

BILL

No. 19 of 1916.

An Act to incorporate The Farmers Mutual Hail Insurance Association of Alberta.

(Assented to _____, 1916.)

WHEREAS a petition has been presented praying that it be enacted as 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. Herbert F. Kenny, insurance agent; Charles W. Rutledge, insurance agent, and Arthur E. Dean, barrister-at-law, together with such other persons as become members of the association hereby incorporated are hereby constituted a body corporate under the name of "The Farmers Mutual Hail Insurance Association of Alberta," hereinafter called "the association."

2. The persons named in the preceding section hereof shall be the provisional directors of the association, and they may procure applications for insurance and receive premiums therefor, and may do generally what is necessary to organize the association, and shall hold office until their successors be appointed at the first general meeting of the association.

3. The association shall not commence business until at least two hundred (200) applications for insurance, aggregating in amount at least two hundred thousand dollars (\$200,000.00) have been received.

4. When such applications have been received as in the preceding section set out, the provisional directors shall call a general meeting of the association to be held at the head office of the association, giving fourteen (14) days' notice of the time and place, by sending to each member a copy of said notice by registered letter, at which general meeting the members present in person or represented by proxy shall elect, in the manner hereinafter provided, the board of directors, who shall hold office as provided in section 9 of this Act.

5. The association shall have power and authority to carry on the business of mutual insurance against loss or damage by hail, and also power and authority to undertake contracts of insurance against such loss or damage on both the cash plan and the premium note or mutual plan.

6. The association may acquire, hold, alienate and convey any real estate requisite for the carrying on of its undertaking, and shall be capable of taking, holding and acquiring all such real and personal estate as may

or shall be beneficially mortgaged to the association by way of security or conveyed to it in satisfaction of debts previously contracted in the course of its business, or purchased at judicial sales upon levy for such indebtedness, or otherwise purchased for avoiding a loss to the association in respect thereof.

7. The directors may mortgage any of the property, both real and personal, taken or held by the association for the loan of money, and may also issue debentures, promissory notes or bills of exchange, as security for any loan, and may renew the same from time to time upon such terms as shall seem expedient, provided that the amount of all the mortgages, debentures, promissory notes and bills of exchange at any one time outstanding do not exceed one-half of the amount remaining unpaid upon the premium notes of the association.

8. The head office of the association shall be in the City of Edmonton, in the Province of Alberta, but may be changed from time to time to such other place in the said province as may be designated by by-law.

9. The affairs of the association shall be managed by a board of seven (7) directors, a majority of whom shall be a quorum.

(2) Such directors shall be elected at the first general meeting of the association, and of said directors three (3) shall hold office until the annual meeting held in 1919, two (2) until the annual meeting in 1918, and two (2) until the annual meeting in 1917, and thereafter the places of retiring directors shall be filled up at the annual meeting at which such directors retire, by appointing a like number of directors to the directors retiring to be directors for a term of three years, but a failure to elect directors, or any failure of directors, shall not dissolve the association, and an election may be had at any general meeting of the association called for the purpose.

10. Subject to the provisions of this Act, directors shall have full power and authority to administer the affairs of the association, including the payment of preliminary expenses, and to make any description of contract which the association may by by-law or regulation make, and may from time to time make any and all such regulations or by-laws (not contrary to law or the votes of the members) respecting the funds and property of the association, the amount, time and manner of payment of assessment dues, and other payments by members, the tariff of rates of insurance, the sum to be insured on any property, the formation amount and disposition of a reserve fund, the proofs to be furnished on a loss or damage under a policy of insurance, the ascertainment and final determination by the directors or by arbitration of the amount of any loss or damage under a policy of insurance, the admission and withdrawal of members, the appointment, functions, duties and removal of all agents, officers and servants of the association, the security to be given by them and their remuneration, the place and time for holding, the calling of, and procedure at, meetings of the association and of the directors or committee of directors, the requirements as to proxies, the

imposition and recovery of all penalties and forfeitures, and the conduct and management in all particulars of the affairs of the association, and may from time to time repeal, amend and re-enact the same; provided always that all such by-laws or regulations and every repeal, amendment and re-enactment thereof, shall have force and be valid and binding only until the next annual general meeting of the members, unless they are then approved by such meeting, and shall thereafter have force and effect as so approved or modified or made until amended or altered, and every copy of any such by-law or regulation under the seal of the association purporting to be signed by any officer of the association shall be received in all courts of law as *prima facie* evidence of such by-law.

11. Every holder of a policy of insurance in the association shall be, while such insurance is in force, a member of the association, and shall have the right to participate in the election of directors, and shall be eligible for election to any office in the association, but shall not be liable in connection with the association for anything beyond the amount of the yearly premium on any insurance he may place with the association for the term of contract covered by such insurance:

Provided that unless otherwise qualified, the original incorporators shall not, after ceasing to act as provisional directors be members of the association and eligible for election as directors thereof.

12. Each member of the association shall be entitled at all meetings thereof to only one vote.

13. The directors shall cause to be prepared and submitted to the members at each annual meeting a full and correct statement of the accounts of the association, and a general abstract of the liabilities and assets of the association.

14. The association shall furnish all such returns as may be required from time to time by law, or by the Lieutenant Governor in Council.

No. 19.

FOURTH SESSION
THIRD LEGISLATURE
6 GEORGE V.
1916

BILL

An Act to incorporate The Farmers'
Mutual Hail Insurance Association
of Alberta.

Received and read the

First time.

Second time.

Third time.

MR. PUFFER.

EDMONTON:
J. W. JEFFERY, GOVERNMENT PRINTER,
A.D. 1916