

Mutual Insurance Companies to possess a guarantee capital, to assume such corporate name as the Directors may deem expedient, and to collect premiums in full, in cash, in certain cases: Therefore, Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

1. Any Mutual Fire Insurance Company formed under the Acts above cited shall have power to raise by subscription of its members or some of them, or the admission of new members not being persons assured by the Company, or by loan, or otherwise, a guarantee capital of any sum not exceeding five hundred thousand dollars, which guarantee capital shall belong to such Company, and be liable for all the losses, debts, and expenses of the Company; and subscribers of such capital stock shall in respect thereof have such rights as the Directors of the Company shall declare and fix by a By-law to be passed before such capital shall be raised, and which shall not thereafter be repealed or altered without the consent of the majority of votes of the shareholders of such capital, either personally or by proxy, at a meeting held for that purpose, (each holder being entitled to a vote for every share of forty dollars held by him or her,) of the holders of such capital; unless such capital be paid off in the manner hereinafter provided.

Any Mutual Insurance Company may raise a guarantee capital not to exceed \$500,000.

Rights of subscribers to such capital.
2. Any such Company shall have power to adopt, by a By-law passed in the usual manner, any corporate name which the Directors may deem expedient, provided they retain the appellation of Mutual, but such corporate name shall not thereafter be changed so long as the Company shall subsist.

Company may adopt a new corporate name.
3. Any such Company shall have power to create from the surplus profits of the Company, from year to year, a Reserve Fund for the purpose of paying off the guarantee capital, after which its affairs and property shall revert to and be vested in the parties insured, as the sole members of the Company.

Company may create a Reserve Fund and pay off guarantee capital.
4. Any such Company shall have power to collect premiums in cash for insurance for terms not longer than one year, and such portion of the premium notes as the Directors may consider equitable and necessary on all insurances for terms longer than one year.

May take premium in cash.
5. Any such Company shall have power to make a periodical division of the profits of the Company equitably among the stockholders and policy holders of the Company, after providing for the Reserve Fund above referred to.

May divide profits.
6. Any such Company shall have power to extend its operations to any part of Lower Canada and Upper Canada.

May insure in L. C. or U. C.