

1990 BILL PR4

Second Session, 22nd Legislature, 39 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL PR4

CANADA WEST INSURANCE COMPANY
AMENDMENT ACT, 1990

MR. MITCHELL

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill Pr4
Mr. Mitchell

BILL PR4

1990

CANADA WEST INSURANCE COMPANY AMENDMENT ACT, 1990

(Assented to , 1990)

WHEREAS the Canada West Insurance company was duly incorporated by *An Act to Incorporate The Canada West Insurance Company*, being chapter 79 of the Statutes of Alberta, 1946, which was amended by chapter 81 of the Statutes of Alberta, 1974 and chapter 93 of the Statutes of Alberta, 1975(2);

AND WHEREAS Canada West Insurance Company has presented a Petition praying that the Act be further amended as hereinafter set forth and it is expedient to grant the prayer of the Petition:

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

1 An Act to Incorporate the Canada West Insurance Company, is amended by this Act.

2 Section 3(1) is repealed and the following is substituted:

3(1)The capital stock of the company shall be no less than \$2 000 000.

Explanatory Notes

- 1 This Bill will amend chapter 79 of the Statutes of Alberta 1974.

- 2 This section removes the upper limit on capital. Section 3 presently reads:
 - 3(1) *The capital stock of the company shall be two million dollars which may be increased to five million dollars.*

 - (2) *Subject to subsections (4) and (5), the directors of the company may make by-laws for creating and issuing any part of the capital stock of the company as preferred shares.*

 - (3) *A by-law under this section may specify that the shares may be preferred in any respect and deferred in any other respect and, without limiting the generality of the foregoing, may specify that the shares may be either preferred or deferred in matters of the division of profits,*

3 *Section 8 is repealed and the following is substituted:*

8 The *Business Corporations Act* applies to the company except insofar as it is inconsistent with the provisions of the *Insurance Act* or this Act.

payment of dividends and bonuses or rank in winding-up proceedings.

(4) A by-law under this section is invalid unless

(a) it is approved by a vote of the shareholders at a special general meeting called for that purpose and the shares voted in favour of the approval represent at least two-thirds of the subscribed and issued capital stock of the company held by those shareholders entitled to vote on the question of the approval at the time the vote is taken, and

(b) it is afterwards approved by the Lieutenant Governor in Council.

(5) No by-law may be made under this section to authorize the creation and issue of any preferred shares that are subject to redemption by or purchase for cancellation by the company of all or part of those shares

(a) except for the purpose of exchanging or converting the preferred shares for or into common shares of the company, or

(b) except with the approval of the Superintendent and then only upon the conditions prescribed by the Superintendent.

(6) For greater certainty, Section 174 of The Alberta Insurance Act shall not apply to prevent the distribution of assets of the company to its shareholders in consequence of the redemption or purchase for cancellation of any shares created and issued pursuant to a by-law made under this section.

(7) Nothing in this section shall be construed to prevent the Lieutenant Governor in Council from refusing to approve a by-law under this section.

3 This section changes references from the *Companies Act* to equivalent sections of the *Business Corporations Act*. Section 8 presently reads:

Sections 40, 41, 58 to 62 inclusive, and sections 83, 84, 85 and 86, of The Companies Act, and all amendments and alterations thereof, shall be and the same are hereby incorporated with and shall be deemed a part of this Act and shall apply to the said company, excepting so far as the same may be inconsistent with the express enactments hereof, and the expression "this Act" when used herein shall be understood to include the sections of the said The Companies Act as aforesaid.