



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-FIFTH LEGISLATURE

Bill 60

(1996, chapter 63)

An Act to amend the Act respecting insurance

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Passage 20 December 1996
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EXPLANATORY NOTES

This bill proposes amendments to the Act respecting insurance to facilitate the administration of its provisions.

The bill introduces a new rule in respect of mutual insurance companies whereby a person becomes a member by undertaking an insurance contract with the company rather than by acquiring a membership share. The rules governing the names of mutual insurance companies are changed and harmonized with the rules of the Civil Code of Québec. Mutual insurance companies will be authorized to pay a salary to their directors.

Except for investments in subsidiaries, the bill extends to all insurers the rules concerning diversified investments which already apply to certain classes of insurers and the rules concerning specified limits.

The bill introduces new measures concerning the appointment, resignation or dismissal of an actuary and concerning the duties of an insurer's actuary. The duties of an actuary under the bill include drafting an annual report setting and presenting the provisions and reserves he considers good and sufficient, and a report on the financial position of the insurer. While in office, the actuary will be required to report to the insurer any fact of which he has become aware that is likely to have a significant adverse effect on the insurer's financial position, and report the situation to the Inspector General if no suitable corrective action is taken. Also, the Inspector General is authorized to require special reports on the financial position of an insurer.

Lastly, the bill proposes consequential and technical amendments, in particular to clarify the rules governing the conduct of auditors, to amend the rules governing provisions and reserves and to harmonize the provisions of the Act respecting insurance with those of the Civil Code of Québec.

Bill 60

AN ACT TO AMEND THE ACT RESPECTING INSURANCE

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

1. Section 19 of the Act respecting insurance (R.S.Q., chapter A-32) is amended by replacing subparagraph *c* of the first paragraph by the following subparagraph :

“(c) keep a register of the activities authorized under section 33.2 or section 93.162;”.

2. Section 33.2 of the said Act is amended by striking out the third paragraph.

3. Section 93.14 of the said Act is amended by replacing the words “tutorship or curatorship or declared incapable” in the first line of paragraph 2 by the words “protective supervision or a person deprived wholly or in part of the right to exercise his civil rights”.

4. Section 93.28 of the said Act is repealed.

5. Section 93.31 of the said Act is amended by inserting the words “absent or” before the word “unable” in the first line of the second paragraph.

6. Section 93.32 of the said Act is replaced by the following section :

“93.32. In addition to the founders whose names are mentioned in the articles, every natural person who, on the date of calling of the general organizing meeting, has subscribed and paid an amount as membership share is deemed to be a founder.”

7. Section 93.41 of the said Act is amended by striking out the words “or persons who wish to become members” in the second line.

8. Section 93.42 of the said Act is repealed.

9. Section 93.43 of the said Act is replaced by the following section :

“93.43. The mutual insurance association shall determine by by-law the price of a membership share which shall not be less than \$5. The interest that may be paid on such shares and the number of shares that may be issued must be limited by the by-laws.”

10. Section 93.44 of the said Act is replaced by the following section :

“**93.44.** A mutual insurance association shall issue certificates attesting the issue of membership shares.”

11. Section 93.45 of the said Act is amended

(1) by striking out the word “, resignation” in the first line of the first paragraph;

(2) by striking out the words “other than qualifying shares” at the end of the second paragraph.

12. Section 93.56 of the said Act is amended

(1) by striking out paragraph 1;

(2) by replacing paragraph 3 by the following paragraph :

“(3) undertake insurance with the mutual insurance association;”;

(3) by striking out paragraph 5;

(4) by inserting, after the first paragraph, the following paragraph :

“Subparagraph 3 of the first paragraph applies with respect to a founder only after the expiry of one year after the date on which the licence is issued to the association by the Inspector General. The founder is, during that period, a member in good standing of the mutual insurance association.”

13. The heading of Subdivision 2 of Division X of Chapter III.1 of Title III of the said Act is replaced by the following subdivision :

“§2. — *Suspension and exclusion*”.

14. Section 93.57 of the said Act is replaced by the following section :

“**93.57.** Any member who ceases to be a policyholder under a valid insurance contract undertaken with the mutual insurance association shall be excluded from the association.

The same applies in the case of a founder who fails to undertake an insurance contract with the mutual insurance association within one year after the date on which the licence of the association is issued.”

15. Section 93.61 of the said Act is amended

(1) by replacing the words “suspended or expelled member, or a member whose resignation has taken effect” in the first and second lines of the first paragraph by the words “member who has been suspended or excluded”;

(2) by replacing the words “, expulsion or resignation” in the second line of the second paragraph by the words “or exclusion”;

(3) by replacing the words “, expulsion or resignation” in the first line of the third paragraph by the word “exclusion”.

16. Section 93.67 of the said Act is amended by striking out the words “, whatever the number of common shares he holds” in the first paragraph.

17. Section 93.71 of the said Act is amended

(1) by striking out the words “, the auditor’s report and the actuary’s report contemplated in section 309” in paragraph 1;

(2) by striking out paragraph 2.

18. Section 93.83 of the said Act is replaced by the following section:

“93.83. The board of directors of a mutual insurance association shall pass a by-law to determine the total amount of remuneration that may be paid to the directors for a specified period. No director may receive any remuneration in his capacity before the by-law is passed.

The by-law must be approved by a vote of at least two-thirds of the members present at a meeting called for that purpose.”

19. Section 93.88 of the said Act is amended by inserting the words “membership shares and on” after the word “on” in the first line of paragraph 4.

20. Section 93.106 of the said Act is amended by striking out the words “93.83 and” in the first line.

21. Section 93.140 of the said Act is amended by replacing the word “three” in the first line by the word “four”.

22. Section 93.141 of the said Act is amended by striking out the word “, ill”.

23. Section 93.156 of the said Act is amended by replacing the words “more than eight” in the first line of the first paragraph by the words “10 or more”.

24. Section 93.162 of the said Act is amended by striking out the third paragraph.

25. Section 93.192 of the said Act is amended by replacing the words “at his request or if he is absent or unable to act” in the first and second lines of the first paragraph by the words “if he is absent or unable to act, or at his request”.

26. Section 93.201 of the said Act is amended by striking out the words “movable or immovable” in the second line of the first paragraph.

27. The heading of Chapter III.3 of Title III of the said Act is replaced by the following heading :

“GUARANTEE FUND”.

28. Section 93.222 of the said Act is replaced by the following section :

“**93.222.** No legal person other than a legal person constituted under this division may include the expression “guarantee fund” in its name.”

29. Section 93.247 of the said Act, amended by section 78 of chapter 2 of the statutes of 1996, is again amended by replacing the word “transfer” in the first line of paragraph 4 by the word “assignment”.

30. Section 93.251 of the said Act is amended

(1) by striking out the words “and hold” in the first line;

(2) by replacing the word “hypothecs” in the first line by the words “hypothec or grant a hypothecary loan”;

(3) by adding, after the first paragraph, the following paragraph :

“It may also grant a loan that causes the amount of the hypothec on an immovable referred to in subparagraph 2 of the first paragraph to exceed 75% of the value of the immovable if the corresponding hypothecary claim is endangered or if the immovable has been repossessed.”

31. Section 93.269 of the said Act is amended by replacing the words “at his request or if he is absent or unable to act” in the first and second lines of the first paragraph by the words “if he is absent or unable to act, or at his request”.

32. Section 104 of the said Act is amended in the French text by replacing the words “incapacité d’agir” in the first line of the second paragraph by the word “empêchement”.

33. Section 108 of the said Act is repealed.

34. Section 141 of the said Act is amended in the French text by replacing the words “incapable d’agir” in the last line of the second paragraph by the word “empêché”.

35. Section 174.1 of the said Act, amended by section 457 of chapter 40 of the statutes of 1994, is again amended by adding, at the end, the following sentence : “Such insurance shall be valid whether claims are brought against

the insured personally or against a partnership of which the insured is or was a member”.

36. Section 205 of the said Act, amended by section 457 of chapter 40 of the statutes of 1994, is again amended

(1) by adding, at the end of the first paragraph, the following subparagraph:

“(n) the name of the actuary designated to carry out the duties referred to in the second paragraph of section 309.”;

(2) by adding, at the end of the second paragraph, the following sentence: “In addition, every corporation not subject to Chapter IV of Title IV must transmit without delay any written statement of the actuary designated to carry out the duties referred to in the second paragraph of section 309 concerning his resignation or the revocation of his appointment together with the resolution ordering the revocation of the actuary’s appointment.”

37. The heading of Chapter III of Title IV of the said Act is amended by replacing the words “AND RESERVES” by the words “PROVISIONS, RESERVES AND SEPARATE FUNDS”.

38. Section 243 of the said Act is amended by replacing the figure “273” in the second line by the figure “272”.

39. Section 245 of the said Act, amended by section 457 of chapter 40 of the statutes of 1994, is again amended

(1) by replacing the first paragraph by the following paragraph:

“**245.** No insurer may,

(a) for each of the following classes, make an investment in the same legal person other than a subsidiary or in the same cooperative if that would cause the book value of the aggregate of such investments in each of such classes to exceed 4% of its assets: common shares, preferred shares, membership shares, permanent shares or preferred shares, preferred equity shares or bonds or other evidences of indebtedness;

(b) make an investment in the form of a loan, other than a hypothecary loan, that would cause the book value of its investment in respect of a single borrower to exceed 4% of its assets or, for the aggregate of such loans, 15% of its assets;

(c) make an investment in income property that would cause the book value of such investments in respect of a single such property to exceed 4% of its assets or, for the aggregate of such property, 15% of its assets;

(d) control legal persons other than those mentioned in subparagraphs *d.1* and *e*, or, notwithstanding subparagraph *b*, invest in companies that engage in activities other than those mentioned in subparagraphs *d.1* and *e*;

(d.1) make an investment in a subsidiary or association whose principal activity is the purchase, management, sale or rental of immovables, the offering of participation in investment portfolios, the making of loans and investments, factoring, leasing or the offering of computer services, actuarial advisory services or travel assistance services, or any other principal activity determined by regulation that would cause the book value of such investments in the subsidiary or association to exceed 4% of its assets or, for the aggregate of such subsidiaries and associations, 15% of its assets;

(e) make an investment in a subsidiary that is an insurer, a bank, a trust company, a savings company or a securities dealer or adviser that would cause the book value of the aggregate of its investments in such a subsidiary to exceed 15% of its assets;

(f) make an investment in common shares other than shares of subsidiaries that would cause the book value of its investment in such shares to exceed 25% of its assets or that would cause the insurer to hold more than 30% of the shares of the same legal person, except if the legal person is a legal person referred to in subparagraph *d.1* or *e*, whether or not it is a subsidiary of the insurer;

(g) for all of the classes mentioned in subparagraphs *a* and *b*, make an investment in the same legal person other than a subsidiary or the same cooperative, in any form whatsoever, that would cause the book value of the aggregate of such investments to exceed 15% of its assets;

(h) make an investment that would cause the book value of the aggregate of its investments under subparagraphs *c*, *d.1*, *e* and *f* of this paragraph, the first paragraph of section 245.1 and section 247 to exceed 50% of its assets or the book value of the aggregate of its investments under subparagraphs *d.1* and *e* of this paragraph and section 247 to exceed 25% of its assets.”;

(2) by replacing the last paragraph by the following paragraph:

“However, a mutual association or an insurance fund may not control a legal person or invest in an association referred to in subparagraph *d.1*.”

40. Section 245.0.1 of the said Act is amended by replacing the words “subparagraph *a*” in the first line by the words “subparagraphs *a* and *g*”.

41. Section 245.1 of the said Act is amended

(1) by replacing the first paragraph by the following paragraph:

“**245.1.** A mutual insurance association may invest in an investment fund of the federation of which it is a member provided the investment does not cause the book value of the aggregate of its investments in that fund to exceed 25% of its assets. In addition, the mutual insurance association may invest in the capital of a mutual reinsurance association of which the law provides it is a member.”;

(2) by striking out the last paragraph.

42. Section 246 of the said Act, amended by section 457 of chapter 40 of the statutes of 1994, is again amended

(1) by striking out the words “, other than a mutual association or a professional order,” in the first and second lines;

(2) by replacing the words “hold a hypothecary debt for an amount that exceeds 75% of the value of the real estate securing payment of it, less any other debts secured by the real estate” in the second and third lines by the words “acquire claims secured by hypothec or grant a hypothecary loan of an amount exceeding 75% of the value of the immovable which secures payment thereof, less any other claims secured thereby”;

(3) by replacing, in the French text, the word “ceux-ci” in the fourth line by the word “celui-ci”;

(4) by adding, after the first paragraph, the following paragraph:

“However, the said amount may be exceeded in respect of an immovable on which the insurer holds security if the corresponding hypothecary claim is endangered or in respect of an immovable that has been repossessed.”

43. Section 247 of the said Act, amended by section 457 of chapter 40 of the statutes of 1994, is again amended by replacing the words “up to 25% of its assets in a downstream holding” in the second and third lines of the first paragraph by the words “in a downstream holding provided the investment does not cause the book value of the aggregate of its investments in that holding to exceed 25% of its assets.”

44. Section 248 of the said Act is amended by replacing the words “maturities of its investments and financial commitments and the diversification of investments” in the second, third and fourth lines of the first paragraph by the words “the maturities of its investments with its financial commitments, the diversification of investments and a precise description of the types of investments that may be made in the form of hypothecary loans and the limits applicable thereto”.

45. Section 249.1 of the said Act is amended by replacing the words “Corporation des assureurs agréés” in the second line by the words “Groupement des assureurs automobiles”.

46. Section 273 of the said Act is repealed.

47. Section 275.5 of the said Act is amended by inserting, after the first paragraph, the following paragraph:

“The Inspector General may, by way of a notice sent before the expiry of a period of 45 days, inform the insurer that he does not object to the sale. Upon receiving the notice, the insurer may proceed with the sale.”

48. The heading of Division IV of Chapter III of Title IV of the said Act is replaced by the following heading:

“PROVISIONS AND RESERVES”.

49. Section 276 of the said Act is repealed.

50. Section 277 of the said Act is amended

(1) by replacing the words “transacting damage insurance must maintain sufficient reserves to guarantee its obligations to its insured in accordance with” in the first and second lines by the words “, other than a mutual benefit association, must establish provisions and reserves that are good and sufficient having regard to its obligations to the insured, and that conform to”;

(2) by replacing paragraph *a* by the following paragraph:

“(a) the assumptions used to establish the provisions and reserves must be the assumptions that the actuary designated in accordance with Division III.1 of Chapter IV of this Title considers good and sufficient having regard to the insurer’s position and the insurance contracts, and considered appropriate by the Inspector General;”;

(3) by replacing the words “standards and methods established by regulation” in paragraph *b* by the word “regulations”.

51. Section 279 of the said Act is replaced by the following section:

“**279.** Every mutual benefit association constituted under the laws of Québec must establish provisions and reserves that are good and sufficient having regard to the payment at maturity of the obligations of each of the funds established by the association in accordance with this Act, according to the methods established by the regulations.”

52. The heading of Division V of Chapter III of Title IV of the said Act is replaced by the following heading:

“SEPARATE FUNDS”.

53. Section 285.18 of the said Act is amended by replacing the words “, actuary or expert referred to in the fifth paragraph of section 309” in subparagraph 11 of the first paragraph by the words “and the actuary designated in accordance with Division III.1 of Chapter IV of Title IV”.

54. Section 291.1 of the said Act is replaced by the following section:

“291.1. Insurers must inform the Inspector General in writing, within 10 days, of the resignation of their auditor.

Insurers must also give the Inspector General an advance notice in writing of not less than 10 days of their intention to propose the revocation or the non-renewal of their auditor’s appointment.”

55. The said Act is amended by inserting, after section 294.2, the following section :

“294.3. An auditor who resigns for reasons connected with his duties as an auditor or with the conduct of the insurer’s business shall, within 10 days of the sending of his letter of resignation, submit a statement to the Inspector General giving the reasons for his resignation. The auditor shall forward a copy thereof to the insurer’s secretary within the same time limit.

An auditor who believes that his appointment was revoked or was not renewed for reasons mentioned above shall, within 10 days, submit a statement to inform the Inspector General, and forward a copy thereof to the insurer’s secretary.”

56. Section 295 of the said Act is amended by replacing the words “and officers” in the first line of the second paragraph by the words “, officers and employees”.

57. Section 295.1 of the said Act is amended

(1) by inserting the words “to the director general, or to any person holding a similar office, and” after the word “report” in the first line of the first paragraph;

(2) by striking out the second sentence of the first paragraph;

(3) by replacing the second paragraph by the following paragraph :

“He shall transmit a copy of that report to the actuary designated in accordance with Division III.1 of Chapter IV of this Title.”;

(4) by striking out the third paragraph.

58. Section 295.2 of the said Act is replaced by the following section :

“295.2. An auditor in good faith who makes a statement under section 294.3 or who files a report under section 295.1 shall not be liable in any civil action arising therefrom.

The same rule applies to a person in good faith who provides information or explanations under the second paragraph of section 295.”

59. Section 297 of the said Act is amended by replacing the figure “309” in the second line of the second paragraph by the figure “298.15”.

60. The said Act is amended by inserting, after section 298.2, the following division :

“DIVISION III.1

“ACTUARY

“298.3. Every insurer shall designate an actuary who shall carry out the duties prescribed under this division.

“298.4. Responsibility for the actuary’s appointment or the revocation of the actuary’s appointment lies with the board of directors of the insurer.

“298.5. Insurers shall, within 10 days, forward to the Inspector General a copy of the resolution appointing their actuary or inform the Inspector General in writing of their actuary’s resignation.

In addition, insurers shall give the Inspector General an advance notice in writing of not less than 10 days of their intention to propose the revocation of their actuary’s appointment.

“298.6. The actuary’s term of office terminates on his ceasing to be a Fellow of the Canadian Institute of Actuaries.

“298.7. An actuary who resigns for reasons connected with his duties as an actuary or with the conduct of the insurer’s business shall, within 10 days of the sending of his letter of resignation, submit a statement to the Inspector General giving the reasons for his resignation. The actuary shall forward a copy thereof to the insurer’s secretary.

An actuary who believes that his appointment was revoked for reasons mentioned above shall, within 10 days, submit a statement to inform the Inspector General of such reasons, and forward a copy thereof to the insurer’s secretary within the same time limit.

“298.8. No person shall accept an appointment as actuary of an insurer before asking the insurer’s secretary whether the former actuary filed a statement under section 298.7.

The insurer’s secretary shall provide the actuary with a copy of any such statement.

“298.9. In the carrying out of his duties, the actuary shall have access to all the books, registers, accounts and other records of the insurer, and any person having custody of them shall facilitate his examination of them.

The actuary is also entitled to require from the directors, officers and employees of the insurer the information and explanations necessary for the carrying out of his duties.

“298.10. An actuary in good faith who submits a statement under section 298.7 or who files a report under section 298.11 or 298.12 shall not be liable in any civil action arising therefrom.

The same applies to a person in good faith who provides information or explanations under the second paragraph of section 298.9.

“298.11. The actuary shall, if he becomes aware in the course of his duties of any fact, transaction or situation that, in his opinion, has or is likely to have a material adverse effect on the financial condition of the insurer, draft a detailed report thereof. He shall forward a copy of the report to the chief executive officer of the insurer or to the person who carries out the duties of that office.

The actuary shall, at the same time, forward a copy of the report to the board of directors and to the auditor.

“298.12. Where the actuary is of the opinion that no suitable corrective action has been taken within a reasonable time, he shall send to the Inspector General a copy of his report together with a description of the events that have occurred since the drafting of the report and any other information he considers relevant.

“298.13. The actuary shall prepare, before the end of each fiscal year, a study concerning the current financial position of the insurer. He shall send a copy to the board of directors, to the auditor and, where he so requests, to the Inspector General.

At the request of the Inspector General, the study shall also concern the expected future financial condition of the insurer, and shall describe the potential financial repercussions of the insurer's activities.

The actuary shall meet with the board of directors to present his findings to it. Instead of meeting the actuary, the board of directors may ask that he present his findings to the audit committee.

“298.14. The Inspector General may, at any time, require that a study be prepared in the manner and within the time he indicates concerning the financial position of the insurer. The actuary shall transmit the study to the Inspector General within the allotted time.

The Inspector General may, for such purpose, designate another actuary to prepare such a study. Any expenses incurred in such a case are, after they are approved by the Inspector General, payable by the insurer.

“298.15. The actuary shall prepare, at the end of each fiscal year, a report that establishes and presents the provisions and reserves he considers good and sufficient, having regard to the obligations of the insurer. The report shall include any other information required by the Inspector General.

The insurer shall forward a copy of the report to the Inspector General, where he so requests.

The report shall be accompanied with the certificate of the actuary concerning the valuation of the provisions and reserves. The certificate must be appended to the annual statement of the insurer.

“298.16. The actuary shall apply generally accepted actuarial practice. He shall, however, take into account any changes made thereto by the Inspector General in respect of the insurer.”

61. Section 299 of the said Act is amended by replacing paragraph *d* by the following paragraph :

“(d) the actuary’s certificate referred to in section 298.15 ;”.

62. Section 301 of the said Act, amended by section 457 of chapter 40 of the statutes of 1994, is again amended

(1) by striking out the words “at the same time as the auditor’s report is submitted” in the second line of the first paragraph ;

(2) by replacing the third paragraph by the following paragraph :

“In the case of a professional order, the report must be submitted to the Bureau of the order, which shall make the report available to its members.”

63. Section 307 of the said Act is amended

(1) by replacing paragraph *d* by the following paragraph :

“(d) provisions and reserves ;”;

(2) by striking out paragraph *e*.

64. Section 308 of the said Act is amended by replacing paragraph *e* by the following paragraph :

“(e) variations in the provisions.”

65. Section 309 of the said Act is amended

(1) by inserting the words “and with the actuary’s certificate for the annual report on provisions and reserves” after the word “auditor” in the third line of the first paragraph ;

(2) by replacing the second paragraph by the following paragraph:

“At the request of the Inspector General, every insurer shall, within the time he indicates, send to the Inspector General a report prepared in accordance with section 298.15 or a study prepared in accordance with section 298.13.”;

(3) by striking out the third, fourth and fifth paragraphs.

66. Section 312 of the said Act is amended by inserting the words “provisions and” after the words “that the” in the fourth line.

67. Section 316 of the said Act is amended by replacing the words “external actuary of” in the third line by the words “actuary designated by”.

68. Section 318 of the said Act is amended by inserting the words “provisions and” before the word “reserves” in paragraph *b*.

69. Section 320 of the said Act is amended by inserting the words “provisions and” before the word “reserves” in the second line.

70. Section 323 of the said Act is amended

(1) by replacing the words “real security” in the second line of the first paragraph by the word “hypothecs”;

(2) by replacing the word “security” in the third line of the first paragraph by the word “hypothecs”.

71. Section 325.7 of the said Act is amended by replacing the words “jointly and severally, either the amount of damage” in the second and third lines of the second paragraph by the words “solidarily, either the amount of damages awarded as compensation for the injury”.

72. Section 374 of the said Act is amended in the French text by replacing the word “jurisdiction” in the first line by the word “compétence”.

73. Section 378 of the said Act is amended

(1) by replacing the words “at his request or if he is absent or unable to act” in the first and second lines of the first paragraph by the words “if he is absent or unable to act, or at his request”;

(2) by replacing the words “compulsory reserves” in the third line of subparagraph *b* of the first paragraph by the word “provisions”.

74. Section 384 of the said Act is amended by striking out the words “in council” in the first line of the second paragraph.

75. Section 387 of the said Act is amended in the French text by replacing the words “incapacité d’agir” in the second line of the first paragraph by the word “empêchement”.

76. Section 388 of the said Act is amended by striking out the words “in council” in the first line of the second paragraph.

77. Section 394 of the said Act is amended by striking out the words “moveable or immoveable” in the second line of the first paragraph.

78. Section 399 of the said Act is amended by replacing the words “reserve fund or surplus fund” in the third line of the first paragraph by the words “current net assets”.

79. Section 420 of the said Act is amended

(1) by replacing the words “or liquidators, to testamentary executors or” in paragraph *m* by the words “, liquidators or”;

(2) by striking out paragraph *ag*.

80. The said Act is amended by replacing the word “corporation” or “corporations” by the words “legal person” or “legal persons”, respectively, wherever it appears in sections 1, 1.1 to 1.6, 22, 24, 34, 41 to 50.1, 52.2, 56, 57, 59, 93.21, 93.68, subparagraph 2 of the first paragraph, the fourth line of subparagraph 1 and subparagraph 2 of the second paragraph of section 93.79, the fourth line of the second paragraph of section 93.147, section 93.154.4, the third paragraph of section 93.238.4, paragraph 2 of section 93.247, the second line and paragraphs 2 and 3 of section 93.248, the second line and paragraphs 1 and 2 of section 93.249, the second and fourth lines of section 93.250, subparagraph 2 of the first paragraph and the second line of the second paragraph of section 93.254, sections 94, 99, 102, 106, 130, 164, 174, 174.6, 174.8, 181, 185 to 189, 192 to 195, 197, 198, 200, 200.1, 200.3, 201, 205 to 211, 218, 219.1, 220, 222, 243, 248, 268, 274, 280, 285.12, subparagraph 3, the third line of subparagraph 4 and subparagraph 5 of the second paragraph of section 285.13, section 285.17, subparagraphs 2, 6, 8, 9, 12 and 13 of the first paragraph and the second paragraph of section 285.18, sections 285.21, 285.23, 286, 291 and 293, subparagraph 1, the second line of subparagraph 2, subparagraphs 3 and 4 of the first paragraph and the second paragraph of section 294, subparagraph 3, the third line of subparagraph 4 and subparagraph 5 of section 298.2, sections 316, 319, 325.2, 363, 365, 366, 387, 393.1 to 399, 401 to 404, 407 and 413, and paragraphs *k* and *aa* of section 420.

81. The said Act is amended by replacing the word “corporation” by the words “guarantee fund”, with the necessary modifications, wherever it appears in the fourth paragraph of section 93.209, sections 93.220, 93.224, 93.225, 93.226 and 93.227, the third line of section 93.228, sections 93.231, 93.232, 93.233, 93.238 and 93.238.3, the fourth line of the first paragraph of section 93.238.4, the second, third and fourth paragraphs of section 93.239, sections 93.240 to 93.246, the first line of sections 93.247, 93.248, 93.249 and 93.250, sections 93.251 to 93.253, the first line of the first and second paragraphs of section 93.254, sections 93.255 to 93.270, subparagraph 2 of the first paragraph of section 93.271 and sections 93.272 and 93.273.

82. The said Act is amended by replacing the words “fund corporation” by the word “fund”, with the necessary modifications, wherever they appear in sections 93.18 and 93.24, the third line of subparagraph 1 of the second paragraph of section 93.79, sections 93.123 and 93.140, the third line of the second paragraph of section 93.147, sections 93.193, 93.194, 93.196, 93.199 and 93.202, the first, second and third paragraphs of section 93.209, sections 93.213 to 93.216, sections 93.218, 93.219, 93.221 and 93.223, the second line of section 93.228, sections 93.229 and 93.238.2, the first line of the first paragraph of section 93.238.4, the first paragraph of section 93.239, the second line of the first paragraph of section 93.271, section 245.1, the third line of subparagraph 4 of the second paragraph of section 285.13, subparagraph 3 of the first paragraph of section 285.18, the third line of subparagraph 2 of the first paragraph of section 294, the third line of subparagraph 4 of the first paragraph of section 298.2, section 325.1 and paragraphs *af* and *ai* of section 420.

83. The said Act is amended by replacing the words “corporate name” and “corporate names” by the words “name” and “names”, respectively, wherever they appear in sections 19, 24, 45, 52.2, 93.15 and 93.20, the heading of Division VI of Chapter III.1 of Title III, sections 93.22 to 93.25, sections 93.27.1, 93.27.2 and 93.29, the heading of Division III of Chapter III.2 of Title III, section 93.126, the heading of Division II of Chapter III.3 of Title III, sections 93.221, 98 and 100.1, the heading of Division III of Chapter IV of Title III, sections 106, 107, 109, 121, 186, 192, 194, 200, 200.3, 205, 218, 222, 248, 270 and 275.4.

84. The said Act is amended in the French text by replacing the words “siège social” by the word “siège” wherever they appear in sections 63, 90, 93.15 and 93.18, the heading of Division VIII of Chapter III.1 of Title III and sections 93.35, 93.35.1, 93.36, 93.37, 93.180, 93.201, 93.202, 93.255, 98, 121, 125, 145, 186, 188, 194, 197, 200.3, 205, 207, 222, 239, 241, 275.4, 366, 394, 395 and 413.

85. The said Act is amended by replacing the words “business office” and “office” by the word “establishment” wherever they appear in sections 204, 208 and 366.

86. The said Act is amended by replacing the words “damages, if any,” wherever they appear in the first paragraph of sections 56, 93.85, 93.155, 93.239 and 174.10 by the words “any damages awarded as compensation for any injury”.

87. The said Act is amended by replacing the words “tutorship or curatorship or declared incapable” and “tutorship or curatorship or who has been declared incapable” by the words “protective supervision or who has been totally or partially deprived of the right to exercise his civil rights” wherever they appear in sections 93.79, 93.147, 93.229 and 174.8.

88. The said Act is amended by replacing the words “names in full”, “name in full”, “full name”, “given names” and “given name” by the word “name” or “names”, as the case may be, wherever they appear in sections 45, 52.2, 93.15, 93.18, 93.34, 93.180, 93.182, 93.230, 93.255, 93.261, 98, 145, 186, 194, 200.3 and 285.16.

89. All persons holding qualified common shares of a mutual insurance association on 23 December 1996 are deemed to be holders of common shares. The new provisions of section 93.57 of the Act respecting insurance, introduced by section 14 of this Act, shall apply to persons who are members on 22 December 1996.

90. The new provisions of section 93.222 of the Act respecting insurance, introduced by section 28 of this Act, shall not apply to legal persons constituted before 23 December 1996.

91. The “Corporation de fonds de garantie du groupe Promutuel”, established by an incorporation certificate of the Inspector General of Financial Institutions on 23 December 1985, shall be continued under the name of “Fonds de garantie Promutuel”. The new name shall be substituted for the old name in every document concerning that legal person, and proceedings involving the legal person may be continued by or against it without continuance of suit.

92. The new provisions of sections 298.13 and 298.15 of the Act respecting insurance, introduced by section 60 of this Act, and sections 61 and 65 of this Act shall apply in respect of every fiscal year of an insurer beginning after 23 December 1996.

The former provisions shall continue to apply in respect of the fiscal year in progress on that date.

93. For the purposes of the provisions of sections 298.4 to 298.12, 298.14 and 298.16 of the Act respecting insurance, introduced by section 60 of this Act, the actuary of an insurer appointed to have charge of the valuation of reserves, in office on 22 December 1996, is deemed to have been appointed pursuant to the provisions of section 298.3 of the Act respecting insurance, introduced by section 60 of this Act.

94. This Act comes into force on 23 December 1996.