



63 VICTORIA

CHAP. 44

An Act to authorize guarantee companies to become sureties before the courts

[Assented to 23rd March, 1900]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

- 1.** Whenever any person is obliged by law, a judgment or order to make a deposit to pay costs or to furnish security before the courts, he may, in place of making such deposit or furnishing the surety or sureties required, furnish security by an incorporated surety or guarantee company which has an office in the Province, and which is especially authorized by the Lieutenant-Governor in Council to be come surety before the courts.

Security by surety or guarantee company.
- 2.** The surety may be contested:

 - (a) If the company do not come within the conditions set forth by section 1, or if the formalities prescribed by sections 9 and 10 of this act have not been complied with;
 - (b) If it be insufficient.

Grounds of contesting surety.
- 3.** The solvency of the company is estimated only with regard to its property in Canada.

How solvency of company is estimated.
- 4.** The company may sign the bond through one or more of its officers authorized for that purpose by a resolution of the board of management, a copy whereof is annexed to the bond.

Signature of surety bond.

Bond entails imprisonment.

5. The bond entails imprisonment against the president, vice-president, secretary or manager of the company, and further, if a foreign company, against the agent in the Province.

Rules governing such bonds.

6. In all other respects, the bonds given by surety or guarantee companies before the court, as well as their reception, are subject to the ordinary rules governing securities before the courts.

Conditions upon which authorization may be granted.

7. It is lawful for the Lieutenant-Governor in Council to grant the authorization mentioned in section 1 of this act, if the company :

1. Deposit in the office of the Provincial Secretary a duly certified copy of its charter, articles of association or other incorporating act ;

2. Establish that it is incorporated in this Province, with power to become surety before the courts, or is empowered to grant bonds by way of indemnity and is licensed to carry on the business of surety or guarantee insurance in Canada by the Treasury Board of the Dominion ;

3. Deposit in the office of the Provincial Secretary, if its head office be outside the Province, a power of attorney constituting an agent in the Province to receive services in all suits and proceedings taken against the company, and declaring where its office in the Province is established ;

4. Establish to the satisfaction of the Lieutenant-Governor in Council the solvency of the company.

Deposit may be required, &c.

8. The Lieutenant-Governor in Council may, according to circumstances, before granting the authorization applied for, require the company to deposit with the Provincial Treasurer such sum of money as he may deem necessary to insure the carrying out of its undertakings, which sum may be increased or diminished, if the Lieutenant-Governor, in Council, from time to time, deems it expedient.

Notice of granting authorization to be published.

9. Notice that the authorization has been granted is published in the *Quebec Official Gazette*, and, from the date of such publication, the company may become surety before the courts without being obliged to produce a copy of such notice in the case in which it gives the security.

Provision if foreign company changes agent or office.

10. If a foreign company change its office or its agent in the Province, it shall transmit to the Provincial Secretary a notice of such change and a copy of the new power of attorney concerning the same, and notice thereof shall be given in the *Quebec Official Gazette*.

11. It shall be lawful for the Lieutenant-Governor in Council, at any time, summarily to cancel, for reasons which he deems sufficient, the authorization granted under this act. Cancellation of authorization.

Notice of such revocation shall be published in the *Quebec Official Gazette*, and, from and after the publication of the notice, the company shall no longer become surety before the courts. Publication of notice thereof.

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

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