

BILL

No. 4 of 1910. (Second Session)

An Act to Incorporate the Great North Insurance Company

(Assented to 1910.)

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

Preamble

1. William John Walker, Johnson Carscadden and George Asahel Carrier, and such other persons as may hereafter become shareholders of the company, are hereby constituted a body politic and corporate under the name of the Great North Insurance Company, hereinafter called "the company."

2. The head office of the company shall be at the City of Lethbridge in the Province of Alberta, or such other place as the directors may by by-law determine, and branches, sub-boards and agencies may be established and maintained elsewhere as the said directors may from time to time appoint.

Capital
share

3. The capital stock of the company shall be two hundred and fifty thousand dollars, divided into two thousand five hundred shares of one hundred dollars each.

(2) The directors may by by-law, after the whole stock has been subscribed and fifteen per cent. thereof paid, increase the capital stock to an amount not exceeding one million dollars; but the stock shall not be so increased until such by-law has been submitted to and approved of by two-thirds majority of the shareholders present or represented by proxy at any general meeting of the company called for that purpose.

Provisional
directors

4. For the purpose of organizing the said company, the persons described in section 1 hereof, and such other persons as they may designate, 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 discretion of the said provisional directors, and shall remain open as long as they may deem necessary; and the provisional directors are hereby authorized to receive from the shareholders a deposit of ten per cent. on the amount of stock subscribed for by them respectively, and to pay out of the same all costs and expense incurred in the application for and obtaining this Act of incorporation, including brokerage on stock and other necessary expense in connection with the organization of the company, and as soon as the directors shall have been elected as hereinafter provided for the powers and functions of the provisional directors shall cease and determine.

5. The company shall have power to make and effect contracts of insurance with any person or persons or bodies politic or corporate—

(a) Against loss or damage by fire, lightning, rain, hail, or wind to any houses, stores, factories, mills or other buildings, or to any goods, chattels, or growing trees or crops or to any boats or vessels;

- (b) Against loss or damage from death, disease, fire, lightning or other accident or casualty to any animal or live stock;
- (c) Against loss or damage by accident to any goods, chattels or vessels.

6. So soon as \$60,000 of the said capital stock of the company has been subscribed, the provisional directors may call a meeting of the shareholders of the company at some place to be named in the City of Lethbridge, at which meeting the shareholders present or represented by proxy shall elect a board of not less than three or more than nine 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 ten 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 \$60,000 of the capital stock has been subscribed and ten per cent. of the amount so subscribed paid in and a board of directors elected as aforesaid.

7. In the event of the property and assets of the said company being insufficient to liquidate its 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.

8. 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 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.

9. The company in general meeting may declare a dividend to be paid out of 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.

10. The company shall have power to take, purchase or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.

To enter into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal con-

cession or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same;

To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of this company or for any other purpose which may seem, directly or indirectly, calculated to benefit this company;

To purchase or otherwise acquire, on such terms and in such manner as the regulations of the company from time to time provide, any shares in the company's capital stock.

11. The directors shall have power from time to time to make, alter, and repeal such reasonable by-laws not inconsistent with the provisions of this Act in respect of any matter affecting the company, its stock, business, management, and direction, provided that no such by-law affecting the constitution of the board of directors from time to time, the remuneration of members of the board, or the forfeiture of any shares in the company, shall have any effect until after it has been approved at the annual general meeting of the shareholders next following the passing of such by-law, and no other by-law shall have any effect after the annual general meeting next following the passing of such by-law unless it has been approved at such meeting.

12. The company shall have power to acquire and hold real estate for the purpose of its business within this province, of a total value not exceeding one hundred thousand dollars, 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 not exceeding fifteen 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 stocks of any banks, or in the shares, stocks, bonds or debentures of any insurance company, or in the bonds or debentures of any city, town or other municipality, or of any school district authorized to issue bonds or debentures or in mortgages or loans upon real estate or in real estate.

13. 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, purchase 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.

14. 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.

**Borrowing
powers**

15. If authorized by by-law, sanctioned by a vote of not less than two-thirds in value of the subscribed stock of the company, represented in general meeting of the shareholders duly called for considering the by-law, the directors may from time to time—

- (a) Borrow money upon the credit of the company;
- (b) Limit or increase the amount to be borrowed;
- (c) Issue bonds, debentures or other securities of the company for sums not less than one hundred dollars each and pledge or sell the same for such sums and at such prices as may be deemed expedient;
- (d) Hypothecate, mortgage or pledge the real and personal property of the company, or both, to secure any such bonds, debenture or other security, and any money borrowed for the purpose of the company.

(2) Nothing in this section contained shall be deemed to limit or restrict the borrowing of money by the company on bills of exchange or promissory notes, made, drawn, accepted or endorsed on behalf of the company.

16. The following clauses of *The Companies Ordinance of the North-West Territories, being Consolidated Ordinance, chapter 61 shall apply to the company as if they had formed part of this Act:*

Clauses 24 to 42, 44 to 47, 52, 54, 62, 69, 88, 91 to 97, 98 to 107, 110, 112, 116, 118, 124 to 131.

17. This Act and the company hereby incorporated and the exercise of the powers hereby conferred shall be subject to any general laws in force or that may hereafter be in force respecting insurance companies.

No. 4

SECOND SESSION
SECOND LEGISLATURE

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1910

(Second Session)

BILL

An Act to Incorporate the Great North
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Received and read the

First time.....

Second time.....

Third time.....

EDMONTON
JAMES R. BUCKLEY, Government Printer
A. D. 1910