

and the surplus, if any, shall be applied in the manner provided by the by-laws of the company.

17. After the share capital has been subscribed as aforesaid, at least two-thirds of the persons to be elected directors of the company, in addition to the qualifications required by the fourteenth section of the Act respecting Mutual Fire Insurance Companies, shall be holders of shares of the said capital stock to the amount of three thousand dollars, on which all calls have been fully paid; the other one-third of the directors to be elected shall possess at least the qualifications required by the said fourteenth section of the Act respecting Mutual Fire Insurance Companies.

Qualification  
of directors.

18. The board of directors of any company which shall raise a share or stock capital under this Act, may make such by-laws, subject to the provisions of this Act and not inconsistent with or contrary to law, as may be necessary to carry out the objects and intentions of this Act, and to give effect to the provisions thereof; and may rescind, alter, vary, or add to the same from time to time.

By-laws.

19. Any mutual insurance company heretofore incorporated or organized, or which may be hereafter incorporated or organized, under any of the laws of this Province, having surplus assets, aside from premium notes or undertakings, sufficient to reinsure all its outstanding risks, after having given notice once a week for four weeks, of their intention, and of the meeting hereinafter provided for, in the *Ontario Gazette* and in a newspaper published in the county where such company is located, may, with the consent of two-thirds of the members present at any regular annual meeting, and of two-thirds of the subscribers of guarantee capital or share or stock capital, or at any special meeting duly called for the purpose, or with the consent, in writing, of two-thirds of the members of such company, and the consent, also, of three-fourths of the directors, and of two-thirds of the subscribers to the guarantee capital and share or stock capital, notwithstanding anything contained in the third and fifty-first sections of the one hundred and fiftieth chapter of the Revised Statutes of Ontario, become a joint stock company, under the said one hundred and fiftieth chapter of the Revised Statutes of Ontario, by conforming to and otherwise proceeding in accordance with the provisions of the said last mentioned Act; and every member of such company, on the day of said annual or special meeting, or the date of said written consent, shall be entitled to priority in subscribing to the capital stock of said company, for one month after the opening of the books of subscription to such capital stock, in proportion to the amount of insurance held by such members on unexpired risks in force on the day of said annual or special meeting, or the date of said written consent; and every company so

How a mutual  
company may  
become a  
stock com-  
pany.