

Laws of Her Majesty's Province of United Canada, passed in the year 1851. York: Stewart Derbshire and George Desbarts, 1851.

14 & 15 Victoria – Chapter 21

An Act to amend and make permanent the Acts in force in Lower Canada, for the establishment of Mutual Fire Insurance Companies therein. 2d August, 1851.

Whereas it is expedient to continue and amend the Act of Lower Canada, passed in the fourth year of the Reign of His late Majesty King William the Fourth, intituled, *An Act to authorize the establishment of Mutual Fire Insurance Companies*, and the Act of the said Province passed in the sixth year of the same Reign, and intituled, *An Act to continue for a limited time and to amend a certain Act therein mentioned relative to the establishment of Mutual Fire Insurance Companies*: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled, *An Act to re-unite the Provinces of Upper and Lower Canada, and, for the Government of Canada*, and it is hereby enacted by the authority of the same, That whenever in any County in Lower Canada there shall be any City or Town containing a population of more than five thousand souls, according to the then last census, it shall be lawful for the freeholders of such County residing out of the limits of such City or Town, to establish a Mutual Fire Insurance Company for the insuring of property within such County but not within such City or Town, although another Company may have been already established in and for such County, and with the same effect to all intents and purposes as if the establishment of such separate Company for the Country parts of any such County had been allowed and provided for by the said Acts, or either of them, the provisions whereof shall apply to any Company to be established under this Act in so far as they may not be inconsistent with the provisions thereof.

II. Provided always and be it enacted, That nothing herein contained shall be construed to prevent the inhabitants of the Country parts of any such County as aforesaid, or any of them, from insuring their property therein in any Mutual Fire Insurance Company lawfully established for the whole County including the Cities and Towns, if they shall prefer so to do, or to invalidate or affect the rights of any such last mentioned Company.

III. And be it enacted, That it shall be lawful for the Mutual Fire Insurance Company for any County or Counties together, in Lower Canada, to admit as a member of the said Company, if they shall deem it inexpedient, the owner of any property situate within any County other than the County or Counties in which such Mutual Fire Insurance Company shall be established, and to insure any property of such person so situate as aforesaid; and each person so admitted as a member of any such Company shall have the same rights, and be subject to the same liabilities as the other members of the said Company; any thing in the said Acts hereby amended to the contrary notwithstanding.

IV. And be it enacted, That notwithstanding any thing in the said Acts or either of them contained, it shall be lawful for the Directors of any such Company to demand and take from every member of the Company before he shall receive his policy, such part of, or amount of per centage upon the notes deposited, as provided by the said Acts or either of them, as the Directors of the said Company may by their By-laws determine; and further, to declare in each year in advance, in such manner as shall be determined by the said By-laws, the amount of dividend required to be paid in to meet the estimated annual losses and expenses of the said Company, the said dividend declared in advance to be settled and determined upon by the Directors, upon an average to be taken of the probable losses and expenses during the year, and published in the manner to be provided by the said By-laws, and the balance remaining at the credit of any member at the expiration of his policy shall be returned to such member.

V. And be it enacted, That any member of such Company neglecting or failing to pay the said annual dividend at the time appointed by the said Directors, shall not be entitled to recover from the said Company for any loss which he may sustain thereafter, until his annual payment shall have been made: Provided always, that nothing in this section contained shall have the effect of preventing the Directors from suing or prosecuting such member in default, for the amount of his deposit note or for any declared dividend or assessment as aforesaid, and costs of suit as provided in and by the said Acts, or either of them.

VI. And be it enacted, That all such sums of money so paid, shall form a fond for the payment of losses and expenses, which said fund shall be by the said Directors invested to bear interest in some Chartered Bank in this Province, in the manner and as shall be determined by the By-laws in that particular to be provided by the Directors.

VII. And be it enacted, That each and all of the provisions of the said before cited Acts, contrary to the provisions hereof, shall be, and are hereby repealed, and the said Acts as amended hereby, and this Act, shall continue in force until repealed by competent authority.