

A B I L L

TO INCORPORATE THE WESTERN CANADA FIRE INSURANCE COMPANY.

WHEREAS the persons hereinafter named by their petition prayed to be incorporated with the powers hereinafter set forth and it is expedient to grant the prayer of the said petition:

THEREFORE HIS MAJESTY by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. James A. Walker, capitalist, James E. Rice, Manager Western Canada Fire Insurance Company, Limited; Fred M. Lyne, wholesale Commission Merchant, and Eneas McGormack, Wholesale Leather Merchant, and John Craig, Gentlemen, all of the City of Calgary in the Province of Alberta, together with such persons as become shareholders in the Company, are hereby incorporated under the name of "The Western Canada Fire Insurance Company" hereinafter called "the Company".

2. The head office of the Company shall be in the City of Calgary, in the Province of Alberta, and branches, advisory boards and agencies may be established and maintained elsewhere in such manner as the directors from time to time appoint.

3. Capital stock of the Company shall be one million (1,000,000) dollars divided into ten thousand (10,000) shares of one hundred (100) dollars each. Such shares shall and are hereby vested in the several persons to whom they shall be allotted, their legal representatives and assigns, subject to the provisions of this Act.

Provided that the directors may after the whole of the authorized capital stock of the Company has been subscribed and fifty per cent paid thereon in cash, increase the capital stock from time to time to an amount not exceeding one million five hundred thousand (1,500,000) dollars, but the stock shall not be in-

creased until a resolution of the Board of Directors authorizing such increase has been first submitted, and is confirmed by two-thirds in value of the shareholders present or represented by proxy at a special general meeting of the members of the company duly called for that purpose, and such increase shall have been approved of by the Lieutenant Governor in Council, and an amount paid to the Registrar of Joint Stock Companies for the Province of Alberta corresponding to the fees required for a like increase under the Companies Ordinance in force in the Province of Alberta.

4. The persons named in section 1 of this Act shall be the provisional directors thereof, and they or a majority of them may cause stock books to be opened at the chief place of business of the Company and elsewhere at the direction of the said provisional directors; and shall remain open as long as they deem necessary; and are authorized to procure subscriptions of stock for the undertaking, make calls on stock subscribed and receive the payment thereof; and shall deposit in a chartered bank in Canada all moneys received by them on account of stock subscribed or otherwise received by them on account of the company and may withdraw the same for the purposes only of the company; and may do generally whatever is necessary to organize the company. So soon as the directors shall have been elected as hereinafter provided the powers and functions of the provisional directors shall cease and determine.

5. The Company may make and effect contracts of insurance with any person against loss or damage by fire, cyclone, tornado, weather or hail in or to any houses, dwellings, stores, or other buildings whatsoever, and to any goods, chattels, crops or personal effects whatsoever, and contracts for sprinkler leakage insurance in connection only with fire contracts made by the Company, for such times and for such premiums and considerations and under such modifications and restrictions and upon such conditions as are bargained and agreed upon and set forth by and between the Company and insured, and do all such things pertaining thereto or connected therewith, and as such have perpetual succession, with a corporate seal, with power from time to time to make, alter, break or change the same and shall be capable in

law of contracting and being contracted with, of suing and being sued, pleading and being impleaded in any Court of law or equity

(2) The Company may also cause itself to be insured against any risk it may have undertaken in the course of its business.

(3) The Company may also undertake the re-insurance of the risks of other companies.

6. So soon as \$250,000 of the said capital stock of the Company have been subscribed and ten per centum of the amount paid into some chartered Bank the provisional directors may, by a written or printed notice mailed at least twenty days before the date on which the meeting is called addressed to the addresses of the shareholders respectively given in the books of the company, call a meeting of the shareholders of the company at some place to be named in the City of Calgary, at which meeting the shareholders present or represented by proxy shall elect a board of not less than nine nor more than fifteen directors of whom a majority shall form a quorum.

(2) No person shall be a director unless he holds in his own name and for his own use at least twenty shares of the capital stock of the company and has paid all calls due thereon and all liabilities incurred by him to the company.

(3) It shall not be lawful for the company to commence the business of insurance until at least \$250,000 of the capital stock shall have been subscribed and ten per cent of the amount so subscribed paid in and a Board of Directors elected as aforesaid.

(4) It shall not be lawful for the company to apply to the Department of Insurance of the Dominion of Canada to procure a license for the purpose of carrying on business of insurance under such license until \$100,000 of the amount of the capital subscribed as set forth in sub-section 3 of this section shall have been paid in.

7. The shares of the capital stock subscribed for shall be paid by such instalments and at such times and places as the directors appoint. The first instalment shall not be less than ten per cent, and no subsequent instalment shall exceed twenty per cent and not less than thirty days' notice of the call of each subsequent instalment shall be given.

8. If any shareholders shall refuse or neglect to pay any call made upon the share or shares held by him for thirty days after the same shall have become payable, the Board of Directors may by resolution declare such share or shares and all amounts previously paid thereon to be forfeited to the said Company, and the same shall thereupon become so forfeited and may be sold by the Directors.

Provided always that in case the money realized from any such sale of shares be more than sufficient to pay all arrears and interest together with the expenses of such sale, the surplus of such money shall be paid on demand to the former shareholder and no more shares shall be sold than shall be necessary to pay all arrears due by the said shareholder, with the interest and expenses of sale; and in all actions or suits for the recovery of such arrears or calls it shall be sufficient for the Company to allege that the defendant being the owner of such shares is indebted to the said Company in such sum of money as the calls in arrear amount to for such and so many shares whereby an action has accrued to the Company by virtue of this Act and on the trial in order to establish a prima facie case it shall be necessary to prove only that the defendant was owner of the said shares in the company, and that said calls were made, and that notice was given as directed by this Act, and it shall not be necessary to prove the appointment of the directors who made such calls, or any other matter whatsoever than by this section, specially required, and any copy or extract of any by-law, rule, regulations or minute or of any entry in any book of the company, certified to be a true copy or extract under the hand of the president or vice president, and the manager or secretary of the Company, and sealed with the corporate seal thereof shall be received in all courts and proceedings as prima facie evidence of such by-law, rule, regulation, minute or entry without any further proof thereof and without proof of the official character or signature of the officer signing the same or of the corporate seal.

9. If payment, of such arrears, calls, interest and expenses be made before any share so forfeited shall have been sold such share shall revert to the owner as if the same had been duly paid before forfeiture thereof.

10. No transfer of any share of the capital stock of the said Company shall be valid until entered in the books of the company according to such form as may be from time to time fixed by the by-laws; and until the whole of the subscribed stock of the company is paid up it shall be necessary to obtain the consent of the directors for the time being to such transfer being made.

Provided always that no shareholder indebted to the company shall be permitted to make a transfer or receive a dividend until such debt is paid or secured to the satisfaction of the directors, and no transfer of stock shall at any time be made until all calls thereon due up to the time of transfer shall have been paid.

11. In the event of the property and assets of the said company being insufficient to liquidate all debts, liabilities and engagements the shareholders shall be liable for deficiency, but to no greater extent than the amount of the balance remaining unpaid upon their respective shares in the capital stock.

12. The company or directors shall not be bound to see to the execution of any trust, either express, implied or constructive affecting any share or shares of its stock; and notwithstanding any such trust or any notice thereof to the company or directors the receipt of the person in whose name any share stands shall be sufficient discharge to the company for any money paid in respect of such share or shares.

13. A general meeting of the company shall be called once in each year after the organization of the company and commencement of business at its head office, and at such meeting a statement of the affairs of the company shall be submitted; and special general and extraordinary meetings may at any time be called by any five directors or by requisition of any twenty shareholders specifying in the notice the object of such meeting.

(2) The notice of each meeting shall be sufficiently given by a printed or written notice to each of the shareholders mailed at least twenty days before the date on which the meeting is called and addressed to the addresses of the shareholders respectively given in the books of the company.

14. The Company in general meeting may declare a dividend to be paid out of the profits to the shareholders and such dividend

shall be payable on the capital paid up on the shares held by them respectively, but in no case shall the dividend so declared be greater than that which is recommended by the directors. The company shall have a lien on the dividend payable to any shareholder in respect of any indebtedness or maturing obligation by or from such shareholder to the company whatsoever and the same shall forthwith be applied in discharge of such indebtedness or maturing obligation.

15. At all general meetings of the shareholders of the company the president, or in his absence the vice-president, or in the absence of both of them a director chosen by the shareholder, shall preside, who in case of an equality of votes shall give the casting vote in addition to his vote as a shareholder.

(2) Each shareholder shall be entitled to cast one vote for every share held by him for not less than fourteen days prior to the time of voting and upon which all calls then due have been paid, such votes may be given either in person or by proxy, but the holder of such proxy must be a shareholder.

(3) All questions proposed for consideration of the shareholder shall be determined by the majority of votes.

16. At the first ordinary meeting after the registration of the company the whole of the directors shall retire from office; and at the first ordinary meeting in every subsequent year one-third of the directors for the time being if their number is not a multiple of three then the number nearest to one-third shall retire from office.

17. The one-third or other nearest number to retire during the first and second years ensuing the first ordinary meeting of the Company shall unless the directors agree among themselves be determined by ballot; in every subsequent year the one-third or other nearest number who have been longest in office shall retire.

18. A retiring director shall be eligible for re-election.

19. The Company at the general meeting at which any directors retire in manner aforesaid shall fill up the vacated offices by electing a like number of persons.

20. Any casual vacancy in the board of directors may be filled up by the directors but any person so chosen shall retain his office so long only as the vacating director would have retained the same if no vacancy had occurred.

21. In case it should at any time happen that an election of directors of the said company should not be made on any day when it should have been made under the provisions of this Act, the said company shall not thereby be or be deemed to have been dissolved, but it shall be lawful on any other day to hold and make an election in such manner as may be regulated by the directors for the time being and the directors in office shall so continue until their successors have been duly elected.

22. Subject to the provisions of this Act the directors shall have full power and authority to make and from time to time to alter such by-laws, rules, regulations and ordinances as shall appear to them proper and needful, touching the well-ordering of the business of the company, and management and disposition of its stock, property, estate and effects, and in all things to administer the affairs of the company and to make or cause to be made for the company all contracts into which by law the company may enter and may from time to time make by-laws regulating the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of stock certificates, the forfeiture of stock for nonpayment, the disposal of such forfeited stock, and the proceeds thereof, the transfer of stock, the declaring and payment of dividends, the appointment, functions, duties and removal of agents, officers and servants of the company, the security to be given by them, their remuneration, and that, if any, of the directors, the time and place of annual meetings of the company, the calling of meetings of the board of directors and meetings of the company, the requirements as to proxies, the procedure in all things at meetings, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-laws and the conduct and management in

all other particulars of the affairs of the company and may from time to time repeal, amend or re-enact the same;

Provided always that all such by-laws made by the directors as aforesaid shall only be valid and binding until the next annual general meeting of shareholders; unless they are then approved by such meeting and shall thereafter have force and effect as so approved or modified at such meeting until amended or altered.

23. The Company shall have power to acquire and hold such real estate as is required for its actual use and occupation or such as may reasonably be required for the natural expansion of its business, and to sell and dispose of the same and acquire other property in its place as may be deemed expedient, and further to take, hold and acquire all such lands and tenements, real or personal estate as shall have been bona fide mortgaged to it by way of security or conveyed to it in satisfaction of debts previously contracted in the course of its business, or purchased at sales upon judgments which shall have been obtained for such debts or purchased for the purpose of avoiding a loss to the Company in respect thereof, or of the owner thereof, and to retain the same for a period of not exceeding twelve years from the acquisition thereof, and the company may invest its funds or any part thereof in any of the public securities of the Dominion of Canada or any of the Provinces thereof, or in the bonds or debentures of any incorporated city, town or municipality authorized to issue bonds or debentures or in mortgages or loans upon real estate, or in any of the investments provided for in sub-clauses (1) (11) (111) and (1V) of section 59 of Chapter 32 Statutes of Canada 1910 being "An Act respecting Insurance"

24. The company shall have power to amalgamate with or purchase the business of any other insurance company or to sell out or dispose of the business of the company to any other such company upon such terms and conditions as may be agreed upon and as shall not impair the resources or remedy of any creditor or policy holder of either company to the transaction; but before the completion of any such amalgamation, pur-

chase or sale the same must be approved of by two-thirds of the votes of the shareholders at an annual general meeting or of a special general meeting called for the purpose: Provided that such other company shall have full power to amalgamate with, call to, or purchase the business of, any other company.

25. The directors shall cause to be prepared and submitted to the shareholders at each annual general meeting a full and correct statement of the accounts of the company, a general abstract of the estimated liabilities and assets of the company and a list of shareholders showing the amount of stock held and the amount unpaid thereof respectively.

26. One or more auditors shall be appointed by the shareholders at each annual general meeting, whose report shall be embodied in a general statement of the affairs of the company submitted to the shareholders as provided in the next preceding section.

27. If authorized and approved by a resolution passed by a vote of not less than two-thirds in value of the shareholders of The Western Canada Fire Insurance Company, Limited, present or represented by proxy at a special general meeting of the said company duly called for the purpose of considering the powers given under this Act, the Western Canada Fire Insurance Company, Limited shall become merged in the Company upon a subsequent day to be fixed for that purpose by the said resolution, and notice of such authorization and approval and the day so fixed shall be published in the Alberta Gazette.

28. The effect a merger of The Western Canada Fire Insurance Company, Limited, with The Company provided for in the preceding paragraph shall be--

(a) The shareholders of The Western Canada Fire Insurance Company Limited shall become the holders respectively of as many shares in the Company as they are holders respectively of shares in the Western Canada Fire Insurance Company, Limited, but only the sums which have been or may hereafter be paid by such shareholders respectively on the issued shares of The Western Canada Fire Insurance Company, Limited, shall be credited as paid on the shares of the Company.

(b) The liability of a shareholder of the Company upon the said shares in the Company so held by him shall amount per share only to the difference between the sum so paid upon each share and one hundred dollars.

(c) Nothing in this Act shall affect the liability of the shareholders of The Western Canada Fire Insurance Company, Limited, who have not paid the calls already made upon the shares of that Company to pay the said calls.

(d) Nothing in this Act shall be construed so as to lessen the liability of the shareholders of The Western Canada Fire Insurance Company, Limited, to the present creditors or to the present policy holders of that Company, provided however that any payment made upon the shares of the Company shall reduce the said liability of the shareholders of The Western Canada Fire Insurance Company, Limited by the amount of such payment.

(e) The Company shall be liable for and subject to and shall pay, discharge, carry out and perform all the debts, liabilities, obligations and contracts of the Western Canada Fire Insurance Company Limited, and any person having any claim, demand, right, cause of action or complaint against the Western Canada Fire Insurance Company, Limited, or to whom the said Company is under any obligation, liability or contract, shall have the same right and powers in respect thereto and to the collection and enforcement thereof from and against the Company and its shareholders as such person has against the Western Canada Fire Insurance Company, Limited, and its shareholders, provided however that any person who recovers from any shareholder in respect of any shares in the Company shall be held to have abandoned pro tanto his right to recover in respect of the corresponding shares in the Western Canada Fire Insurance Company, Limited.

(f) All the assets, rights, credits, effects and properties real personal and mixed of whatsoever kind and wheresoever situate belonging to the Western Canada Fire Insurance Company, Limited, or to which it is or may be or may become entitled shall be vested in the Company upon due execution of the Indenture in the Schedule to the Act, but shall remain subject to the existing mort-

gages or liens, if any, and the Company shall have full power and authority to institute any proceeding judicial or otherwise to recover the same or enforce any right in connection therewith.

(g) In the event of no directors having been elected as hereinbefore provided for and no officers having been appointed, the president, ~~vice-president and directors~~ of the Western Canada Fire Insurance Company, Limited shall continue to be such in the Company until their successors are elected, and the duties and powers of the provisional directors shall cease, and all by-laws, rules and regulations of the Western Canada Fire Insurance Company, Limited, shall be the by-laws, rules and regulations of the Company until amended or repealed in pursuance of the provisions of this Act.

(h) If at the time of the merger not less than \$250,000 of the capital stock of The Western Canada Fire Insurance Company, Limited, shall have been subscribed and not less than ten per centum of the amount so subscribed shall have been paid and the net assets of The Western Canada Fire Insurance Company, Limited are not less than the said ten per centum the requirements of section six and the various sub-sections thereof shall be deemed to have been complied with, and it shall be lawful for the company to commence business provided that other conditions precedent required by this Act have been complied with.

(i) The company shall be subject to all the provisions of the Companies Ordinance of the North West Territories and amendments thereto now in force in the Province of Alberta, relating to the right of inspection of the Lieutenant Governor in Council and the filing of annual returns with the Registrar of Joint Stock Companies and other sections of the Companies Act, which give the Lieutenant Governor in Council or the Registrar of Companies the power to compel a proper disclosure by the company of the exact condition of its affairs to which the Western Canada Fire Insurance Company, Limited is at the time of the passing of this Act subject.

29. The Company before it commences to do business in the

Province of Alberta shall deposit with the Provincial Treasurer the sum of five thousand dollars in cash, by deposit receipts, or securities to be approved of by the said Provincial Treasurer to be held for the benefit of the policy holders of the company so long as any policies are outstanding in Alberta.

29. This Act and the company hereby incorporated and the exercise of the powers hereby conferred shall be subject to any Acts whether of the Parliament of Canada or of the Legislature of Alberta that may be at present in force, or that may hereafter be enacted respecting insurance companies: and in any respect in which any provision of this Act is inconsistent with those Acts the provisions made by those Acts shall prevail.

SCHEDULE.

THIS INDENTURE made this day of

A.D. 191 Between the Western Canada Fire Insurance Company, Limited, incorporated under the Companies Ordinance of the North West Territories 1901 and amendments thereto, of the first part hereinafter called the Limited Company and the Western Canada Fire Insurance Company, incorporated by Chapter of the Statutes of Alberta 1910 of the Second part hereinafter called the company:

WHEREAS the shareholders of the Limited Company have accepted and approved of the Company's said Act of Incorporation intitled An Act to Incorporate the Western Canada Fire Insurance Company and by the resolution of the shareholders duly passed in that behalf the day of 191 was fixed as the date from which the said Act should take effect:

AND WHEREAS by the said Act the Company is authorized to acquire all the assets, rights, credits, effects and property, real, personal and mixed, of the Limited Company:

AND WHEREAS the Limited Company has agreed to convey and assign the same to the Company:

NOW THIS INDENTURE WITNESSETH that in consideration of the said Act and of the shares in the capital stock of the

Company which are hereby vested in the shareholders of the Limited Company and in consideration of the covenants by the Company hereinafter contained the Limited Company hereby grants, assigns, transfers and sets over unto the company, its successors and assigns forever all the assets, rights, credits effects and property, real, personal and mixed of whatsoever kind and wheresoever situate belonging to the Limited Company or to which it is or may be or may become entitled; To have and To hold unto the Company, its successors and assigns to and for its sole and only use forever; and the Limited Company covenants with the Company to execute and deliver at the expense of the Company all such further and other separate and formal assurances, assignments, transfers and conveyances for registration purposes or otherwise as may be required to vest in the Company, its successors and assigns the full, legal, equitable and beneficial title and interest in and to the said assets, rights, credits, effects and property. And in consideration of the foregoing, the Company covenants with the Limited Company, its successors and assigns, that it shall and will be liable for and subject to and shall and will pay, discharge and carry out and perform all debts, liabilities, obligations and contracts for or in respect of which the Limited Company is now liable or to which it is subject or which it should pay, discharge, carry out or perform, and the Company shall and will indemnify and save harmless the Limited Company in respect thereof.