

C H A P . 9 7

An Act to incorporate the Ætna Boiler Inspection and Insurance Company.

[Assented to 25th April, 1903]

WHEREAS the persons hereinafter mentioned have, by Preamble.
 their petition, prayed for an act to incorporate them and others, under the name and style of the Ætna Boiler Inspection and Insurance Company, to carry on the business of boiler inspection and insurance and the other kinds of business hereinafter set forth ; and whereas 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, enacts as follows :

1. James Cooper, manufacturer, of the city of Montreal ; Persons in-
 Sylvester W. Jenckes, manufacturer, Warren S. Dresser, corporated.
 underwriter, Francis P. Buck, manufacturer, all four of the city of Sherbrooke ; Edmund W. Tobin, lumber dealer and member of the Federal Parliament, of the village of Brompton Falls ; C. Henri Carrier, manufacturer, of the town of Levis, and such other person or persons, body or bodies politic, as shall, from time to time, be possessed of any share or shares of the company hereby incorporated, are hereby constituted and shall be a body politic and corporate by the name of "The Ætna Boiler Inspection and Insur- Name.
 ance Company" (hereinafter called the "company") and the Head office.
 principal place of business and head office of the company shall be at the city of Sherbrooke in the Province of Quebec.

2. The company shall have power to carry on the business Business
 of inspecting and insuring and reinsuring stationary, marine which com-
 and locomotive steam boilers, and the business of insuring pany may
 and re-insuring against loss and damage from explosion to carry on.
 stationary, marine and locomotive steam boilers, the machinery connected therewith, or the house or houses, store or stores or other building or buildings or vessel, steamer, boat or other craft in which the same are placed, or to any goods, wares, merchandise, cargo or other property of any description stored or conveyed therein, and to carry on the business of insurance against loss or damage arising from breakage of, or injury to, any part of any elevator or hoist, or other machinery used for or in connection with passengers or other traffic in any warehouse, dwelling, office or other building, and whether such elevator or hoist is operated by

steam, hydraulic, electric or other appliance of power, against loss or damage arising from injury to machinery used for the production of electricity as a motive power or illuminating agent, against loss or damage arising from the breakage of, or injury to, steam engines or part thereof or other machinery used for the production of power, against loss or damage arising from the breakage of, or injury to, shafting, hangers, pulleys, belts or ropes, or other appliances used for the transmission of power, and against loss of human life, for injury to persons, from the explosion of steam boilers, or from the breakage of, or injury to, any of the classes of machinery hereinabove enumerated or caused in any manner whatsoever by said machinery, and also to insure plate glass, with all the rights, powers and privileges necessary and useful for said purposes.

Local boards
and agencies.

3. The directors of the said company may appoint local directors or boards of directors, and establish agencies for carrying on the business of such company in any of the places where it is permitted to do business.

Capital stock
and shares.

4. The capital stock of the company shall be two hundred thousand dollars, and shall be divided into two thousand shares of one hundred dollars each, which shares shall be and are hereby vested in the several persons who shall subscribe for the same; provided always it shall and may be lawful for the said company to increase its capital stock to a sum not exceeding five hundred thousand dollars, as a majority of the shareholders, at a special general meeting to be expressly convened for that purpose, shall agree upon.

Increase of
capital.

Provisional
directors and
their duties
and powers.

5. For the purpose of organizing the company, the persons named in section 1 of this act shall be provisional directors thereof; and they, or a majority of them, may cause a stock book or books to be opened, upon which stock book or books shall be received the subscriptions of such persons as desire to become shareholders in the company; and such book or books shall be opened in the city of Sherbrooke or elsewhere at the discretion of the provisional directors, and shall remain open so long as they deem necessary.

When first
general meet-
ing of share-
holders may
be called.

6. When and so soon as fifty thousand dollars of the said capital stock shall have been subscribed as aforesaid, and not less than ten per cent. of the amount so subscribed paid in, the provisional directors may call a general meeting of shareholders at some place to be named in the city of Sherbrooke, giving at least fifteen days' continuous notice thereof in a daily newspaper published in the said city. At

Notice there-
for.

such meeting the shareholders present in person or represented by proxy shall elect seven directors in the manner and qualified as hereinafter provided, who shall constitute a board of directors and shall hold office as hereinafter provided; provided always that no person shall be eligible to be, or continue to be a director, unless he shall hold in his own name and for his own use at least twenty shares of the capital stock of the company, and shall have paid all calls thereon and all liabilities incurred by him to the company; and the shareholders shall have power to increase the number of directors at any general meeting.

Election of directors and their term of office.

Qualification of directors.

7. Article 4672 of the Revised Statutes is replaced, for the company, by the following :

R. S., 4672, replaced for company.

The shares of the capital stock shall be paid in and by such instalments and at such time and place as the directors shall appoint; no instalment shall exceed ten per cent.; and not less than thirty days' notice shall be given; and the company shall not begin the business of insurance until at least seventy-five thousand dollars of its capital shall have been subscribed, and not less than ten per cent. of the amount subscribed has been paid in, and until the sum of five thousand dollars in cash or securities of equal value is deposited in the hands of the government of this province; for the further security of the policy holders said amount may be increased, from year to year, at the discretion of the Lieutenant-Governor in Council.

Payment of shares.

When company may begin business.

Deposit with government.

Increased deposit.

8. The stock, property, affairs and concerns of the company shall be managed and conducted by the directors, one of whom shall be chosen president, and two as vice-presidents.

Management of affairs by directors. President and vice-presidents.

Vacancies in board.

If any vacancy should, at any time, happen amongst the said directors during the term of office of any director, such vacancy shall be filled for the remainder of the term by the remaining directors or a majority of them electing in such place or places a shareholder or shareholders eligible for such office.

All elections of directors shall be made and take place at the annual general meetings of the shareholders to be holden at the head office of the company in the city of Sherbrooke or elsewhere, on such day as may be appointed by by-law, not less than fifteen days' notice of such meeting shall be given as provided in section 6.

When and where elections of directors to be held.

Notice therefor.

The election shall be held and made by such of the shareholders present in person or represented by proxy, as shall have paid all calls made by the directors and then due; all such

Proceedings at elections and who may vote and how.

- elections shall be by ballot, and the persons who shall have the greatest number of votes shall be directors ; and if two or more persons have an equal number of votes in such manner that a greater number of persons shall appear to be chosen as directors than should have been chosen, then a second vote on the names of such persons shall be taken, and so on until the proper number of persons shall be elected.
- Second vote if a tie. The said directors, as soon as may be after the said election, shall proceed in like manner to elect by ballot one of their number to be president and two to be vice-presidents.
- Election of president and vice-presidents.
- Shareholders, right to vote. **9.** At all general meetings of the company, each shareholder shall be entitled to give one vote for every share held by him ; such votes may be given either in person or by proxy, the holder of such proxy being himself a shareholder, and all questions proposed for the consideration of the shareholders shall be determined by the majority of votes,—the chairman presiding at such meeting having the casting vote in case of an equality of votes.
- Votes by proxy.
- Casting vote of chairman.
- Copies of by-laws, &c., duly certified to be *primâ facie* proof. **10.** A copy of any by-law, rule, regulation or minute, or of any entry in any book of the company, certified to be a true copy or extract under the hand of the president, a vice-president or the secretary of the company and sealed with the corporate seal, shall be received in all courts and proceedings as *primâ facie* evidence of such by-law, rule, regulation, minute or entry, without further proof thereof and without proof of the official character or signature of the officer signing the same or of the corporate seal.
- Proceedings at annual meeting. **11.** At the annual meeting of the shareholders, the election of the directors shall be held, and all business transacted ; and a general balance sheet and statement of the affairs of the company with a list of all the shareholders thereof, and all such further information as shall be required by the by-laws, shall be laid before the shareholders.
- Who presides at meetings and his right to give casting vote. At all meetings of the shareholders, the president, or in his absence, a vice-president, or in the absence of both of them a shareholder chosen by the other shareholders present shall preside, and in case of any equality of votes, he shall give the casting vote in addition to his vote as a shareholder.
- Power of directors. **12.** The directors shall have full power and authority to make and, from time to time, to alter, such by-laws, rules, regulations, or ordinances, as shall appear to them proper and needful, touching the well ordering of the company, the management and disposition of its stock, property, estate and effects, the calling of the special general meetings, the appointment of sub-boards to facilitate the details of business,

and the definition of the duties and power of such sub-boards, the calls upon the subscribed stock, the distribution of a portion of the net earnings of the company to its policy holders, and the establishment and regulation of agencies.

13. The company may invest its funds, or any part thereof in Dominion or Provincial bonds or debentures or municipal debentures or in the stock of building societies or in mortgages on real estate or in any public securities to such an amount as may be required to be deposited with the Provincial Government or Dominion Government and to such further extent as may be deemed advisable.

Investment of company's funds.

14. Article 4675 of the Revised Statutes is replaced, for the company, by the following :

R. S., 4675, replaced for company.

No transfer of any shares of the company shall be made unless all calls thereon shall have been paid up ; and, in order to be valid, they shall be entered upon the books of the said company according to such form as may be, from time to time, fixed by by-law.

How transfers become valid.

Until the whole of such share of the capital stock is paid up, it shall be necessary to obtain the consent of the board of directors to such transfer being made. No shareholder indebted to the company shall be permitted to make a transfer of his shares nor to receive a dividend until such debt is paid or secured to the satisfaction of the majority of the board of directors.

Consent of directors required in certain cases

15. In the event of the property and assets of the company being insufficient to liquidate its debts, liabilities and engagements, the shareholders shall be liable for the deficiency, but to no greater extent than the amount of the balance remaining unpaid upon their respective shares in the capital stock.

Liability of shareholders limited.

16. Aliens, whether resident in Canada or elsewhere, shall have the same rights as British subjects to take and hold stock or shares in the company and to vote either as principal or proxies, and shall be eligible to office as directors or otherwise ; provided always that the president, vice-presidents or a majority of directors shall reside in Canada and be subjects of His Majesty.

Rights of aliens as shareholders and directors.

Proviso.

17. The provisions of the Joint Stock Companies' General Clauses' Act shall apply to the company in so far as the same can apply and are not inconsistent with the dispositions and enactments of this act.

Act to apply.

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

Coming into force.