

NATIONAL ASSEMBLY
Thirty-third Legislature, first session

1987, chapter 141

**AN ACT RESPECTING LES CLAIRVOYANTS, COMPAGNIE
MUTUELLE D'ASSURANCE DE DOMMAGES**

Bill 244

Introduced by Mr Jacques Tremblay, Member for Iberville

Introduced 10 December 1987

Passage in principle 18 December 1987

Passage 18 December 1987

Assented to 18 December 1987

Coming into force: on the date fixed by the Government

Act amended: None



Éditeur officiel
Québec



CHAPTER 141

An Act respecting Les Clairvoyants, Compagnie Mutuelle d'Assurance de Dommages

[Assented to 18 December 1987]

Preamble

WHEREAS Les Clairvoyants, Compagnie Mutuelle d'Assurance de Dommages, hereinafter referred to as the "Compagnie mutuelle", is a mutual insurance company incorporated pursuant to the Act respecting insurance (R.S.Q., chapter A-32) under the corporate name of "Les Clairvoyants, Mutuelle d'Assurance Contre l'Incendie", and whereas the Compagnie mutuelle was converted into a mutual damage insurance company by letters patent of conversion issued on 2 December 1985 pursuant to the provisions of the Act to amend the Act respecting insurance and other legislation (1985, chapter 17);

Whereas the Compagnie mutuelle wishes to be converted into an insurance company with share capital;

Whereas the conversion of the Compagnie mutuelle into an insurance company with share capital has been approved by a two-thirds majority of the votes recorded at a special general meeting duly called for that purpose;

Whereas the rights of the policyholders or the interest of the public are not affected by the conversion;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

DIVISION I

CONVERSION

- Conversion** **1.** The Compagnie mutuelle is hereby converted into an insurance company with share capital and continues, under the corporate name of "Les Clairvoyants, Compagnie d'Assurance Générale Inc.", hereinafter referred to as the "Company", to exercise all its rights and assume all its obligations.
- Head office** **2.** The head office of the Company shall be located in the municipality of Saint-Césaire, in the judicial district of Saint-Hyacinthe, Province of Québec.
- Object** **3.** The object of the Company is to transact, in accordance with the Act respecting insurance, damage insurance business, also referred to as "general insurance".
- Acts applicable** **4.** Subject to this Act, Part I of the Companies Act (R.S.Q., chapter C-38) applies to the Company, adapted as required. The Act respecting insurance also applies to the Company, subject to this Act. The provisions of the Act respecting insurance prevail over the provisions of Part I of the Companies Act that are applicable to the Company.

DIVISION II

CAPITAL STOCK

- Composition** **5.** The authorized capital stock of the Company shall consist of twenty-five million shares without par value.
- Rights and interests** **6.** The members of the Compagnie mutuelle and any person who was a member at any time in the five years preceding 1 January 1988, except those who have become members after the conversion, on 2 December 1985, of the mutual association into a mutual company and who ceased to be members thereof on or after that date, are entitled, in consideration of the rights and interest they hold in the Compagnie mutuelle, to a number of fully paid common shares of the Company, to the nearest whole number, established on the basis of the amount of the premiums subscribed by each member in relation to the total amount of the premiums subscribed by those who are entitled to receive shares, during the five year period ending on 31 December 1987, as they appear in the books of the Compagnie mutuelle.

Consideration

7. The total consideration for the shares of the Company to be so issued at the time of the conversion of the Compagnie mutuelle is equal to the value, on 31 December 1987, of the shareholders' equity of the Compagnie mutuelle, as approved by the Inspector General of Financial Institutions.

Attestation of value

The Company shall transmit to each shareholder, with his share certificate, an attestation of the value of his shares established in accordance with the fair market value of the Compagnie mutuelle as established on 31 December 1987 and approved by the Inspector General.

Unclaimed shares

8. All shares which, despite reasonable efforts by the Company to locate their rightful owners, remain unclaimed at the time of the conversion of the Compagnie mutuelle shall be kept in trust by the Company for five years from its conversion. At the expiry of five years, the board of directors of the Company may apply to the Inspector General for the cancellation of the unclaimed shares in order to transform the surplus they represent into surplus capital. The application must be accompanied with an affidavit attesting that the Company made every reasonable effort to locate the members entitled to such shares.

Acquisition of shares

9. No director, senior officer or employee of the Company may acquire shares that have been issued to the members of the Compagnie mutuelle at the time of its conversion before the lapse of a period of five years from the conversion.

DIVISION III

TRANSITIONAL PROVISIONS

Directors and senior officers

10. The directors and senior officers of the Compagnie mutuelle in office before its conversion become the directors and senior officers of the Company.

Term of office

11. Until the procedure of election of the directors of the Company is amended by by-law, the directors shall be elected for a term of three years. The replacement of the directors shall be effected by rotation according to the order established and followed by the Compagnie mutuelle. In the event of an increase in the number of directors in office, the directors must, by by-law, fix the first term of office of the new directors in view of their replacement by rotation.

By-laws

12. Within 60 days after the conversion of the Compagnie mutuelle, the directors shall establish the new general by-laws of the Company. The by-laws of the Compagnie mutuelle shall, in the meantime, remain in force, *mutatis mutandis*.

Rights and
obligations

13. The rights and obligations of the Compagnie mutuelle are not affected by the conversion. In every contract or document of the Compagnie mutuelle, the corporate name of the Company is substituted *pleno jure*, without any formality, for the corporate name of the Compagnie mutuelle. Suits to which the Compagnie mutuelle is a party before its conversion may be continued by or against the Company without continuance of suit.

Policy
holder

14. A policyholder of the Compagnie mutuelle remains a policyholder of the Company.

DIVISION IV

COMING INTO FORCE

Coming into
force

15. This Act comes into force on the date fixed by the Government.