

An Act to Incorporate The Northwestern Life
Insurance Company.

WHEREAS the persons hereinafter mentioned have petitioned the Legislative Assembly of the Province of Alberta, ~~praying that a Company~~ may be incorporated under the name hereinafter mentioned to enable the said ~~P~~etitioners and their associates to carry on the business of ~~I~~nsurance in the several branches usually known as ~~L~~ife ~~I~~nsurance, and it is expedient to grant the prayer of such petition,

THEREFORE His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:—

1. William Egbert of the City of Calgary, Alberta, ~~P~~hysician; William A. Lowry of Calgary, ~~G~~eneral ~~A~~gent; William J. Millican, of Calgary, ~~B~~arrister; and A. E. Millican of Calgary, ~~B~~arrister, together with all such persons as now are or shall hereafter become members of the ~~C~~ompany by this Act constituted and their respective **administrators**, executors and assigns, shall be and are hereby constituted and declared to be a corporation body politic, and corporate under the name of "The Northwestern Life Insurance Company" and shall be legally authorized to effect contracts of ~~I~~nsurance with any persons or corporations on life and lives or on or against any event, loss or risk in any manner dependent on life or lives, to grant, sell or purchase annuities, to grant endowments, to purchase contingent rights, reversions or remainders, and generally to enter into any transactions dependent on the contingency of life and such as are usually ~~t~~ransacted by ~~L~~ife ~~I~~nsurance ~~C~~ompanies including re~~-~~insurances.

2. Before commencing business and issuing policies there shall have been a guarantee fund subscribed of ~~ONE HUNDRED THOUSAND DOLLARS~~, ten per cent. of which shall be actually paid up, (which may be increased to ~~ONE MILLION DOLLARS~~ or such less sum as may be agreed upon) with a similar percentage paid thereon) divided into shares of ~~ONE HUNDRED DOLLARS~~ each, and applications shall have been made and accepted by the Provisional Directors for assurances of not less than ~~ONE HUNDRED THOUSAND DOLLARS~~, and as soon as such guarantee fund shall have been subscribed, and such applications for assurance received, the Company may be organized and elect the First Board of Directors and commence business provided that no increase of the guarantee fund shall be made until such proposed increase has been first sanctioned by a majority of the guarantors present at a special meeting of the Guarantors held for that purpose.

3. The guarantee funds so subscribed shall be liable for the payment of losses and may be used for the purposes of the Company in such manner and to such an extent as the Directors may by by-law determine; the said guarantee fund shall be redeemable by the Company out of the accumulated surpluses at such time and upon such terms as shall be decided by the majority of the members present at a general meeting called for that purpose or at an annual general meeting of the Company, and until such redemption the directors may pay to the holders of the shares thereof dividends on the amount paid up at such rate as may be agreed upon by the Directors but the profits from the non-participating policies shall first be applied in or towards the payment of such dividends and after such guarantee fund shall have been redeemed the whole of the divisible profits of the Company shall belong exclusively to the policy holders in the participating branch, and shall be thenceforth divided among them in such proportion and at such

times as the directors shall appoint; provided that if it may seem to the directors to be in the best interests of the Company, the amount of the guarantee fund may be converted by them into paid up stock as soon as ~~FIFTY THOUSAND DOLLARS~~ is actually paid in cash, and the Company shall then become a ~~Joint-Stock Company~~.

4. The valuation of all policies issued by the Company and the bonus additions or profits accrued or declared in respect thereof shall be based on the mortality table of the Institute of Actuaries of Great Britain and on a rate of interest of not more than three and one-half ($3\frac{1}{2}$) per centum per annum upon the method as recommended by the Royal Commission and endorsed by the Members of the Life Officers Association. The word "Policies" includes annuity contracts.

5. The persons hereinbefore named are appointed ~~Provisional Directors~~ for the organization of the said Company and a majority of them shall be a sufficient quorum for the transaction of business. They shall open the books for the subscription of the Guarantee Fund of ~~ONE HUNDRED THOUSAND DOLLARS~~, and they shall also open books for applications for insurance to be effected by the said Company; as soon as the Guarantee Fund has been subscribed and applications have been received and accepted amounting to ~~ONE HUNDRED THOUSAND DOLLARS~~ the said ~~Provisional Directors~~ shall call a meeting of the Guarantors and persons who have made such applications for insurance, for the election of the first Board of Directors and at the said meeting every applicant for insurance applied for shall have one vote for each ~~FIVE THOUSAND DOLLARS~~ of Insurance applied for, and each subscriber to the guaranteed fund of ~~ONE HUNDRED DOLLARS~~ or more shall have five votes for each ~~ONE HUNDRED DOLLARS~~ subscribed by him.

6. Any individual or corporation who is a legal or beneficiary holder of a policy of insurance in the Company or a subscriber to the Guarantee Fund hereinbefore mentioned, and who shall have paid all premiums due or calls made thereon respectively shall be a member of the Company and entitled to all the benefits thereof under the provisions of this Act and the By-laws of the Company.

7. The provisional Directors or the Directors to be elected may enact By-laws to carry out the objects of this Act and for the organization, maintenance, and government of the Company, as well as for the application of its funds and profits as herein provided and such By-laws may from time to time be altered and amended by the directors and such By-laws so legally made in accordance with the objects of this Act and not inconsistent with the Law shall be legal and binding until altered, amended or repealed, provided always that all such By-laws shall only be valid and binding until the next annual general meeting of the Company unless they are then approved by such meeting and shall thereafter have force and effect as so approved or modified at such meeting, and provided further that such By-laws do not contravene the provisions of this Act.

8. The first Board of Directors of the Company shall consist of not less than five, nor more than twenty-five Directors of whom a majority shall form a quorum, and one of such Directors shall be elected President, and one or more such Directors Vice-Presidents by the other directors, such of the said persons hereinbefore named or other persons necessary to complete the board who shall have qualified themselves to act as Directors by a subscription of at least TEN THOUSAND DOLLARS to the Guarantee Fund, or who shall have applied for a policy of insurance in the Company, and subscribed to a declaration or contract to that effect in a sum of at least FIVE THOUSAND DOLLARS on a Life Policy, shall be entitled on election by a

majority of votes of duly qualified members at the first general meeting to act as Directors of the Company on the first Board at the Head Office, and to continue to act as such for one year immediately subsequent to the organization of the Company subject to a continuance of qualification and shall prepare the By-laws for the management of the Company as in this Act provided. The Board of Directors shall appoint a Managing Director and all other officers of the Company and may appoint subboards and may remove same and may appoint others in their places whenever a vacancy may arise. After the term for which the first Board of Directors are appointed shall have expired, the Directors shall be elected annually by ballot. If any Directors shall fail to accept office, or shall die, or be otherwise disqualified, the remaining Directors shall choose in his stead any qualified member of the Company, who shall remain in office until the next annual general meeting only, unless then reelected.

9. The Directors may appoint of their own members such committees, with such powers and to discharge such duties as the Directors may from time to time confer and impose upon them, but the said Committee shall at all times and in regard to all their actions and duties be subject to the control of the said Board of Directors.

10. A general meeting of the Company shall be called once each year after the organization of the Company and commencement of business as the Directors may appoint after not less than ten days' notice in one or more newspapers published in the Province of Alberta at which meetings a statement of the affairs of the Company shall be submitted; special, general, or extraordinary meetings may at any time be called by five of the Directors, or shall be called by requisition of twenty-five members specifying in the notice the object of such meeting.

11. The ~~Head Office~~ of the ~~Company~~ shall be at the City of Calgary or at such other point in the Province of Alberta as the ~~Directors~~ may determine, but branches or sub-boards or agencies may be established outside the Province of Alberta pursuant to the powers which the ~~Company~~ may acquire in foreign jurisdictions in such manner as the ~~Directors~~ may from time to time appoint providing that no insurance shall be effected in any ~~Province~~ other than the Province of Alberta, until an office or domicile is opened in some place therein and a local agent or ~~Manager~~ is there appointed.

12. Each subscriber to the guarantee fund shall be entitled either in person or by proxy to give ~~notes~~ for every ~~ONE HUNDRED DOLLARS~~ subscription, all calls being paid, and every holder of a policy on the mutual principle upon which all premiums due have been paid shall have one vote for each ~~FIVE THOUSAND DOLLARS~~ insurance held by him. No proxy can vote unless he is himself a member qualified to vote or has been authorized by ~~By-law~~ of the ~~Company~~.

13. The ~~Directors~~ shall have power to make calls upon the subscribers to the guarantee fund for such sums and at such times as they shall think fit for the purposes of the ~~Company~~, and to sue for and enforce the payment of the same; they may also declare all subscriptions forfeited on which such calls have not been duly paid, and ~~re~~allot or sell the same, or any part thereof for the benefit of the ~~Company~~ to any other person or persons.

14. No subscriber to the ~~Guarantee Fund~~ shall be liable as a subscriber for more than the amount of his subscription, and his liability as a guarantor shall be limited to the amount for which he has subscribed as such guarantor, and no policy holder shall be liable for more than the premiums on his policy.

15. The ~~Company~~ shall have a corporate seal and may sue or be sued in its corporate name.

16. It shall be lawful for the ~~Company~~ to invest its funds in or on the debentures bonds or stocks or other securities of the Dominion of Canada, or of any Province of Canada or the securities of any municipal or school corporation of Canada or the security of the stock, bonds or debentures of any incorporated building society, loan or investment company, waterworks company, gas company, street railway company, ~~electric~~ light or power company, electric railway or street railway company, or telegraph company incorporated in Canada, or of bank stock, or on the security of real estate, or mortgage security thereon, or on the security of lease-holds for a term or term of years, or other estate, or interest in real property or mortgage security thereon in any Province of Canada, or by other companies, or in the purchase of ground rents, or in or upon stock, bonds or debentures of the United States, or of any State thereof, or in or on mortgages, on real estate therein (but the amount so invested in the United States shall not at any time exceed the reserve upon all outstanding policies in force in the United States, and the amount so invested in the United Kingdom shall not at any time exceed the reserve upon all outstanding policies in force in the United Kingdom and in each shall be calculated on the basis provided in section 4 of this Act) and to change and re-invest the same as occasion may from time to time require, and to take, receive, and hold, all or any of the securities in the corporate name of the ~~Company~~, or in the name of ~~Trustees~~ for the ~~Company~~, appointed by the ~~Directors~~ whether for funds invested by being advanced or paid in the purchase of such securities or loaned by the ~~Company~~ on the security of the said debentures, bonds, stocks, mortgages or other securities as aforesaid, such loans to be on such terms and conditions and in such manner and in such times and for such sums and in such sums of repayment whether of principal or interest together, and at such interest or returns as the ~~Board of Directors~~ may from time to time determine and direct

and taken either absolutely or conditionally or as collateral security or ~~then~~ in satisfaction of debts due to the Company or judgment recovered against any person or corporation in its behalf or in security for the payment of the same or any part thereof, provided that the ~~Company may~~ take any additional security of any nature to further secure the repayment of any liability to the ~~Company~~ or to further secure the sufficiency of any of the securities upon which the ~~Company~~ is above authorized to lend any of its funds.

17. The ~~Company~~ may hold such real estate as shall have been bona fide mortgaged to it by any way of security or conveyed to it in satisfaction of debts or judgments recovered provided always that all real estate so mortgaged or conveyed in security as aforesaid shall be sold and disposed of within twenty years from the time of its becoming the absolute property of the ~~Company~~.

18. The ~~Company~~ may invest or deposit such portion of its funds in foreign securities as may be necessary in the establishment of maintenance of any foreign branch.

19. The ~~Company~~ may hold real estate which may be required for the use and accomodation of the ~~Company~~ and may sell or mortgage the same.

20. The shares of the subscribers to the guarantee fund shall be transferable under the regulations of and in accordance with the ~~By-laws~~, but the ~~Company~~ shall not be liable for the execution of any trust, whether expressed, implied, or constructive.

21. This Act shall come into force on the day it is assented to.

RE THE NORTHWESTERN LIFE
INSURANCE COMPANY.

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B. I. L.

~~Hillman & Hillman,~~
~~Barristers, &c.,~~
Calgary, Alta.