

Entry of premises for purpose of examination of apparatus, &c.

7. Any employee or agent of the company may, with a view to removing, examining or repairing the apparatus, enter, between the hours of nine in the forenoon and six in the afternoon, the house or buildings in which such apparatus is.

Coming into force.

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

CHAP. 66

An Act to incorporate the Industrial Life Insurance Company

[Assented to 20th May, 1905]

Preamble.

WHEREAS the persons hereinafter named have, by their petition, prayed to be incorporated for the purposes hereinafter set forth, 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 enacts as follows :

Persons incorporated.

1. The Honorable Nemèse Garneau, member of the Legislative Council, of the parish of Ste Foye, and Gaspard Lemoine, merchant, David H. Geggie, manager, Bernard Leonard, painter, John K. Leonard, painter, and Charles Edmond Taschereau, notary public, all of the city of Quebec, in the Province of Quebec, together with such persons as may become shareholders in the company hereby incorporated, are hereby constituted a body corporate under the name of the "Industrial Life Insurance Company," hereinafter called "the company."

Name.

Power of company to effect certain contracts of insurance.

2. The company may effect contracts of life insurance with any person ; may grant, sell or purchase annuities ; may grant endowments ; may also effect with any person contracts of insurance against any accident or casualty, of whatsoever nature or from whatsoever cause arising, to individuals, whereby the insured may suffer loss or damage, or be disabled, including sickness, securing to the person assured or his representatives the payment of a certain sum of money upon such terms and conditions as are agreed upon ; in like manner, may also make and effect contracts of indemnity with any person against claims and demands of the work

men and employees of such person or of the legal representatives of such workmen and employees, with respect to accidents or casualties, of whatever nature or from whatever cause arising, whereby the insured suffers pecuniary loss or damage or incurs costs; and generally carry on the business of insurance against accidents, against sickness, and on life, in all its branches and in all its forms.

However, the company shall keep separate accounts and apply separate funds for each kind of insurance or guarantee, and the funds affected as security for a certain kind of insurance shall not serve as security for any other kind of insurance or make up another fund, and separate contracts shall be made for each kind of insurance with the insured. Nevertheless the provisions of this paragraph shall not apply to insurance against accidents or sickness.

Separate accounts to be kept.

Separate contracts insured.

Proviso.

3. The company may also insure itself against any risk and loss which it may incur in the course of its operations; and in like manner may also insure any other life insurance company or association against any risk and loss which such company or association may incur in the course of its operations, and generally do and execute all other matters and things, in connection with its operations and calculated to facilitate the same.

Company may reinsure its risks and reinsure risks of other companies.

4. The persons named in section 1 of this act, together with such persons, not exceeding five, as they associate with them, shall be the provisional directors of the company, the majority of whom shall be a quorum for the transaction of business; and they may forthwith open stock books, procure subscriptions of stock for the undertaking, make calls on stock subscribed and receive payments thereon; and shall deposit in a chartered bank in Canada all moneys received by them on account of the company, and withdraw the same for the purposes only of the company; and may do generally what is necessary to organize the company.

Provisional directors, their quorum, and powers.

5. The capital stock of the company shall be one million dollars, divided into shares of one hundred dollars each.

Capital stock and shares.

6. So soon as one hundred thousand dollars of the capital stock of the company have been subscribed and ten per cent. of that amount paid, the provisional directors shall call a meeting of the shareholders of the company at some place to be named in the city of Quebec, in the Province of Quebec, at which meeting the shareholders, who shall have paid at least ten per cent. on the amount of shares subscribed by them, and who shall be present or represented by proxy, shall elect a board of directors. These directors shall remain

Calling of first meeting for election of directors.

Term of office of directors so elected. in office for the current year or until the date of the general annual meeting.

When company may commence business and deposit required. Provided always that the company shall not be authorized to commence business until at least twenty-five thousand dollars of the capital stock has been paid in, nor until it has deposited in the hands of the government of this province the sum which shall be fixed by the Lieutenant-Governor in council for the security of the assured, which sum shall not however exceed twenty-five thousand dollars.

How deposit may be made. The deposit required by this section may be made in cash or in provincial or municipal bonds, as may be determined by the Lieutenant-Governor in council.

Qualification of directors. **7.** No person shall be a director unless he holds in his own name and for his own use at least fifty shares of the capital stock of the company and has paid all calls due thereon and all liabilities incurred by him to the company.

Shareholders right to vote. Shareholders shall have a right to one vote for every share held by them, provided they have paid up all instalments due thereon.

Vacancies on board. **8.** If the office of a director become vacant, through death, resignation, disqualification or other cause, the remaining directors, if they deem advisable so to do, may elect a temporary director to fill such vacancy. The temporary director shall remain in office until the first following general meeting, when the shareholders shall elect a new director, who shall remain in office during the period of office of the director whose office has become vacant.

Term of office of replacing directors.

Calls and amount thereof.

9. The shares subscribed in the capital stock of the company shall be paid in such instalments, and at such date and places, and in such manner as shall be determined by the provisional directors, and afterwards by the board of directors; the first instalment shall not exceed ten per cent., and no subsequent instalment shall exceed twenty-five per cent.; a notice of thirty days at least shall be given before each call.

Board of directors and quorum.

10. The affairs of the company shall be managed by a board of not less than seven nor more than seventeen directors, of whom a majority shall be a quorum.

Head office.

11. The head office of the company shall be in the city of Quebec, in the Province of Quebec, and the directors may

Branches, &c.

from time to time establish branches, local boards or agencies, in such manner as they may deem expedient.

12. A general meeting of the company shall be called once in each year after the organization of the company and commencement of business, at its head office, and at such meeting a statement of the affairs of the company shall be submitted by the directors.

Annual general meeting.

13. The company may acquire and alienate in the Province of Quebec, such immoveables as it may need, wholly or in part, for its use and occupation, but the total annual value of such immoveables shall not exceed ten thousand dollars. The company may also acquire the good will, assets, rights, shares of stock and powers, or business of any person, association or company, engaged in the same kind of business as the present company, and pay for the same in cash, in the stock of this company, bonds or other securities, and hold and operate in any lawful manner the whole or any part of said business, and exercise all the powers and rights thereof in the conducting and management of the said business.

Power to acquire :
Immoveables;

Good will, &c., of other insurance companies, &c.

Payment, how effected.

14. The company may invest its funds in debentures, bonds, public or other securities of the Province of Quebec, or of the Dominion of Canada, or in public securities of any municipal corporation in the province, or in bonds or debentures of any incorporated companies or corporations in the Province of Quebec, or lend its money on the security of such public securities, bonds or debentures, or on mortgages on real estate in the Province of Quebec, for not more than fifty per cent. of the value thereof, as established by its assessors, which shall not exceed the municipal valuation, or on its own life policies to such amount as the insured will be entitled to receive by renouncing thereto, as may be determined by the board of directors ; and it may, from time to time, dispose of such public securities, shares, bonds, or debentures and mortgages, and replace them by others at the discretion of the directors.

Investment of company's funds.

15. The company may invest or deposit in foreign securities such portion of its moneys as may be required for the maintenance of any branch abroad, without, however, exceeding at any time the reserve on such policies in force abroad.

Investment in foreign securities.

16. The board of directors shall have full power in all things to administer the affairs of the company, and may, from time to time, make, repeal, amend or put again in force by-laws, not contrary to law nor to this act, for the administration in every respect of the affairs of the company, as also for the remuneration of the directors, and for fixing the

General powers of directors. Powers to make by-laws for certain purposes.

date and manner of convening general or special meetings of the company and of the board of directors, the quorum of members necessary at meetings, as well as the manner of voting; but each of such by-laws and all repeals thereof, all amendments and all putting again in force shall be executory only until the next annual meeting of the company, when they shall be approved or disapproved by the meeting.

Division of net profits as bonuses, &c, to shareholders.

Proviso.

Surrender of certain policies.

Proviso.

Certain rights may be granted to participating policy holders.

17. The directors may, from time to time, set apart such proportion of the net profits as they shall deem safe and proper for distribution as dividends or bonuses to shareholders and holders of participating policies, ascertaining the part thereof which has been derived from participating policies, and distinguishing such part from the profits derived from other sources; and the holders of participating policies shall be entitled to share in that portion of the profits so set apart, which has been so distinguished as having been derived from participating policies, to the extent of not less than ninety per cent. thereof; but no dividend or bonus shall at any time be declared or paid out of estimated profits, and the portion of such profits which remain undivided upon the declaration of a dividend, shall never be less than one-fifth of the dividend declared.

18. Whenever any holder of a participating policy shall have paid three or more annual premiums thereon, and shall fail to pay any further premiums thereon, or shall desire to surrender the policy, the premiums paid shall not be forfeited, but he shall be entitled to receive a paid-up commuted policy for such sum as the directors may determine, such sum to be ascertained upon principles to be adopted by by-laws, or the directors may pay a sum as a cash surrender value in lieu of such paid-up commuted policy, provided he shall demand such paid-up commuted policy while the original is in force, or within six months after his failure to pay a premium thereon.

19. The company may agree to give the holders of participating policies the right to attend and vote in person at all general meetings of the company; and, if the company so determines, then all persons who are actual holders of policies from the company, whether such persons are shareholders of the company or not, and who are, by the terms of their policies, entitled to participate in profits and are referred to in this act as holders of participating policies, shall be members of the company and be entitled to attend and vote in person at all general meetings of the company, except at those called for the purpose of increasing the

capital stock of the company, and shall not be entitled to vote by way of confirmation or against the confirmation of any by-law for the increase, issue, allotment or sale of the capital stock of the company ; and every holder of a participating policy of the company, for a sum not less than one thousand dollars, shall be entitled to one vote for each one thousand dollars of his policy.

A husband or father holding a participating policy on his life for the benefit of his wife or children shall be deemed a member of the company. Idem.

20. The directors who go out of office may, if duly qualified, be re-elected. Directors may be re-elected.

21. The company shall make an annual report of its operations to the Lieutenant-Governor in Council. Annual report to Government.

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

C H A P . 6 7

An Act to incorporate the Eastern Fire Insurance Company of Canada

[Assented to 20th May, 1905]

WHEREAS the persons hereinafter named have, by petition, prayed to be incorporated with others, under the name of the "Eastern Fire Insurance Company of Canada," to carry on the business of insurance against fire and the consequences thereof ; Preamble.

Whereas an association of that kind would be very useful to the interests of the Province of Quebec, and it is in consequence expedient to grant the prayer of the said petitioners ;

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

1. Paul Tourigny, manufacturer, of Victoriaville ; Ovide Brouillard, manufacturer, of Carmel Hill ; George Amédée Duclos, banker, of Drummondville ; Joseph de Labroquerie Taché, notary, of St. Hyacinthe ; Trefflé Chalifoux, manufacturer, of St. Hyacinthe, and Jean Taché, insurance broker, of Montreal, and all other persons and corporations who may, from time to time, become shareholders in the said Persons incorporated.