

14. The company shall not commence operations under this act, until a sum of at least twenty thousand dollars shall have been subscribed, and five thousand dollars actually paid in and deposited in one of the incorporated banks in this province. Commence-
ment of op-
erations.

C A P. L X X I I.

An act respecting the Mutual Fire Insurance Company of the County of Hochelaga.

[Assented to 28th December, 1876.]

WHEREAS the Mutual Fire Insurance Company of the county of Hochelaga, incorporated under the statutes relating to mutual fire insurance companies in force in the province of Quebec, have by their petition prayed that the name of the said company be changed to "The Hochelaga Mutual Fire Insurance Company," and that better provision be made for the carrying on of the business of the company than is afforded by the general statutes now in force; Therefore, Her Majesty, by and with the advice and consent of the Legislature of Quebec, enacts as follows: Preamble.

1. The corporate name of the said company is hereby changed from "The Mutual Fire Insurance Company of the County of Hochelaga" to "The Hochelaga Mutual Fire Insurance Company," but the said corporation shall not therefore be deemed a new corporation. Change of
name.

New name.

2. The principal place of business of the said company shall be in the city of Montreal, unless and until otherwise decided by a majority of two thirds of the members of said company present at any meeting duly called for that purpose. Principal
office.

3. The company may admit as a member thereof any person, firm or corporation being the owner of or having an insurable interest in any property movable or immovable within the province of Quebec, and every person, firm or corporation, admitted a member of said company by such insurance, shall be entitled to the like rights and be subjected to the like liabilities as other members of the said company. Admittance
of members
insured.

4. A meeting of the members, for election of directors and the transaction of the general business of the company, shall be held, in every year, within two months after Annual gene-
ral meeting.

the thirty-first of December in each year at the principal office of the company, at such time and in such manner as the by-laws of the company may prescribe.

Notice.

5. Notice of the time and place for holding general meetings of the company, whether annual or special, shall be given at least two weeks previously thereto by publication thereof in every issue, during two weeks, of one newspaper in English and one in French, published at or nearest to the place where the company has its principal place of business.

Vote of members.

6. Each member of the company shall be entitled at all meetings of the company to the number of votes proportioned to the amount by him insured according to the following rates, that is to say: for any sum up to fifteen hundred dollars, to one vote; above that sum up to three thousand dollars, two votes; from three thousand dollars to six thousand dollars, three votes; and one vote for every additional three thousand dollars; but no member shall be entitled to vote while in arrears for any assessment or premium due by him to the company.

Arrears.

Special meetings.

7. Special general meetings of the company may be called for any day not a holiday, by order of the president, or, in his absence, of the vice-president, or on the requisition of at least ten members representing not less than ten thousand dollars of insurance, and on such requisition the directors shall be bound to call the meeting within the time specified therein.

Qualification of directors.

8. The directors shall be members of the company, insurers therein, for the time they hold office, to the amount of one thousand dollars at least, and not in arrears for any premium or assessment due to the company, and the major part of the directors of the company shall further, at all times, be resident in the province of Quebec and subjects of Her Majesty by birth or naturalization.

Their election.

9. The directors of the company shall be elected by the members, in general meeting assembled, present in their own proper persons, for such term not exceeding

Term of office.

two years as the by-laws of the company may prescribe.

Ballot.

10. Elections of directors shall be by ballot.

Re-election.

11. In default only of other express provisions in such behalf by the by-laws of the company:

1. Such election shall take place yearly, all the members of the board retiring and (if otherwise qualified) being eligible for re-election;

2. Vacancies occurring in the board of directors by death, resignation, loss of qualification, insolvency or being absent from three regular successive meetings of the board, without previous leave therefor, which shall *ipso facto* create a vacancy, may be filled for the unexpired remainder of the term, by the board, from among the qualified members of the company; Vacancies.

3. The directors shall, at their first meeting after any general election and afterwards as occasion may require, proceed to elect by ballot among themselves a president and vice-president of the company; and shall also name and may remove at pleasure any officer thereof. Officers.

12. If, at any such election, two or more members have equal number of votes, in such manner that a less number of persons than the whole number to be elected appear to have been chosen directors by a majority of votes, then the said members of the company shall proceed to elect by ballot, until it is determined which of the persons so having an equal number of votes shall be the director or directors, so as to complete the whole number of directors to be elected. Equal number of votes.

13. The manager or secretary of the company may be paid by commission or by an annual salary but only under a by-law of the company. Salary of manager or secretary.

14. No agent or paid officer or person in the employment of the company shall be eligible to be elected a director or shall be allowed to interfere in the election of directors. Disqualification.

15. The directors of the company shall have full power in all things to administer the affairs of the company, and may, from time to time, make by-laws not contrary to law nor to this act, for the conduct in all particulars of the affairs of the company and to regulate the issue and transfer of policies, the rates of premiums and assessment, and the manner of collecting them, the number of the directors, their terms of service, the appointment, functions, duties and removal, of all agents, officers and servants of the company, the security to be given by them to the company, their remuneration and that (if any) of the directors, the time at which the annual meeting of the company shall be held, the calling of meetings regular and special of the board of directors and of the company, the quorum and the procedure in all things at such meetings, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-law and the conduct in all other particulars of the affairs of the company, and may, from time to time, repeal or re-enact the same, but every By-laws, regulations, etc.

such by-law and repeal, amendment or re-enactment thereof, unless in the mean time confirmed at a general meeting of the company duly called for that purpose, shall only have force until the next annual meeting of the company, and in default of confirmation thereat, shall, at and from that time only, cease to have force.

Management
of property.

Investments.

Promissory
notes.
Loans.

Guarantee.

Limit of
notes.

Re-insurance.

Cancelling
policies.

Right of
party in-
sured.

16. The board of directors shall superintend and have the management of the funds and property of the company, of all matters relating thereto and not otherwise provided for, and may invest the capital and funds of the company in shares of any chartered bank having its chief office in the province of Quebec, in hypothecary or privileged claims on real estate, municipal debentures, and the public securities of the Dominion or of this Province.

17. The board of directors of the company may issue promissory notes in favor of any person, banking or other company, for the loan of money, and borrow money therefrom on such promissory notes and on such conditions as they may think proper, and may renew the same, from time to time, the whole of the assets, including promissory notes of the company, being held liable to pay the same at maturity; but no such promissory note shall be for a less sum than one hundred dollars, and provided, always, that all the promissory notes, at any time outstanding, shall not exceed one fourth of the amount remaining unpaid upon the same premium notes then held by the company.

18. The board of directors may make arrangements with any mutual or other insurance company for the re-insurance of risks, or to re-insure any other insurance company against any loss or risk which such other insurance company may have incurred in the course of their business within the province of Quebec, the whole on such conditions with respect to the payment of premiums as may be agreed between them.

19. The company shall be at liberty to cancel any policy by giving to the insured notice to the effect that they do cancel, or will cancel the same, by registered letter signed by the manager or secretary of the company, addressed, and sent by mail, postage paid, to the post office address of the insured, as given by him or her in the application for insurance or subsequent writing to the company, or by giving to the insured personally notice, in writing, signed by the manager or secretary or an officer or agent of the company to such effect; the party insured shall, nevertheless, be liable to pay his proportion of the losses and expenses of the company, to the time of cancelling

the policy, and on payment of his proportion of all assessments then payable and to become payable in respect of losses and expenses sustained, up to such period, shall be entitled to a return of his premium note or undertaking, and a condition to this effect shall be endorsed on the policy.

20. Any member of the company may, with the consent of the directors, withdraw therefrom upon such terms as the directors may require. Voluntary resignation.

21. 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 or vice-president or manager or secretary of the company, and sealed with the corporate seal, shall be received in all courts and proceedings in civil matters as *prima 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. Proof of copies.

22. The company may insure by the same policy of insurance for any time not exceeding five years. Duration of policy.

23. Any policy that may be issued for one year or any shorter period, may be renewed at the discretion of the board of directors by renewal receipts, instead of policy, on the insured paying the required premiums or giving his premium note or undertaking, and such renewal insurance shall be considered as continued under the original representations and for the original amounts and divisions and subject to the conditions of the original policy issued, the whole unless otherwise specified in writing on said policy; any cash payments for renewal must be made at the end of the year or other period for which the policy was granted, otherwise such policy shall become null and void. Renewal of policy.

24. The company may insure all manner of property movable or immovable situate within the province of Quebec against loss or damage by fire, whether happening by accident, lightning or by any other cause except that of gross negligence or design in the insured or by the invasion of an enemy or an insurrection. Properties to be insured. Cause of loss.

25. All policies of insurance issued by the company, sealed with the seal of the company, signed by the president or vice-president and countersigned by the manager or secretary or acting manager or secretary, shall be valid and binding on the company; provided that any fraudulent misrepresentation made by the assured contained Policies of insurance; signature, seal, etc. Fraudulent misrepresentations.

- Changes.** in the application therefor or any false statement respecting the title or ownership of the applicant, or his circumstances, or the concealment of any incumbrance on the insured property or on the land on which it may be situated, or the failure to notify the company of any change in the title or ownership of the insured property and to obtain the written consent of the company thereto, or any alteration made in any house or building after the insurance has been effected thereon, with the company, whereby the risk is increased, or any increase of risk by any means whatever, unless previously notified and consented to by the company by writing under the hand of the manager or secretary, shall render the policy void, and no claim for loss shall be recoverable thereunder, unless the board of directors in their discretion shall see fit to waive the defect.
- Increase of risk.**
- Causes of nullity.**
- Transfer.** 2. The acquirer, (acquéreur) having the policy assigned to him may have the same confirmed to him for his proper use and benefit upon application to and with the consent of the directors and under such terms and conditions as they may stipulate.
- Alterations in buildings insured.** 3. When any alteration is made in a building whereby the risk is increased, the directors may consent to the same and may require an additional premium and deposit note therefor and impose such other conditions as they may see fit.
- Sale of property to annul policy: exception.** 26. In case any property real or personal be alienated by sale, or otherwise, the policy (unless it has been assigned to the acquirer and has been confirmed to him as above provided) shall be void and shall be surrendered to the directors of the company to be cancelled, and thereupon the insured shall be entitled to receive his premium note or notes on payment of his proportion of all losses and expenses which had accrued prior to such surrender; provided, however, that in cases of hypothecation or of pledge, the directors may permit the policy to remain in force and to be transferred to the creditor by way of additional security, without requiring any premium note or undertaking from such creditor or his becoming in any manner personally liable for premiums or otherwise; but, in such cases, the premium note or undertaking and liability of the insured in respect thereof, shall continue in nowise affected.
- Case of hypothec.**
- Double insurance concealed.** 27. If an insurance subsist by the act or with the knowledge of the insured in the company and with any other company or insurer at the same time, the insurance in the company shall be void, unless the double insurance subsists with the consent of the directors signified by indorsement on the policy signed by the

manager or secretary or other officer authorized to do so, or otherwise acknowledged in writing.

28. In case of any loss or damage by fire happening to any member upon property insured with the company, such member shall give notice thereof to the company forthwith, at its principal place of business, and the proofs, declarations, evidence and examinations, called for by or under the policy, must be furnished to the company within thirty days after the loss; and within ten days of the receipt of notice and proofs of claim as aforesaid, the board of directors shall ascertain and determine the amount of the loss or damage, and notify the claimant of their determination by letter prepaid and registered, addressed to his last known post office address, and such amount shall be payable in three months after the receipt by the company of such proofs, if admitted.

Case of loss.
Notice.
Proof, &c.
Notification by company.

29. If the party be not satisfied with the determination of the board of directors, all question as to the value of property damaged or destroyed, may be submitted to three disinterested persons as arbitrators, one of whom shall be named by the board, one by the suffering party and one by the two arbitrators named by the parties, but should such two arbitrators not agree upon the choice of a third, then such third arbitrator shall be named by a judge of the superior court in the district of Montreal, on the application of either party, after notice to the other and the decision or award of a majority of them shall be binding and final.

Arbitration.
Decision to be final.

30. No action or suit shall be brought against the company upon any policy or contract of insurance granted or entered into by the company after the lapse of one year next after the happening of the loss or damage in respect of which such action or suit is brought, unless the company has sanctioned a further delay or otherwise waived the forfeiture; saving in all cases the right of parties under legal disability, and all policy and all policies to be issued by such company shall have a condition to this effect endorsed thereon.

Delay for suit.
Proviso.

31. If in any action a greater sum be recovered than the amount determined by the directors, the party suffering shall have interest thereon from the time such loss or damage would become payable under section twenty-eight of this act, with costs of suit.

If greater sum be allowed by court.

32. If no more be recovered than the amount so previously determined upon by the directors, and if such

If no more allowed than offered.

amount had been, by writing under the hand of its manager or secretary, legally tendered, the plaintiff in the suit shall have judgment for such amount only, and he shall not be entitled to costs against the defendants, and the defendants shall be entitled to costs against the plaintiff.

Extra-judicial
examination.

33. Any justice of the peace or any one having lawful authority to administer an oath or affirmation in any legal proceeding, may examine, on oath or solemn affirmation, any party or person who comes before him to give evidence touching any loss by fire in which the company is interested, and may administer any oath or affirmation required.

Amount to
be retained
by company.

34. If there be any loss on property insured by the company, the board of directors may retain the amount of the premium note or undertaking given for the insurance thereof until the time has expired for which insurance has been made, and, at the expiration of such time, the insured shall have the right to demand and receive such part of the retained sum as has not been assessed for.

Premiums in
cash, &c.

35. The company may collect premiums in cash for insurance for terms not longer than one year, and such portion of the premium notes as the directors may consider equitable and necessary, on all insurances for terms longer than one year.

Profits among
policy hold-
ers.

36. The company may make a periodical division of profits equitably among the policy holders of the company, after providing for a reserve fund, should the company see fit to establish one, or after adding to it such amount as it may deem proper.

Interpreta-
tion of ch. 68,
C. S. L. C.

37. The provisions of chapter sixty-eight of the consolidated statutes for Lower Canada relating to matters preliminary and up to the incorporation of the company, shall be deemed directory only, and the incorporation of the company shall not be held void or voidable on account of any irregularity in any notice prescribed by the said act, or on account of the insufficiency or obscurity of any such notice, or on account of any irregularity in respect of any other matter preliminary to the said incorporation.

Irregularities
covered.

C. 68, C. S.
L. C. and
amendments,
not to apply.

38. After this act takes effect, the said chapter sixty-eight of the consolidated statutes for Lower Canada, and all amendments thereto and all other acts and parts of acts so far as inconsistent herewith, shall not apply to or in any way affect the Hochelaga mutual fire insurance company, as regards all contracts, suits or proceedings, made or entered into after this act comes into force.

39. The words "the company," wherever they occur in this act, shall refer to and mean "the Hochelaga mutual fire insurance company." Interpretation.

40. This act shall come into force on the day of the sanction thereof. Act in force.

C A P. L X X I I I.

An act to incorporate the Montreal Open Stock Exchange.

[Assented to 28th December, 1876.]

WHEREAS Alexander C. Clark, William Weir, M. B. Smith, William H. Weir, Frank H. Burnett, John H. Bell, William McKenzie, Louis Alphonse P. Barthe, J. Philip Withers, G. H. Patterson, Edward Rawlings, John R. Middlemiss, and others, resident and carrying on business in the city of Montreal, have petitioned for the incorporation of themselves and others, as the "Montreal Open Stock Exchange," and to be invested with certain powers hereinafter mentioned, 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 :

1. The aforesaid persons and others, already associated with them, and all those who hereafter may become associated with them, shall be and they are hereby constituted a body politic and corporate by the name of the "Montreal Open Stock Exchange," and may by that name sue and be sued, implead and be impleaded, answer and be answered, defend and be defended in all courts of law and equity ; and by that name, they and their successors shall have perpetual succession, and may have a common seal, change and alter the same at pleasure ; may acquire for themselves and their successors under any legal title whatsoever, property real and personal ; may alienate, sell, convey, lease or otherwise dispose of the same or any part thereof from time to time, as occasion may require, for such price or prices and on such terms and conditions as they may see fit, and may, should they see fit, acquire other real and personal estate for the purposes of this act ; may borrow money on the hypothecary security of the immovable property of the corporation, for such time, and on such terms, and at such rates of interest, as they may see fit ; provided, always, the clear value of the real and personal estate together held by the said corporation, at any time, shall not exceed one

Constituted corporation.

Name.

General powers. Seal.

Loans.

Limited value.