

purchase bonds of the said company, invest the said moneys in any of the securities mentioned in article 981*o* of the Civil Code, or, with the consent of the directors of the said company and not otherwise, in such other manner as the said trustees shall deem most in the interest of the said bondholders, and, from time to time, and as often as the said trustees shall in their discretion deem it advisable so to do, dispose of such securities, and alter, vary and reinvest the same; provided that the consent of the directors shall be necessary each time that the trustees may desire to invest the said funds in any security other than those mentioned in said article 981*o*, or in the purchase of the company's bonds.

Investment,
&c., of
moneys in
hands of trust-
tees.

4. Whenever the said trustees shall be possessed of moneys belonging to the company, arising from the sale of property covered by the said trust and mortgage deed, whether the same be invested under the provisions of the foregoing clause or not, and the company desires to use the said money for the purpose of acquiring property, either moveable or immoveable, the said trustees may, in their discretion, realise any such investments and apply such moneys so held by them to the purchase of property as aforesaid; and such property so purchased shall vest in the trustees upon the trusts and subject to the clauses and conditions of the said deed of trust and mortgage.

Trustees not
to incur any
liability, if in
good faith.

5. The said trustees shall not incur any liability towards the bondholders, by reason of the exercise by them of any of the powers conferred by the present act, so long as they shall act in good faith.

Coming into
force.

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

CAP. LXXV.

An Act to incorporate "The Merchants' Fire Insurance Company."

[Assented to 8th January, 1894.]

Preamble.

WHEREAS the persons hereinafter mentioned have, by their petition, prayed to be incorporated to carry on the business of fire insurance in the Province, and it is expedient to grant their prayer;

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

TITLE I.

INCORPORATION OF THE COMPANY.

1. Jacques Grenier, Arthur Gagnon, Joseph Normandin, Joseph Fortier, Charles Pierre Chagnon, Raphaël Aumond, Alexandre Ovide Morin, Stanislas Demers, Conrad Vallée, all merchants of the city of Montreal, together with such other persons as may hereafter become members of the company, are hereby incorporated and constituted a corporation under the name of "The Merchants' Fire Insurance Company." Certain persons incorporated. Name.

2. The head office of the company shall be in the city of Montreal; but the board of directors may establish one or more offices in other parts of the Province. Head office.

3. The company is subject to the Joint Stock Companies' General Clauses Act, except where the same may derogate from or be inconsistent with this act. Laws applicable.

TITLE II.

CAPITAL STOCK—INSTALMENTS.

4. The capital stock of the company is fixed at five hundred thousand dollars, divided into shares of one hundred dollars each; and the said capital may be raised to seven hundred and fifty thousand dollars, upon the vote of the majority, in value, of the shareholders at a meeting regularly convened. Capital stock, shares. Increase thereof.

5. So soon as the sum of one hundred and fifty thousand dollars shall have been subscribed, and the sum of fifty thousand dollars shall have been paid up, the company may commence its operations. When operations may commence.

6. The directors may, at intervals of not less than three months, make calls upon the shareholders in such proportion as they may deem expedient. Nevertheless, no call shall exceed ten per cent of the subscribed capital, nor can any call be exacted unless a notice has been sent by mail, in a registered letter, to each of the shareholders, at least one month before the date fixed for such instalments. Calls on stock. Amount of calls limited.

TITLE III.

PROVISIONAL BOARD OF MANAGEMENT.

7. The persons above mentioned shall constitute the provisional board of directors and shall remain in office until the election of the subsequent directors. Provisional directors and term of office.

Five of them shall constitute a quorum.

Quorum.

Vacancies.

8. The provisional directors shall have power to fill vacancies in the board of management, to open stock subscription books and to make calls upon the shareholders.

First meeting for election of directors.

9. The first general meeting for the election of directors shall be held at the date to be fixed by the provisional directors.

How convened.

It shall be convened by means of a registered letter sent to each shareholder at least eight days beforehand.

Convening of subsequent meetings.

The date, as well as the mode of convening the subsequent annual meetings, shall be determined by the by-laws of the company.

Board of management.

10. The board of management shall consist of nine directors holding at least ten shares in the capital stock of the company.

Quorum.

Five of them shall constitute a quorum.

President and vice-president.

They shall select from amongst their number a president and a vice-president, at the first meeting of the board of directors following the annual general meeting.

TITLE IV.

OBJECT AND POWERS OF THE COMPANY.

Power to transact business after making certain deposit.

11. The company may insure, against fire, moveables and immoveables of all kinds within the limits of the Province, on such conditions as it may deem expedient, re-insure its risks and those of other companies, and generally do all other transactions and things necessary for attaining the object of its incorporation, after having deposited, with the Provincial Treasurer, the sum of twenty-five thousand dollars as a guarantee or security for the policy-holders in the said company.

Investment of moneys.

12. It may invest its moneys, wholly or partially, in the securities and bonds of the Dominion, of any Province or of any municipality, in shares of duly incorporated banks or in loans secured by such shares or debentures, or on mortgage.

Acquisition of real estate.

13. The company may acquire the real estate mortgaged in its favor, or which may be transferred to it in payment of a debt previously contracted, and retain the ownership thereof for a period not exceeding ten years.

Coming into force.

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