

Rights not to lapse in certain event. **12.** The rights conferred by this act shall not lapse if the said act be not put into force previous to the 1st of May, 1910.

Coming into force. **13.** This act shall come into force on the day of its sanction.

C H A P. 112

An Act respecting *La Compagnie Equitable d'assurance mutuelle contre le feu*

[Assented to 14th March, 1907.]

Preamble.

WHEREAS *La Compagnie Equitable d'assurance mutuelle contre le feu* incorporated five years ago as a mutual fire insurance company under the Revised Statutes has, by its petition, represented that it is expedient, in the interest of the insured and of the public in general, and in view of the increase of its business, that it should have a capital stock and that certain additional powers be granted to it ;

Whereas it has prayed that an act be passed to that effect, and it is expedient to grant the prayer 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 :

Head office in Montreal.

1. *La Compagnie Equitable d'assurance mutuelle contre le feu*, as at present organized, constituted and governed, is hereby authorized to have its head office in the city of Montreal.

Capital stock.

2. The company is authorized to have a capital stock of one hundred thousand dollars at least, and five hundred thousand dollars at the most, divided into shares of one hundred dollars each.

Shareholders.

The shares shall be held only by persons insured in the company.

Amount of issue fixed by directors, &c. Notice of calls.

3. The amount of the issue and the date of subscription of the capital stock, as well as the instalments to be paid on the said capital, shall be determined by the directors, and notice of calls of instalments shall be given to the members of the company by registered letter mailed to their address.

4. Thirty per cent shall be paid on subscription, and the balance shall be exigible at intervals of not less than sixty days by instalments, the amount whereof shall be determined by the directors. Nevertheless, any subscriber can pay up the whole amount in advance.

Shares how payable.
Payment in advance.

5. The shares shall constitute moveable property and shall be transferable, but no transfer shall be valid unless it be made in the company's books, and no share shall be transferred before it has been fully paid up, without the consent of the board of directors, and no transfer shall be valid as long as any instalment previously called in shall remain due.

Transfer of shares, &c.

The company shall have a privilege on the shares of every shareholder for instalments or any other debts due by him to the company, and for every obligation for which he may be indebted, and, at the maturity of every such instalment, debt or obligation, the company may, after one month's notice, sent to the shareholder, his executors or administrators, sell such shares or a sufficient portion thereof to pay the call, debt or obligation, and transfer to the purchaser the shares so sold.

Company's privilege on shares, &c.

Sale of shares to pay calls, &c.

6. The company may likewise, in default of payment, during one month, of any instalment due on a share, and after notice previously given as stated in the foregoing section, declare the share and all sums previously paid thereon, confiscated in favor of the company; and the latter may sell or re-issue confiscated shares on such conditions as it may judge advantageous to its interests.

Confiscation and sale, &c., of shares for non-payment of calls.

7. So soon as the sum of one hundred thousand dollars shall be subscribed and thirty thousand dollars at least paid up thereon, the company shall deposit twenty-five thousand dollars in the hands of the Provincial Treasurer, for the security of its insured, and may then commence its operations under the cash premium system, and as soon as the insurances in force on the cash premium system shall have reached the amount of three million dollars, the company shall make an additional deposit under the cash premium system until the deposit has reached the sum of fifty thousand dollars.

Deposit with Prov. Sec., and commencement of business, &c.

Additional deposit.

It shall be lawful for the company to make such deposit either in money or bonds of the Dominion or of the Province, or in municipal bonds approved by the Lieutenant-Governor in Council. The interest on such bonds shall be paid to the company when due.

Deposit how made.

Interest.

Nevertheless, if the company should obtain a license from the Government of the Dominion of Canada by effecting the necessary deposit, it shall have the right to withdraw that made by it with the Government of the Province of Quebec.

Dominion licensees may withdraw deposit.

After deposit,
company can
insure on mu-
tual or cash
system.

Mutual in-
surers not
responsible
for losses
under cash
system, and
vice versa.

Mutual and
cash business
kept distinct.

Reserve fund.

Surplus.

Dividends.

Directors.
Their qualifi-
cations.

Votes of
shareholders.

Proviso.

8. After the company shall have effected the deposit mentioned in the foregoing section in the hands of the Provincial Treasurer, it may insure all kinds of property, rights and interests, against loss or damage caused by fire or lightning, both on the mutual system and on the non-mutual or cash system; but the parties insured under the mutual system, shall in no wise be responsible for losses sustained under the non-mutual or cash system, and no insurance under the non-mutual or cash system shall have the effect of making the insured person liable to contribute in any manner whatsoever towards the funds or expenses of the company, beyond the premium agreed upon, or give him any right to any share of the profits or surplus of the company. The company shall keep its cash premium and mutual business entirely separate and distinct and shall deposit in the office of the Provincial Treasurer the statement required by article 5347 of the Revised Statutes, as regards its mutual business, and the statement required by article 5394 of the Revised Statutes as replaced by the act 62 Victoria, chapter 45, as regards its cash premium business.

9. The annual net profits of the company, after deducting deposit notes or other pledges, shall be employed in the first place in creating a reserve fund not exceeding two and a half per cent of the risks in force under the fixed premium system, and a surplus equal to at least thirty per cent of the paid-up capital of the company, and afterwards in paying dividends on the capital stock, not exceeding ten per cent per annum, and the surplus, if any, shall be disposed of in the manner indicated by the by-laws of the company.

10. When the capital stock shall have been so subscribed, the board of directors shall be chosen. Two-thirds of its members shall be shareholders, and, at the same time, be insured under the mutual system. In addition to the quality required by article 5285 of the Revised Statutes, the directors who are shareholders must hold shares to an amount of at least one thousand dollars, on which all instalments previously called in have been paid. The other third of the directors to be elected shall possess at least the qualifications required by article 5285 of the Revised Statutes.

11. Every shareholder at the meeting of the company, is entitled to one vote per share or deposit note, and he may be represented by proxy, provided such proxy shall himself be a member of the company.

12. It shall be lawful for the directors of the company, by ^{Investment} by-law passed and approved by a majority of the members ^{of funds.} present or represented at a special general meeting convened for the purpose, to invest its moneys or any portion thereof in securities of the Government of Canada or of any Province of Canada, or in securities respectively by them guaranteed, or in bonds or debentures of any municipal or school corporation, or in shares, bonds or debentures of any solvent financial, industrial, or commercial institution, corporation or company, lawfully incorporated in Canada, or in one of its Provinces, and which has carried on for at least five years and still carries on business in the Dominion of Canada or any one of its Provinces, but in such manner that the loan or ^{Proviso.} loans upon the security of the purchase of bonds or the investment in the bonds of any one of such associations or companies mentioned in the present section, shall not exceed in the aggregate one-fifth of the paid up capital of the association or company issuing such bonds, and it may lend its moneys on the security of such bonds or debentures and also on hypothecs on immovable property, with power to receive interest in advance.

13. The company shall have the right to acquire and ^{Acquisition,} ^{sale, &c., of} ^{immovables.} possess the immovables which may be necessary for its operations, to the amount of two hundred thousand dollars ; to sell and dispose of its immovables and acquire others in lieu thereof ; to acquire and hold lands, tenements, real estate and immovables which may have been *bona fide* hypothecated to it as security, or transfer them to satisfy the debts previously contracted in the course of its operations, or which may have been obtained for such debts, or which may have been purchased to avoid a loss to the company with respect to it or to the owners. Nevertheless, the company shall ^{Proviso.} sell every immovable so acquired within seven years following such acquisition, otherwise it shall be confiscated in the name of His Majesty for the benefit of the Province.

14. This act shall not have the effect of constituting a ^{Powers of} ^{company con-} ^{tinued, &c.} new company, but merely of extending the powers of the said *Compagnie Equitable d'assurance mutuelle contre le feu*, which shall continue its operations with all its assets, liabilities, policies, deposit-notes by-laws, board of directors, employees, property, rights, privileges, and prerogatives under the authority of the act governing mutual insurance companies in this Province, and with the powers and modifications conferred under this act, saving acquired rights.

May insure
in cities, &c.,
to certain
amount.

15. Notwithstanding the provisions of article 5290 of the Revised Statutes, as replaced by the act 2 Edward VII, chapter 35, section 1, the company may effect insurances in cities and towns to an amount not exceeding forty per cent of the total insurance effected by the company.

Coming into
force.

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

CHAP. 113

An Act to amend the charter of *La Société des Artisans Canadiens-Français*

[Assented to 28th February, 1907.]

Preamble.

WHEREAS *La Société des Artisans Canadiens-Français* has, by its petition, represented : that at the last general meeting of the said society held in Montreal in July last, changes in its present charter, the act 3 Edward VII, chapter 122, amended by the act 5 Edward VII, chapter 99, were decided and voted upon by the said regular general meeting ;

Whereas, at such regular general meeting, it was more particularly decided and voted that an amendment for the purpose of securing pecuniary aid to the surviving consort by means of an indemnity payable at the death of one of them, should be inserted in the charter of the society ;

Whereas the council of the said society was authorized to apply for the passing of an act to that effect, and it is expedient to grant the prayer of 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 :

3 Ed. VII, c.
122, s. 1,
replaced.

1. Section 1 of the act 3 Edward VII, chapter 122, is replaced by the following :

Persons
incorporated.
Name.

"**1.** The members of the said society are hereby constituted a body politic and corporate under the name of "*La Société des Artisans Canadiens-Français*" ; and, under such name, they may exercise all the general powers vested in bodies politic ; sue and be sued, acquire, hold and possess all moveable and immoveable property, and hypothecate, alienate, lease or otherwise dispose of the same, in whole or in part, and acquire others in lieu thereof ; provided the capital employed in the purchase of such immoveables do not exceed the sum of one hundred thousand dollars, the whole in accordance with the by-laws of the said society."

Powers.