



CHAPTER 70.

An Act to amend "The British Columbia Insurance Company Act, 1904."

[Assented to 29th March, 1934.]

WHEREAS Columbia Agencies, Limited, is entitled to all the Preamble.
benefits of "The British Columbia Insurance Company Act, 1904," and has presented a petition praying that "The British Columbia Insurance Company Act, 1904," be amended:

And whereas 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 British Columbia, enacts as follows:—

1. This Act may be cited as "The British Columbia Insurance short title.
Company Act, 1904, Amendment Act, 1934."

2. Section 3 of "The British Columbia Insurance Company Act, Capital.
1904," being chapter 57 of the Statutes of 1903-04, is repealed, and the following substituted therefor:—

"3. The capital stock of the Company shall be five hundred thousand dollars, divided into eighty thousand ordinary shares and twenty thousand six per centum cumulative preference shares of the par value of five dollars each, cumulative as to dividends only but carrying voting rights: Provided that the said preference shares shall not be cumulative as to dividends for a period of three years from the date on which the Company obtains its first licence under the 'Insurance Act' to undertake insurance, and the holders of such preference shares shall share equally with other shareholders in all dividends declared after six per centum has been paid to the holders of ordinary shares."

3. Section 4 of said chapter 57 is repealed, and the following powers.
substituted therefor:—

"4. The Company may make, effect, and enter into all and every kind of contract of insurance and indemnity respecting the subjects hereinafter enumerated, namely: Automobiles, accidents, sickness, aviation, fire and lightning, boilers and machinery, bonds, burglaries, the performance of contracts, credits, explosions, guarantee or guarantees, inland transportation, live stock, plate glass, sprinklers and sprinkler leakage, tornadoes and weather, loss of rents, loss of profits, use and occupancy, public liability, property damage, employers' liability and teams liability."

Commencement
of business.

4. Said chapter 57 is amended by inserting therein the following as section 4A:—

"4A. (1.) When fifty thousand dollars of the capital stock of the Company has been subscribed and ten thousand dollars paid thereon, the Company may undertake the business of automobile insurance.

"(2) When one hundred thousand dollars of the capital stock of the Company has been subscribed and twenty five thousand dollars paid thereon, the Company may undertake the business of fire insurance.

"(3.) When fifty thousand dollars of the capital stock of the Company has been subscribed and ten thousand dollars paid thereon, the Company may undertake the business of sickness and accident insurance

"(4.) When twelve thousand dollars of the capital stock of the Company has been subscribed and three thousand dollars paid thereon, the Company may undertake the business of plate-glass insurance

"(5) When fifty thousand dollars of the capital stock of the Company has been subscribed and ten thousand dollars paid thereon, the Company may undertake the business of burglary, theft, and larceny insurance.

"(6.) When fifty thousand dollars of the capital stock of the Company has been subscribed and ten thousand dollars paid thereon, the Company may undertake the business of guarantee insurance.

"(7.) When twenty-five thousand dollars of the capital stock of the Company has been subscribed and five thousand dollars paid thereon, the Company may undertake the business of sprinkler-leakage insurance.

"(8.) Subsections (1) to (7) shall be read independently and the Company may commence the business of insurance of any one or more of the above-mentioned classes at its option on complying with the requirements as to capital stock to be respectively subscribed and paid up with respect to each such class: Provided that when two hundred and fifty thousand dollars of the capital stock of the

Company has been subscribed and seventy-five thousand dollars paid thereon, the Company may undertake all classes of business permitted by this Act.

"(9.) The amount payable in cash on application on all shares sold by the Company shall be not less than ten per centum of the par value thereof and premium (if any). There shall be paid to the Company in respect of all shares sold either by way of instalment of purchase price or by call, or by both, a further sum of not less than five per centum of the par value of the said shares annually until the sum of fifty per centum of the par value of said shares shall have been paid to the Company."

5. Section 6 of said chapter 57 is repealed, and the following Election of Board. substituted therefor:—

"6. As soon as fifty thousand dollars of the capital stock of the Company shall have been subscribed and twenty per centum of that amount paid into a chartered bank carrying on business in the Province, the first directors shall call a general meeting of the shareholders of the Company at some place to be named in the City of Vancouver, at which meeting the shareholders present or represented by proxy who have paid not less than ten per centum on the amounts subscribed by them shall elect a Board of not less than three nor more than nine. No person shall be a director unless he holds in his own name at least twenty-five shares and has paid all calls thereon or amounts due in respect thereof or otherwise due from them to the Company."

6. Section 9 of said chapter 57 is repealed, and the following By-laws. substituted therefor:—

"9. (1.) Table A in the First Schedule of the 'Companies Act' shall constitute the by-laws of the Company, save as follows:—

"(a.) Clause 2 shall not apply.

"(b.) Clause 61 shall not apply, but the following shall be substituted therefor: 'The seal of the Company shall be under the control of the directors and shall be affixed to any instruments requiring same upon such terms as the directors may by resolution prescribe':

"(c.) The quorum at any general meeting shall be not less than ten shareholders present in person and the quorum of the Board of Directors shall be a majority thereof.

"(d.) Subclause (c) of clause 62 shall not apply.

"(2.) The provisions of the 'Companies Act' for the time being in force relating to the alteration of the articles of association of a company shall apply mutatis mutandis to the Company."

7. The provisions of the "Companies Act" for the time being in Auditors. force relating to the appointment, remuneration, qualifications, and

rights and duties of auditors shall mutatis mutandis apply to the Company.

Directors contracting with Company.

8. Section 12 of said chapter 57 is amended by adding thereto the following: "It shall be the duty of any director of the Company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company to declare the nature of his interest at a meeting of the directors of the Company. In the case of a proposed contract the declaration required by this section to be made by a director shall be made at the meeting of the directors at which the question of entering into the contract is first taken into consideration, or if the director was not at the date of that meeting interested in the proposed contract, at the next meeting of the directors held after he became so interested, and in a case where the director becomes interested in a contract after it is made, the said declaration shall be made at the first meeting of the directors held after the director becomes so interested. For the purpose of this section, a general notice given to the directors of the Company by any director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that company or firm shall be deemed to be a sufficient declaration of interest in relation to any contract so made. Any director who fails to comply with the provisions of this section shall be guilty of an offence against this Act and shall be liable, on summary conviction, to a penalty of not less than fifty dollars and not exceeding five hundred dollars."

Repeal of ss. 13 to 17.

9. Sections 13, 14, 15, 16, and 17 of chapter 57 are repealed

Special meetings of directors.

10. Special meetings of the Board of Directors to be held in the office of the Company in Vancouver may be called at any time by the president or by any three members of the Board, or may be held at any time or place without notice by unanimous written consent of all the members, or by the presence of all members at such meeting.

Officers.

11. The first officers of the Company shall be a president, two vice-presidents, and a secretary. The directors shall have power to create such other offices as they, in their discretion, think desirable in the interests of the Company and appoint persons to fill said offices. The failure to appoint any officer shall not invalidate any action of the Company or the Board of Directors. The directors at their first meeting after the annual meeting shall appoint the officers of the Company.

VICTORIA, B C

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