

## C H A P . 1 0 6

An Act to enlarge and confirm the corporate powers, within the Province of Quebec, of the "Prudential Trust Company, Limited."

[Assented to 3rd April, 1912.]

**W**HEREAS the Prudential Trust Company, Limited, Preamble. has represented by its petition:

That it was duly incorporated by special act of the Parliament of Canada, known as 8-9 Edward VII, chapter 124, with an authorized capital of one million five hundred thousand dollars divided into shares of one hundred dollars each;

That the capital stock of the company was, by by-law of the company, duly adopted by the directors and sanctioned by the share-holders, divided into 14,750 preference shares of one hundred dollars each, and 250 ordinary shares of one hundred dollars each, whereof 7,326 of said preference shares have been duly subscribed for and fifty per cent. paid up thereon, and 140 of said ordinary shares have been duly subscribed for and fully paid up;

That since its incorporation and organization the company has carried on business as a trust company within the Province of Quebec, and elsewhere;

That the company desires to have its corporate powers within the Province of Quebec enlarged and confirmed;

Whereas it is expedient to grant the prayer to that effect contained in the said petition;

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

1. The company is hereby authorized and empowered: Powers of  
company.

(a) To accept, fulfill and execute all such trusts as may be committed to the company by any person, or by any corporation, or by any court of law, on such terms as may be agreed upon, or as the court shall, in case of disability, approve, and which are not contrary to the provisions of the Civil Code; to take, receive, hold and convey all estates and property, both real and personal, which may be granted, committed or conveyed to the company with its assent upon any such trusts; and to accept and hold the office and perform all the duties of receiver, trustee, assignee, trustee for the benefit of creditors, sequestrator, guardian, curator, liquidator, executor, administrator, tutor as respects property, curator to insolvent estates if appointed thereto by any person, either by deed

*inter vivos* or by last will and testament, or by any court, notwithstanding the provisions of articles 364, 365, 366 and 367 of the Civil Code preventing a corporation from acting in any of the said capacities, which shall in no wise affect the present company.

Power and authority are hereby given to a judge of the Superior Court to appoint the company to any such office or position on such notice to the interested parties as may be deemed sufficient, and the company shall continue to occupy and hold such office and position until the completion of all duties thereby imposed upon it, or until it has been relieved therefrom.

A judge of the Superior Court may also, upon the advice of a family council, appoint the company to be the financial agent of any tutor or curator, and thereupon the company shall have the management of the property of the minors or interdicted persons in the same manner and with the same restriction as the tutor or the curator;

(b) To lend money upon such terms as are deemed expedient, with power to take security for the same or any other indebtedness owing to the company upon real estate, ground rents, Dominion, Provincial, British, foreign, or other public securities, or upon stocks, shares, bonds, debentures, or other securities of any municipal or other corporation, or upon goods, warehoused or pledged to the company, or upon such other securities or guarantees as are deemed expedient, and to acquire by purchase, or otherwise, any of the aforesaid property or assets, which may have been pledged with the company as security for such loan or indebtedness, and to resell the same; however, it cannot lend upon the security of bills of exchange or promissory notes;

(c) To acquire by any legal means whatsoever any immoveable properties previously mortgaged or hypothecated in favor of the company, or belonging to any debtor of the company which may be taken by it in compromise or payment for any pre-existing indebtedness, or for the enforcement of any claim or agreement in the nature of a pledge taken by the company in the regular course of its business transactions, provided always that the company shall sell the property so acquired within fifteen years from the date of the acquisition thereof;

(d) To act as an agency or association for or on behalf of others who entrust it with money for loan or investment; to secure the re-payment of the principal or the payment of the interest, or both, of any moneys entrusted with the company for investment, and, for the purpose of securing the company against loss upon any guarantee or obligation, or any advance made by the company, to receive and dispose

of any description of asset or security, which is conveyed, pledged, mortgaged or assigned to, or warehoused with the company, in connection with such guarantee, obligation, advance or investment;

(e) To guarantee the title to or quiet enjoyment of property, either absolutely or subject to any qualifications or conditions, and to guarantee any person interested, or about to become interested in or owning, or about to purchase or acquire any real property, against any losses, actions, proceedings, claims or demands by reason of any insufficiency, or imperfection or deficiency of title, or in respect of encumbrances, burdens or outstanding right;

To guarantee any person against any loss or damage, by reason of the failure on the part of any person to make due payment of the whole or any part of any loan, advance, mortgage or claim, hypothecary or otherwise, or the interest thereon, and to issue its guarantee certificates or policies in such form as it may determine, and for such remuneration as it may fix; to give bonds for the faithful performance of any contract entered into with any person or corporation by any person or corporation.

The company, shall be subject to the provisions of the Quebec Insurance Act with respect to the powers conferred on it by this subsection.

The company shall not have the right to make use of the privileges granted by this subsection until at least one hundred thousand dollars of the capital have been paid up.

(f) To borrow money at such rates of interest as may be agreed upon, with full power to secure such loans by any mortgages, hypothecs, stocks, bonds or other securities belonging to the company, or by the issue by the company of bonds, debentures or other securities at such prices as may be deemed necessary or expedient ;

(g) To examine, report upon and audit the books, accounts, condition and standing of corporations, partnerships and individuals, when requested or authorized so to do by such corporations, partnerships or individuals, and also when required by an order of a court of competent jurisdiction;

(h) To buy and sell and invest in the stock, bonds, debentures or obligations of municipal or other corporations, whether secured by mortgage or otherwise, or in Dominion, Provincial, British, foreign or other public securities;

(i) To guarantee any investment made by the company as agent or otherwise;

(j) To sell, pledge, mortgage or hypothecate any mortgage or other security or any other real or personal property held by the company from time to time;

(k) To promote or assist in promoting any other company, and for such purpose, to subscribe for, buy and sell debentures, mortgage debentures, and any other security of such other company, and otherwise employ the money or credit of the company in any manner deemed expedient for any such purpose, by employing any portion of the moneys of the company for such purpose, or by placing on the market, or guaranteeing the issue of, or the payment of interest on the shares, debentures, mortgage debentures, obligations or securities of such other company; to act as agent for the purpose of collecting and converting into money its securities and properties pledged; to close and wind up the business of estates, persons, partnerships, associations or corporate bodies, and to do such incidental acts and things as are necessary for such purposes; but none of the property held by the company in trust or as tutor or curator, can be used for the purposes of this section.

**Company as judicial surety.** **2.** Subject to the provisions of articles 7446 to 7456 of the Revised Statutes, 1909, the company may be surety upon any bond required in any judicial proceeding, and subject to the discretion of the court, judge or official receiving such bond, the suretyship of the company shall suffice in all cases where two sureties are now required.

**Compensation therefor.** The company may arrange for, receive and recover, if necessary, such remuneration as may be agreed upon for becoming such surety.

**Execution of bond.** The company may execute the security bond by the manager or secretary signing it for the company, and attaching the company's seal thereto.

**Record of bonds.** A complete record of all such bonds shall be kept at the head office of the company.

**Security not necessary in certain cases.** **3.** Notwithstanding any law or rule of practice to the contrary, whenever the company is appointed to any office, it shall not be required to give any security other than its own bond for the due performance of its duties in connection with such office, unless the court see fit to otherwise direct.

**Law to apply to trust investments.** **4.** In the investment of any moneys received by the company in any of the capacities or qualities set forth in article 9810 of the Civil Code, the company shall be subjected to the provisions of the said article.

**Trust property not liable for company's debts.** **5.** The moneys, properties and securities received or held by the company upon trust or as agent of any person or body corporate, shall not be liable for the debts or obligations of the company.

**6.** In case of the appointment of the company to any trust or office by any court in Canada, or the judge or prothonotary thereof, such court, judge or prothonotary may from time to time, require the company to render an account of its administration of the particular trust or office to which it has been appointed, and may, from time to time, appoint a suitable person to investigate the affairs and management of the company, and as to the security afforded to those by or for whom its engagements are held; and such person shall report thereon to said court, judge or prothonotary, and the expenses of such investigation shall be borne as ordered by such court, judge or prothonotary.

Account of  
company's  
adminis-  
tration.

**7.** The directors may, from time to time, by by-law delegate such of their powers as they see fit to an executive committee consisting of not less than three members of the board of directors.

Delegation  
of power by  
directors.

**8.** The company shall enjoy and exercise in the Province of Quebec, all the rights, powers, privileges and functions granted to it in virtue of its said act of incorporation, and may act in all and any of the qualities and capacities mentioned in said act, the whole notwithstanding the provisions of said articles 364, 365, 366 and 367 of the Civil Code preventing corporations from enjoying and exercising any of said rights, powers, privileges and functions, and acting in any of said qualities or capacities, which said articles shall in no wise affect the present company.

Powers of  
company in  
Province.

**9.** The president, vice-president, secretary or manager of the company shall be liable to coercive imprisonment personally in those cases in which individuals exercising the same functions as the company would be liable.

Coercive im-  
prisonment.

**10.** The Company shall furnish the Provincial Treasurer on or before the first day of February in each year with a sworn statement certified under the hand of the president or vice-president and manager or secretary, setting forth the capital stock of the company authorized, the amount subscribed and the proportion thereof paid, the assets and liabilities of the company and any other particulars that the Provincial Treasurer may require, and each statement shall be made up to the thirty-first day of December in each year.

Report to  
Provincial  
Treasurer.

**11.** This act shall come into force on the day of its sanction.

Coming into  
force.