



## 63 VICTORIA

### CHAP. 75

#### An Act to amend the charter of *La Compagnie Hypothécaire*

[Assented to 23rd March, 1900]

**W**HEREAS it has, by petition, been represented to the Preamble Legislature that *La Compagnie Hypothécaire*, incorporated by the act of this Province, 56 Victoria, chapter 76, has not yet completed its organization, and that there is reason to hope that its object may be attained by amending the said act in the manner mentioned in the said petition, and whereas it is expedient to make said amendments ;

Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

1. Paragraph 2 of article 5 of the act 56 Victoria, chapter 76, is replaced by the following :

“ 2. Loaning, upon the security of hypothecary or privileged claims, upon property situate in the said Province, sums of money, re-payable as above, loaning on the security of life policies, acquiring in the same manner and with the same rights as any individual life insurance policies, maintaining them in force until they become due or selling them, and loaning also upon bonds, debentures, corporation shares and other securities of a like nature ; but not upon promissory notes or bills of exchange.”

56 V., c. 76,  
art. 5, § 2, re-  
placed.  
Power to  
make certain  
loans.

Id. § 4, re-  
placed.

**2.** Paragraph 4 of the said article is replaced by the following :

Acquiring hy-  
pothecary  
claims, &c.

“ 4. Acquiring hypothecary or privileged claims and receiving sums of money on deposit, with such stipulations as to interest and security, and under such other conditions, as may be agreed upon, and lending them on the securities mentioned in paragraph 2 of article 5, as amended by this act.”

Id., § 6, re-  
placed.

**3.** Paragraph 6 of the said article is replaced by the following :

Purchase of  
property.

“ 6. Purchasing and selling, by private treaty or at public auction, even by annuities, any moveable and immoveable property, including debentures, corporation shares and other securities of a like nature.”

Id., art. 5,  
amended.

**4.** Article 5 of the said act, is amended by adding the following paragraphs after paragraph 19 :

When com-  
pany may re-  
ceive depos-  
its.

“ 20. The said company shall not receive deposits before at least three hundred thousand dollars of its capital shall have been subscribed for, and one hundred thousand dollars shall have been paid up and deposited in a chartered bank. The proof of such deposit shall be made by means of a certificate from the bank produced at the office of the Provincial Treasurer.

The amount so deposited shall be returned to the company when it shall have commenced operations or shall have renounced to its charter or discontinued receiving deposits.

Limit of  
amount to be  
received on  
deposit.

“ 21. The amount held on deposit by the company shall not at any time exceed the aggregate amount of its then actually paid up and unimpaired capital and of its cash actually in hand, or deposited in any chartered bank in Canada, and belonging to the company.

Assets to ex-  
ceed, by cer-  
tain percent-  
age, amount  
of liabilities  
for deposits.

“ 22. So long as the company shall be liable for deposits made with them, the total amount of the assets, over and above the value of its immoveable property and mortgages or hypothecs on immoveables, shall at least be twenty per cent. of the amount for which it is liable on deposits received.”

Id., 19,  
amended.

**5.** Article 19 of the said act is amended by adding thereto the following words : “ and the immoveables belonging to the company.”

Idem.

The English version of the said article is amended by striking out the words “ real estate ” in the first line and adding, after the word : “ if ” in the second line, the words “ hypothecary loans.”

**6.** Article 24 of the said act is replaced by the following : Id., 24, re-

placed.  
**"24.** The capital stock shall be two million dollars, Capital stock  
 divided into twenty thousand shares of one hundred dollars and shares.  
 each or one hundred thousand shares of twenty dollars  
 each."

**7.** Article 26 of the said act is replaced by the following : Id., 26, re-

placed.  
**"26.** The capital stock of two million dollars shall be Stock how to  
 composed of issues of two thousand shares each, of which be issued.  
 the first shall be issued at once.

On the two thousand shares, composing the first series, Payment of  
 ten dollars shall be paid on subscription, and the remainder first issue.  
 shall be called in by resolution of the board of directors.

The dates of the issue of the other series shall be deter- Subsequent  
 mined by the board of management which shall determine issues.  
 the conditions.

Nevertheless such capital may be issued in any other Proviso.  
 manner, in one or more issues, by mere resolution of the  
 board of directors as it may deem advisable."

**8.** Article 42 of the said act is replaced by the following : Id., 42, re-

placed.  
**"42.** The company is managed by a board of manage- Board of man-  
 ment, composed of at most nine and at least five members, agement.  
 elected by the general meeting, who may be indefinitely re-  
 elected, without regard to their nationality. It is not neces-  
 sary that the majority of the directors be residents of Can-  
 ada, and subjects of Her Majesty ; but at least two shall  
 fulfill these conditions, if their number do not exceed five,  
 and three if their number exceed six.

**9.** Article 44 of the said act is replaced by the following : Id., 44, re-

placed.  
**"44.** Every director shall be proprietor of twenty-five Qualification  
 shares of one hundred dollars or one hundred and twenty- of directors.  
 five shares of twenty dollars, which shall not be transferable  
 while he remains in office, and shall remain affected as securi-  
 ty for his good management, even for acts which are ex-  
 clusively personal to one of the directors.

The title to such shares shall be made to order, and be Shares of  
 stamped to show that they cannot be transferred, and shall directors not  
 be deposited among the assets of the company." to be trans-  
 ferred.

**10.** Article 52 of the said act is amended by striking out Id., 52,  
 the following words "by article 78 hereinafter" at the end amended.  
 and replacing them by : "by article 77 hereinafter."

Id., 55,  
amended.

**11.** The sixth paragraph of article 55 of the said act is replaced by the following :

Qualification  
of manager.

"Before entering into office, the manager must qualify upon one hundred shares of one hundred dollars or five hundred shares of twenty dollars."

Id., 58,  
amended.

**12.** Article 58 of the said act is amended by adding the following paragraph at the end thereof :

Holding of  
meetings out-  
side Province  
in certain  
event.  
Publication of  
notice in such  
case.

"Should the majority of the shares be owned by persons outside of the Province of Quebec, meetings, whether general or extraordinary, may be held elsewhere than in Montreal and even in Europe. In such case, in addition to the mode of convening hereinabove prescribed, the notice must also be inserted in a newspaper published in the town where the meeting is to be held."

English ver-  
sion of act  
amended.

**13.** The word "partnership" wherever used in the English version of the said act is replaced by the word "company."

Annual re-  
turn to Pro-  
vincial Treas-  
urer, and what  
to contain.

**14.** The company shall, on or before the first of March in each year, transmit to the Provincial Treasurer a statement in duplicate to and including the thirty-first day of December of the previous year, verified by the oath of the president or vice-president and the manager, setting out the capital stock of the company and the proportion thereof paid up, the assets and liabilities of the company, the amount and nature of the investments made by the company, and the average rate of interest derived therefrom, distinguishing the classes of securities and also the extent and value of the lands held by it, and such other details as to the nature and extent of the business of the company as the Provincial Treasurer requires, and in such form and with such details as he, from time to time, requires and prescribes; but the company shall in no case be bound to disclose the name or private affairs of any person who has dealings with it.

Coming into  
force.

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

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Most Excellent Majesty.