

BILL

No. 17 of 1921.

An Act to Incorporate the United Farmers Trust Company.

(Assented to , 1921.)

WHEREAS Herbert G. Greenfield, of Westlock, farmer; ^{Preamble}
Percival Baker, of Ponoka, farmer; Rice Sheppard, of
the City of Edmonton, farmer; Stephen Snow Sears, of
Nanton, farmer; Marion L. Sears, of Nanton, married
woman; Herbert Higginbotham, of the City of Calgary, ^{Incorporators}
secretary; Erle S. McRory, of the City of Calgary, manager;
and Edward John Fream, of the City of Calgary, secretary.
in the Province of Alberta, have by their petition prayed
that they may be incorporated with others as a company
for the purpose of carrying on a trust and agency business
in all its branches under the name of the "United Farmers
Trust Company";

And whereas it is expedient to grant the prayer of the
said petitioners;

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

1. In this Act the word "company" shall mean the ^{Company}
United Farmers Trust Company, and the expression "the
directors" shall mean the directors for the time being of ^{Directors}
the United Farmers Trust Company.

2. The persons named in the preamble of this Act, ^{Incorporation}
with such other persons as shall become shareholders in the
company, shall be and are hereby created, constituted and
declared to be a body corporate and politic under the name
of the "United Farmers Trust Company," and by that name ^{Name}
shall have perpetual succession and a common seal, with
power to break and alter such seal, and by that name may
sue and be sued, plead and be impleaded, in all courts
whatsoever.

3. The capital stock of the company shall be five hundred ^{Capital}
thousand dollars (\$500,000) divided into five thousand
(5,000) shares of one hundred dollars each, and may be
increased to an amount not exceeding one million dollars
(\$1,000,000) by resolution of the directors sanctioned by a ^{Increase}
two-thirds vote of a general meeting of the shareholders
called for that purpose and by filing with the registrar of

Joint Stock Companies a certified copy of such resolution accompanied by such fees as would be required to be paid for the increase in the capital of a company under *The Companies Ordinance*, provided that stock to the amount of fifty thousand dollars (\$50,000) shall be subscribed and twenty thousand dollars (\$20,000) paid thereon before the company shall go into operation.

4. The company may, out of its paid-up capital or other funds, pay all costs, charges and expenses properly incurred in applying for and obtaining this Act of incorporation and all other expenses preparatory or relating thereto.

5. The objects of the said company shall be, and the company is hereby authorized to take, receive and hold all estates and property, real and personal, which may be granted, committed, transferred, delivered or conveyed to it, with its consent, upon any trust or trusts whatsoever (not contrary to law) at any time or times, by any person or persons, body or bodies corporate, or by any court; and to sell, mortgage, pledge, lease, dispose of, transfer, convey or otherwise deal with the same in any manner in accordance with and in pursuance of any trusts respecting the same; also to administer, fulfil and discharge the duties of such trusts, for such remuneration as may be agreed upon.

Also to act generally as attorneys or agents for the transaction of business, the management, amalgamation and winding-up of estates, partnerships, companies, associations and other corporations, the collecting of accounts, rents, dividends, interest, mortgages, bonds, bills, notes and securities for money; and to act as insurance agents in all classes of insurance, and to act as agents for the sale or purchase of any real or personal property; also to act as agents for the purpose of issuing or countersigning the certificates of stock, bonds or other obligations of any corporation, company, association, city, town, village, rural municipality, rural school district, public school board or municipality, or any public institution; and also to acquire any bonds, debentures or other obligations of the Dominion of Canada or of any province thereof, by original subscription, tender, purchase, exchange or otherwise, and to subscribe for the same either conditionally or otherwise and to guarantee or underwrite the subscription thereof and to exercise and enforce all rights and powers from, by, or incident to the ownership thereof, and either gratuitously or otherwise and in particular to act as trustees for debenture holders, debenture stockholders, bondholders, shareholders and stockholders or others, and to issue certificates, scrip or other documents evidencing the title of any company, firm or person to any interest in any debentures, debenture stock, bonds, shares, stock or other

securities to which the company is entitled or in respect of which the company is registered as the owner and has agreed to, or is desirous of acting as trustee.

And also to receive and manage any sinking fund on such terms as may be agreed upon.

And to invest all moneys entrusted to the company for investment upon the security of or in the purchase of annuities, mortgages upon lands or leasehold property, or the debentures of cities, towns, villages or rural municipalities, or rural school districts, or public school boards of any province in the Dominion of Canada, or any bonds or debentures of any corporation or company, and all securities in which trustees are by law authorized to invest trust moneys.

Also to receive moneys until invested.

Also to guarantee any investment made by it as agents or otherwise.

Also to realize for the purpose of any trust any money invested for such trust.

Also to sell, pledge, mortgage, transfer or dispose of any securities or investments, or any real or personal property held by the company, or upon which any trust funds may be invested so as to realize such funds and property whenever the same may be required for distribution or for payment to the party or parties entitled thereto, on the fulfilment of the objects of any trusts or for any purpose connected therewith.

Also on behalf of such persons or corporations as shall entrust it with moneys for that purpose, to invest such moneys in any of the securities hereinbefore mentioned, and also for or in respect of all or any of the services, duties or trusts hereinbefore mentioned, to charge and be allowed and to collect and receive all proper remuneration and legal and usual and customary charges, costs and disbursements with power to advance moneys to protect any such estate, trust or property entrusted to it as aforesaid, and to charge lawful interest upon any such advances:

Provided that nothing herein contained shall be held either to restrict or to extend the powers of the said company as trustees or agents under the terms of any trust or agency that may be conferred upon it.

6. The said company is also authorized to accept and execute the offices of executor, administrator, administrator *de bonis non*, or with the will annexed, liquidator, trustee, receiver, curator, assignee, official guardian, official administrator, assignee or trustee for creditors, or guardian *ad litem*, guardian of any minor or committee of any lunatic; and, in all cases when application shall be made to any court of the Province of Alberta for the appointment of any executor, trustee, receiver, guardian, administrator, ad-^{To act as executor, etc.}

administrator *de bonis non*, or committee of any lunatic, it shall be lawful for any such court to appoint the said company (subject hereinafter provided) with its consent to hold such office or offices; and the accounts of the said company as such executor, administrator, administrator *de bonis non*, trustee, receiver, assignee, guardian or committee shall be regularly settled and adjusted by the proper officers or tribunals; and all proper, legal, usual and customary charges, costs and expenses shall be allowed to the said company for the care and management of the estate so committed to it. In case of such appointment by any court the said company shall not be required to give any security, but such court, if it deems necessary, may from time to time appoint a suitable person to investigate the affairs and management of said company, who shall report thereon to such court, and regarding the security afforded to those by or for whom its engagements are held, or the court may if deemed necessary examine the officers or directors of the said company under oath or affirmation as to the security aforesaid; it shall also be competent for the Lieutenant Governor in Council from time to time when he shall deem it expedient, to appoint any inspector to examine the affairs of the said company and to report to him on the security afforded to those by and for whom its engagements are held as aforesaid.

No security
required from
company, but
its solvency
may be
inquired into

7. In case the Lieutenant Governor in Council shall approve of the said company being accepted by any court, the said court or any other court or judge having authority to appoint such an officer may, if it think fit, with the consent of the company, appoint such company to exercise any of the said offices or to perform any of the said duties in this Act referred to in respect of any estate or person under the authority of such court.

Appointment
by the Court
on approval of
Government

8. The Lieutenant Governor in Council may revoke the approval given under this Act, and no court or judge, after notice of such revocation, shall appoint such company to execute any of the offices or perform any of the duties under this Act unless such company gives the like security for the due performance of its duties as would be required from a private person.

Revocation of
approval

9. The said company shall be subject at all times to the further orders, judgments, and decrees of any court from which it shall have accepted any trusts, appointments or commission as to such trust, and shall render to such court such itemized and verified accounts, statements and reports as may be required by law or as such court shall order in relation to such particular trust.

Orders of
court

10. The said company, in the execution of any trusts assumed under the powers contained in this Act, shall have in addition to the powers, rights and privileges conferred by this Act all the powers, rights and privileges conferred upon trustees, executors and administrators and administrators of estates under the provisions of *The Trustee Ordinance* and any amendment thereto.

The Trusts Ordinance to apply

11. The liability of the said company to the persons interested in the estates held by the said company as executor, trustee, assignee, administrator, administrator *de bonis non*, curator, receiver, guardian or committee as aforesaid shall be the same as if the said estates had been held by any private person in such capacities respectively, and its powers shall be the same, and the whole of the capital stock of the said company, together with its property and effects, shall be taken and considered as security for the faithful performance of its duties as aforesaid and shall be absolutely liable in case of any default whatsoever, but no stockholder in the company shall be liable to any greater extent than the amount unpaid upon any stock held by him, and no property whatever held by the company in trust shall be subject to its liabilities.

Liability of company as executor, etc.

12. As soon as the said company has paid up capital of not less than fifty thousand dollars, in fixed and permanent stock, deposits bearing interest may be received and debentures bearing interest may be issued in such legal form as the directors may determine, provided the aggregate amount of such debentures and deposits do not exceed in amount double the amount of the paid-up capital.

When deposits may be received

13. The company may hold such real estate as may be necessary for the transaction of its business, or, being mortgaged or hypothecated to it, may be acquired by it for the protection of its investments; and may from time to time sell, mortgage, lease or otherwise dispose of the same.

Investment of company's own funds

14. The said company shall have power, and it is hereby authorized, to invest any moneys forming part of its capital or reserve, or accumulative profits, in such securities, real or personal, and to mortgage, sell, or otherwise dispose of the same or any part thereof, and to re-invest the proceeds as the directors may from time to time deem expedient; the said company shall not loan its funds, moneys, capital trust funds or any other property whatsoever to any director, officer, agent or employee thereof, nor shall any director, officer, agent or employee become in any manner indebted to the said company except for any unpaid liability for shares subscribed, provided

Investments the company may make

that the execution and delivery of any bond required from any such officer, agent or employee shall not be considered as an indebtedness for the purpose of this section.

15. The company may from time to time amalgamate with, or may acquire and undertake the whole or any part of the assets, business, property, liability and goodwill of any person or company (and the name of any company) carrying on any business which the company is authorized to carry on, and pay therefor in cash or in stock either fully paid up or partly paid up, or partly in cash and partly in stock, either fully paid up or partly paid up, or in any other manner as may be agreed upon, and as shall not impair the recourse and remedy of any creditor of either company; but no by-law for such purchase or amalgamation shall have any force or effect until it has been sanctioned by a vote of shareholders as in this Act required for the increase of its capital stock.

Amalgamation with or purchase of business of another company carrying on similar business

16. The directors may from time to time, with the consent of the company in general meeting, borrow money on behalf of the company, at such rates of interest and upon such terms as they may from time to time think proper; and the directors may for that purpose make and execute any mortgages, bonds or other instruments under the common seal of the company, for sums of not less than one hundred dollars each; or assign, transfer, or deposit by way of equitable mortgage or otherwise any of the documents of title, deeds, muniments, securities or property of the company, not held by it in trust, and either with or without powers of sale or other special provisions, as the directors shall deem expedient.

Directors empowered to borrow money

Security for money borrowed

17. The business of the company shall be administered by a board of not less than seven directors, being severally holders of at least five shares of stock, on which all calls have been paid, and the office of a director, upon his ceasing to hold that number of shares, or becoming insolvent by voluntary assignment or compulsory liquidation, shall immediately and *ipso facto* cease and be vacated; such directors shall be elected at the first general meeting, and thereafter at each annual meeting of the company, to hold office until their successors are elected, and, if otherwise qualified they may always be re-elected, and a majority of the members of such board shall be a quorum thereof; and, in case of the death, resignation, removal or disqualification of any director, such board, if it shall see fit, may fill the vacancy until the next annual meeting of the company by appointing any qualified shareholder thereto; but a failure to elect directors, or any failure of directors, shall not dissolve the corporation, and an election may be had at any general meeting of the company called for the purpose.

Board of directors

Qualifications for a director

Elected annually

Board to fill vacancy

Corporation not dissolved by failure to elect directors

18. The board of directors shall have full power in ^{Powers of directors} all things to administer the affairs of the company including the payment of preliminary expenses, and to make or cause to be made any purchase and any description of contract which the company may by law make; to adopt a common seal, to make from time to time any and all by-laws (not contrary to law or to the votes of the stockholders) regulating the calling in of instalments on stock and payment thereof; the issue and registration of certificates of stock; the forfeiture of stock for nonpayment; the disposal of forfeited stock and the proceeds thereof; the transfer of stock; the declaration and payment of dividends; the appointment, functions, duties and removal of all agents, officers and servants of the company; the security to be given by them to the company and their remuneration; the time and place for holding the annual and other meetings of the company within the province; the calling of meetings of the company and of the board of directors; the requirements as to proxies; the procedure in all things at such meetings, the site of their chief place of business and of ~~any~~ officers which they may require; to have the imposition and recovery of all penalties and forfeitures, ^{Confirmation of by-laws} admitting of regulation by by-law, and the conduct and management in all other particulars of the affairs of the company; but every such by-law and every repeal, amendment and re-enactment thereof shall have force only until the next annual meeting of the company, unless confirmed at a general meeting of the company; and every copy of any by-law under the seal of the company, and purporting to be signed by any officer of the company, shall be received in all courts of law as *prima facie* evidence of such by-law.

19. For the purpose of organizing the said company ^{Provisional directors} the persons named in the preamble to this Act shall be the provisional directors thereof, and they, or not less than five of them, which number shall constitute a quorum, may cause stock books to be opened, upon which stock books shall be recorded the transactions of such persons or corporations as desire to become stockholders in the said company, and such books shall be opened at the City of Calgary or elsewhere at the discretion of the said provisional directors, and shall remain open as long as they may deem necessary.

20. The said provisional directors may call a general ^{First meeting of shareholders} meeting of the stockholders, at some place to be named in the City of Calgary, by giving at least ten days' notice thereof in a daily newspaper published in the said City of Calgary, at which general meeting the stockholders present, in person or by proxy, shall elect a board of not

less than seven directors in the manner and qualified as hereinbefore provided, and who shall hold office until their successors are elected.

21. The company shall furnish all such returns as may be required from time to time by law or by order of the Lieutenant Governor in Council. Furnishing of returns

22. The acts of the directors of or any committee appointed by the directors shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any such director or member of any such committee, or that they or any of them were or was disqualified be as valid as if such person has been duly appointed and was qualified to be a director. Defects in appointment of directors not to invalidate acts

23. Each shareholder, until the whole amount of his stock has been paid up, shall be individually liable to the creditors of the company to an amount equal to that not paid up thereon, but shall not be liable in any action therefor by any creditor before an execution against the company has been returned unsatisfied in whole or in part, and the amount due on such execution shall, subject to the provisions of the next succeeding section, be the amount recoverable, with costs, against such shareholder; provided that any shareholder may plead by way of defence, in whole or in part, any set-off which he could set up against the company, except a claim for unpaid dividends, or a salary or allowance as a president or director. Liability of shareholders to creditors Set-off

24. The shareholders of the company shall not, as such, be held responsible for any act, default or liability whatsoever of the company, or for any engagement, claim, payment, loss, injury, transaction, matter or thing whatsoever, relating to or connected with the company, beyond the unpaid amount of their respective shares in the capital stock thereof. Limited liability of shareholders

25. The company shall at all times have its head office in the City of Calgary in the Province of Alberta, and it may establish agencies elsewhere in the Province of Alberta as it may deem expedient. Head office

26. The said board may appoint agencies or local boards of directors in any city or town, their mode of appointment and powers to be fixed by the by-laws of the company. Agencies abroad

27. Any summons, statement of claim, notice, order or other document required to be served upon the company may be served by leaving the same at the company's head office, with any grown person in the employ of the company. Service of process on company

28. Any summons, notice, order or proceeding requiring authentication by the company may be signed by any director, the manager or other authorized officer of the company, and need not be under the common seal of the company, and the same may be written or in print or partly in writing and partly in print. ^{Authentication by company}

29. Moneys, properties and securities received or held by the company upon trust or as agent shall not be liable for the debts or obligations of the company, except such as arise out of such trust or agency. ^{Trust moneys not liable for debts of company}

30. Nothing in this Act shall be construed to authorize the company to issue any note payable to bearer, or any promissory note intended to be circulated as money, or do or engage in the business of banking or insurance.

No. 17.

FOURTH SESSION
FOURTH LEGISLATURE
11 GEORGE V
1921

BILL

An Act to Incorporate The United
Farmers Trust Company.

Received and read the

First time

Second time

Third time

MR. A. MOORE

EDMONTON:
J. W. JEFFERY, KING'S PRINTER.
A.D. 1921