



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-SIXTH LEGISLATURE

Bill 217

(Private)

**An Act to constitute the Mutuelle
d'assurance aviation de l'Association
québécoise des transporteurs aériens
(AQTÀ)**

Introduction

**Introduced by
Mr Michel Côté
Member for La Peltrie**

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Bill 217

(Private)

AN ACT TO CONSTITUTE THE MUTUELLE D'ASSURANCE AVIATION DE L'ASSOCIATION QUÉBÉCOISE DES TRANSPORTEURS AÉRIENS (AQTA)

WHEREAS the Association québécoise des transporteurs aériens (AQTA) was constituted under Part III of the Companies Act (R.S.Q., chapter C-38) by letters patent issued on 5 March 1976 and amended by supplementary letters patent on 5 March 1979 and 26 January 1996, the object of such constitution being, in particular, to promote, protect and develop in any manner the economic, social and professional interests of its members;

Whereas the active members of the Association operate a commercial air service and hold a licence issued according to law;

Whereas the Association represents that unpredictable changes in the cost of aviation insurance threaten the survival of enterprises carried on by its members;

Whereas no insurer established in Québec transacts aviation insurance;

Whereas the board of directors of the Association resolved, on 20 February 2002, to take the measures necessary to constitute a non-profit legal person whose object is to transact aviation insurance in respect of its members;

Whereas it is expedient to accede to the request of the Association;

Whereas the constitution of such a legal person for the purpose of the transaction of aviation insurance requires the enactment of special legislative provisions as regards the organization of the legal person and the means of providing adequate insurance coverage to the users of the air services operated by the members of the legal person;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. A legal person without share capital is hereby constituted under the name “Mutuelle d’assurance aviation de l’Association québécoise des transporteurs aériens” or “Mutuelle AQTA”.

2. The Mutuelle is a non-profit legal person constituted to transact aviation insurance in respect of the members of the Association québécoise des transporteurs aériens.

Its head office shall be situated in Ville de Québec.

3. The affairs of the Mutuelle shall be administered by a board of directors composed of

(1) the chair and vice-chair of the board of directors and the president and chief executive officer of the Association ;

(2) the executive vice-president of operations of the Mutuelle ;

(3) at least three other persons appointed by the persons referred to in subparagraph 1.

The executive vice-president of operations shall be appointed by the persons referred to in subparagraph 1 of the first paragraph and be chosen from among the persons with expertise in the aviation insurance field. The executive vice-president must hold a certificate issued by the Bureau des services financiers pursuant to the Act respecting the distribution of financial products and services (R.S.Q., chapter D-9.2) authorizing the pursuit of activities as a representative in the damage insurance sector.

The persons referred to in subparagraph 1 of the first paragraph shall be members of the board until they cease to exercise their respective functions within the Association. The other members of the board shall be appointed for a three-year term.

4. The board of directors shall appoint a chair from among its members.

The president and chief executive officer of the Association shall be the president and chief executive officer of the Mutuelle.

5. The executive vice-president of operations is responsible, under the direction of the president and chief executive officer, for the administration of day-to-day insurance and reinsurance operations.

6. Every member of the Association who operates a commercial air service under an operator certificate issued according to law and to whom an aviation insurance policy is issued following an application made therefor to the Mutuelle shall be a member of the Mutuelle for as long as the policy is in force.

7. The general meeting of the Mutuelle shall consist of the persons designated by the members to represent the members, in a proportion of one person per member.

8. The Mutuelle may, if it holds a licence issued by the Inspector General of Financial Institutions, transact aviation insurance and, to that end, offer to make with the members of the Association insurance contracts

(1) against loss of or damage to an aircraft ; and

(2) against liability arising out of bodily injury, death or loss of or damage to property caused by an aircraft or by the use or operation of an aircraft.

9. The board of directors may entrust an authorized administrator with the insurance operations of the Mutuelle, in particular the collection of premiums, the issuance of policies and the payment of indemnities.

10. To obtain a licence issued by the Inspector General, the Mutuelle shall file with the Inspector General an application signed by its president and chief executive officer establishing that its financial capacity is sufficient to finance its insurance operations and to maintain a surplus of assets over liabilities at least equal to the minimum amount required under section 275 of the Act respecting insurance (R.S.Q., chapter A-32).

11. The Mutuelle shall deliver or furnish to the Inspector General, with the application, the following documents and information :

(1) the names, domiciles and occupations of its directors and officers ;

(2) the address of its head office ;

(3) copies of its policies, endorsements and tariffs ;

(4) the name of the actuary designated to perform the duties referred to in the second paragraph of section 309 of the Act respecting insurance ;

(5) a development plan supported by a budgeted statement of the balance sheet, operating account and surplus account over a period of not less than three years, showing the calculation assumptions used ;

(6) a plan of operation stating the name and address of the administrator, if any, who will be entrusted with the administration of the insurance operations.

The Mutuelle shall subsequently keep up to date the documents and information it is required to furnish under the first paragraph.

12. The Inspector General may require any additional information and document he or she considers necessary for the consideration of the application.

13. The Mutuelle is not required to deposit security with the Minister of Finance.

14. In the case of dissolution, the net balance of the assets of the Mutuelle shall be paid to the Association.

15. This Act comes into force on *(insert here the date of assent to this Act)*.