

THIRD SESSION

THIRTY-SECOND LEGISLATURE

NATIONAL ASSEMBLY OF QUÉBEC

Bill 230

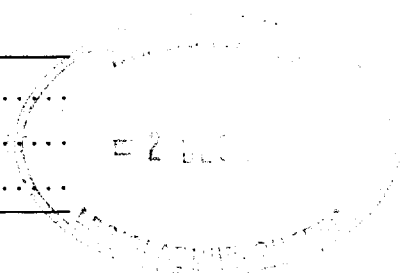
(PRIVATE)

**An Act respecting The Solidarity Life Insurance Company
and the Unique Life Insurance Company**

First reading

Second reading

Third reading



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QUÉBEC OFFICIAL PUBLISHER

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An Act respecting The Solidarity Life Insurance Company
and the Unique Life Insurance Company

WHEREAS The Solidarity Life Insurance Company, incorporated by letters patent issued on 7 March 1942 under the Québec Insurance Act (Revised Statutes, 1941, chapter 299), amended by supplementary letters patent of 11 September 1946 and by chapter 130 of the statutes of 1954-1955, continued in existence by chapter 117 of the statutes of 1968 and whose name was changed on 1 October 1977, is a mutual life insurance company having as its object to carry on the business of life insurance and whereas it is governed by the Act respecting insurance (R.S.Q., chapter A-32);

Whereas the Unique Life Insurance Company, incorporated by letters patent of 12 May 1967 issued pursuant to the Insurance Act (Revised Statutes, 1964, chapter 295) is a corporation with share capital having as its object to carry on the business of life insurance and whereas it is governed by the Act respecting insurance;

Whereas the authorized capital of the Unique Life Insurance Company consists of 500 000 common shares of a par value of \$10 each;

Whereas the Unique Life Insurance Company has issued and allotted 113 888 paid up and non-assessable common shares of a par value of \$10 each;

Whereas it is in the interest and necessary for the proper administration of their affairs that The Solidarity Life Insurance Company and the Unique Life Insurance Company amalgamate into a single company and that the company resulting from this amalgamation be governed by the Act respecting insurance;

Whereas, to amalgamate into a single company, it is advantageous and in the interest of The Solidarity Life Insurance Company and the Unique Life Insurance Company that the 113 888 paid up and non-assessable common shares of the Unique Life Insurance Company be held by The Solidarity Life Insurance Company;

Whereas the amalgamation of The Solidarity Life Insurance Company with the Unique Life Insurance Company was approved by the members of The Solidarity Life Insurance Company at a special general meeting called for that purpose;

Whereas the amalgamation of the Unique Life Insurance Company with The Solidarity Life Insurance Company was approved by the shareholders of the Unique Life Insurance Company at a special general meeting called for that purpose;

Whereas the interest of the insured and of the public is not opposed to the amalgamation;

HER MAJESTY, with the advice and consent of the National Assembly of Québec, enacts as follows:

1. The Solidarity Life Insurance Company may hold as owner all the issued and allotted shares now outstanding of the share capital of the Unique Life Insurance Company, hereinafter called "the Unique".

2. The Solidarity Life Insurance Company and the Unique shall amalgamate into and continue as a single corporation under the corporate name of "La Solidarité, Compagnie d'assurance sur la vie" and in English "The Solidarity Life Insurance Company", hereinafter referred to as "The Solidarity". The Solidarity may also use the corporate name "L'Unique, Compagnie d'assurance-vie" and the English version "Unique Life Insurance Company", without distinction, for its purposes and use during a period of twenty-four months after the date of the coming into force of this Act.

3. The 113 888 issued and allotted common shares of the Unique of a value of \$10 each, held by The Solidarity Life Insurance Company are cancelled without reimbursement of the capital that they represent.

4. The Solidarity has its corporate seat in the city of Québec or in any other locality as may be determined by the members of the company by a by-law to that effect passed by a majority of the members present at a general meeting called for that purpose, and at such address in that locality as the directors may fix.

5. A person who owns an insurance contract established by the company and on which no premium is outstanding is a member of The Solidarity.

Every owner of an insurance contract in force on which no premium is outstanding and which has been established by The Solidarity Life Insurance Company or by the Unique Life Insurance Company is also a member of The Solidarity.

For the purposes of this section, only the following persons are deemed owners:

(a) in a contract designating several policyholders, the policyholder first named;

(b) in a group insurance contract, the policyholder and the participants if so stipulated in the contract.

6. The Solidarity has the power

(1) to carry on the business of insurance respecting contracts of insurance and reinsurance of the person, with fixed or variable benefits, and with or without participation in profits.

It may, in particular, make contracts of the following classes:

(a) life insurance;

(b) insurance against accidents, disability, sickness, loss of income and all other risks of a similar nature;

(c) indemnity for the cost of medical, surgical, pharmaceutical, hospital, dental treatment, nursing, and any other expenses of the same kind incurred by reason of accident, sickness or pregnancy;

(d) capitalization or sinking-fund;

(e) annuity and rent of all kinds.

For the purposes of this Act, the expression "variable benefit contract" means a contract whereby the monetary value of the whole or a part of the benefits payable by the company varies according to the value of the assets relating thereto; a contract with participation in profits is not by that fact alone a variable benefit contract.

(2) The Solidarity may also undertake or engage in such classes of insurance as may be established by by-law adopted under the Act respecting insurance.

7. The board of the Solidarity is composed of no less than seven and no more than twenty directors, whose number is fixed by by-law, the first ones being: Albert Boulet, Fernand Paré, Paul-H. Plamondon, Charles Poirier, Claude A. Chevalier, Claude

Ferland, Marc Giguère, François Labbé, Andréa Latulippe, René T. Tremblay, Denis Trudel, Rémi Marcoux and Gérard Godbout.

8. The administration and operation of The Solidarity are governed by the general by-laws of The Solidarity Life Insurance Company until they are amended or replaced; the other by-laws of The Solidarity Life Insurance Company and the Unique, insofar as they are not inconsistent with the general by-laws of The Solidarity Life Insurance Company, this Act and the Act respecting insurance, apply to The Solidarity until they are amended or repealed in conformity with the Act respecting insurance.

9. The officers of The Solidarity Life Insurance Company maintain their position, title and office with The Solidarity until they are replaced by the board of directors of The Solidarity.

10. Every member may vote in person or by proxy; he is entitled to only one vote regardless of the number or amount of the contracts he owns.

Every power of attorney authorizing a proxy to vote at a general meeting must, to be valid, be given within the three months preceding the meeting in question and be deposited in the hands of the secretary of the company not less than ten days before that meeting.

The power of attorney may be used only at that meeting or adjournments of that meeting.

11. The directors of The Solidarity shall be elected at the annual general meeting of the members for a term of office not exceeding three years fixed by the by-laws.

If the terms of office are of two or three years, the by-laws must provide the procedure necessary to obtain that the number of those expiring annually is as constant as possible.

12. The Solidarity may distribute to the holders of contracts contemplated in section 6 other than variable benefit contract such part of the profits from its operations pertaining to such contracts as it may deem reasonable.

13. The Solidarity may set aside for purposes of a reserve for the stabilization of amounts payable under the variable benefit contracts contemplated in section 6 such portion as it deems reasonable of the balance from operations respecting such contracts.

14. The auditor of The Solidarity Life Insurance Company shall be the auditor of The Solidarity until he is replaced or appointed in accordance with the Act respecting insurance.

15. Subject to the Act respecting insurance, The Solidarity may use all or part of its funds to purchase shares in other companies; this power may be exercised by the directors of The Solidarity by way of a resolution.

16. The Solidarity shall possess all the rights and assume all the obligations of The Solidarity Life Insurance Company and the Unique, and this Act replaces chapter 117 of the statutes of 1967-1968, without affecting what has been done under that Act, and the letters patent of the Unique, without, however, interrupting their corporate existence nor affecting their rights and obligations and The Solidarity is not deemed to be a new employer for the purposes of the premiums payable and paid pursuant to the Act respecting the Québec Pension Plan (R.S.Q., chapter R-9); and proceedings to which the companies are parties may be continued by or against them without continuance of suit.

17. Subject to this Act, the Act respecting insurance applies to The Solidarity.

18. This Act comes into force on 1 January 1982.