

An Act to amend an Act of the Parliament of the late Province of Upper Canada, relating to Mutual Insurance Companies.

WHEREAS it is expedient to amend the Act of the Parliament of Upper Canada, passed in the sixth year of the Reign of King William the Fourth, and intituled, "*An Act to authorize the establishment of Mutual Insurance Companies, in the several Districts of this Province,*" so as to facilitate the operations of Insurance Companies incorporated under the authority of the said Act; Be it therefore enacted, &c.,

Preamble.

Act of U. C.,
6 William IV,
cap. 18.

That for and notwithstanding any thing to the contrary in the Act first above cited or in any other Act or law, it shall be lawful for the Directors of any such Mutual Insurance Company established under the Act first above cited, from time to time to issue Debentures or Promissory Notes of the Company, bearing interest, for such sums and to such an amount as the Directors of such Company may deem necessary for the purpose of paying or of raising money by loan for the purpose of paying any loss or losses sustained by such Company: Provided always, that the whole amount of such Debentures or Promissory Notes at any one time outstanding shall not exceed one fourth part of the amount then unpaid on the Deposit or Premium Notes held by such Company: And provided also, that the said Debentures or Promissory Notes shall not in any instance be drawn so as to become due and payable in less than six or more than twelve months after the issuing thereof; that no such Debenture or Note shall be for a less sum than twenty-five pounds; that such Debentures or Notes and the interest thereon shall be paid solely out of monies to be collected on the deposit or premium notes of members of the Company, and not by new Debentures or Notes or money raised by the issue of new Debentures or Notes; and that the Directors of the Company may always assess upon the members thereof in proportion to the amount of their Deposit or Premium Notes respectively, such sum or sums as shall be necessary to pay any such Debentures or Notes as aforesaid then outstanding and the interest thereon.

Directors may
issue Debentures or
Promissory Notes
for Losses.

Proviso.

Proviso.