days before the shareholders' meeting, a general report of the operation of the pension fund to the preceding 31st of December;

It shall be bound to submit a report of its observations to the annual general meeting of the members of the pension fund. Report.

38. General or special meetings of the members of the pension fund are called by the board of directors or, upon its failure to do so, by the supervisory board. Calling of meetings.

39. This act shall come into force on the day of its sanction. Coming into force.