

(b) carries on any such business after any such license received has been revoked,—shall, on summary conviction before any two justices of the peace, or any magistrate having the powers of two justices of the peace, for every offence be liable to a penalty not exceeding fifty dollars and costs and not less than twenty dollars and costs.

73. One-half of any pecuniary penalty specified in the preceding sections of this Act when recovered shall belong to His Majesty and the other half thereof to the informer.

74. Every assessment life insurance company, obtaining the exemption provided for by Part II. of this Act, which fails to make attested returns of its condition and affairs when called for by the Superintendent, as required by Part II. of this Act, and every officer of any such company whose duty it is to make such attested returns, shall, for each day during which such failure continues, be liable to a penalty of ten dollars.

75. Notwithstanding anything hereinbefore mentioned, in case of any contract entered into or any certificate of membership or policy of insurance issued before the twentieth day of July, one thousand eight hundred and eighty-five, by any assessment life insurance company, assessments may be made and collected, and claims paid, and all business connected therewith transacted without any penalty being incurred.

Voting by Proxy.

76. The provisions of this section shall extend and apply to every company other than a life insurance company having a capital stock, whether called by the name of capital stock, guarantee fund, or any other name, and also to every mutual insurance company within the legislative power of the Parliament of Canada.

2. The said provisions shall so extend and apply, notwithstanding anything to the contrary in any special Act relating to such companies or in any by-law or by-laws thereof.

3. At all meetings at which holders of shares in the capital stock or guarantee capital, policyholders, or members are entitled to vote, they may respectively vote by proxy and every proxy must be himself a shareholder, policyholder or member and entitled to vote.

Investments—Annual Report.

77. In his annual report prepared for the Minister under the provisions of paragraph (e) of section 38 of this Act, the Superintendent shall, after the first day of January, 1911, allow as assets only such of the investments of the several companies as are authorized by this Act, or by their Acts of incorporation, or by the general Acts applicable to such investments.

2. In his said report the Superintendent shall make all necessary corrections in the annual statements made by the companies as herein provided and shall be at liberty to increase or diminish the liabilities of such companies to the true and correct amounts thereof as ascertained by him in the examination of their affairs at the head office thereof in Canada, or otherwise.

3. An appeal shall lie in a summary manner from the ruling of the Superintendent as to the admissibility of any asset so disallowed by him, or

as to any item or amount so added to liabilities, or as to any correction or alteration made in any statement, or as to any other matter arising in the carrying out of the provisions of this Act, to the Exchequer Court of Canada, which court shall have power to make all necessary rules for the conduct of appeals under this section.

4. For the purposes of such appeal the Superintendent shall at the request of the company interested give a certificate in writing setting forth the ruling appealed from and the reasons therefor, which ruling shall, however, be binding upon the company unless the company shall within fifteen days after notice of such ruling serve upon the Superintendent notice of its intention to appeal therefrom, setting forth the grounds of appeal, and within fifteen days thereafter file its appeal with the registrar of the said court and with due diligence prosecute the same, in which case action on such ruling shall be suspended until the court has rendered judgment thereon.

Expiry of Charters.

78. Unless otherwise provided in any special Act passed by the Parliament of Canada after the twenty-eighth day of April one thousand eight hundred and seventy-seven, incorporating any insurance company, such special Act and all Acts amending it shall expire and cease to be in force, except for the sole purpose of winding up such company's affairs, at the expiration of two years from the passing thereof, unless within such two years the company thereby incorporated obtains a license from the Minister under the provisions of this Act.

Reduction and Subsequent Increase of Capital.

79. The directors of any company which derives its corporate powers from an Act of the Parliament of Canada or which is subject to the legislative power of the said Parliament, may, subject to the proviso hereinafter contained, in the event of its paid-up capital being impaired, at any time and from time to time, after being duly authorized and empowered by a resolution approved by the votes of shareholders representing at least two-thirds of all the subscribed stock of the company at a special general meeting duly called for considering such resolution, pass a by-law for writing off the said paid-up capital any amount which they have been so authorized and empowered by the shareholders as aforesaid to write off such paid-up capital, but no part of its assets shall be distributed to its shareholders: Provided, however, that the paid-up capital shall not be reduced,—

(a) below the minimum amount fixed by the company's Act of incorporation as necessary to be paid up before the company can commence business, or,

(b) in case no such amount is fixed by such Act of incorporation, then below the amount fixed by this Act or by the Treasury Board in pursuance of section 141 of this Act as the company's deposit on obtaining a license.

2. The capital of a company shall be deemed to be impaired when its assets, exclusive of its paid-up capital, are less than its liabilities calculated according to the requirements of this Act.

3. Such by-law shall declare the par value of the shares of the stock so reduced and the capital stock