



## CHAPTER 54.

## An Act to Incorporate the Pacific Coast Fire Insurance Company.

[26th April, 1890.]

**W**HEREAS, James W. Horne, Charles Hay, David H. Wilson, Preamble.

Robert W. Harris, David Anderson and John Wilson have by their petition represented that the establishment of an Association for the insurance of Fire risks would be greatly beneficial to the interests of the Province of British Columbia, and tend to the retaining therein of a large portion of the money annually sent elsewhere as premiums for such insurance, and have prayed that they may be incorporated for the purpose of carrying on a business of this description by the name of "The Pacific Coast Fire Insurance Company," and it is expedient to grant their prayer:

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows :—

1. The persons hereinbefore mentioned, and all such persons as now are or hereafter shall become shareholders of the said Company, shall be and are hereby ordained, constituted and declared to be a body corporate and politic in law, in fact and in name, by the style and title of "The Pacific Coast Fire Insurance Company," for effecting insurance against fire and lightning. **Incorporation.**

2. The capital stock of the said Company shall be five hundred thousand dollars, divided into five thousand shares of one hundred dollars each, which said shares shall be and are hereby vested in the several persons who shall subscribe for the same, their legal representatives and assigns, subject to the provisions of this Act: Provided, always, that it shall and may be lawful for the said Company to in- **Capital stock.**

crease its capital stock to a sum not exceeding one million dollars, as a majority of the shareholders at a special general meeting to be expressly convened for that purpose shall agree upon.

Provisional  
directors.

3. For the purpose of organizing the said Company, the persons named in the preamble to this Act shall be Provisional Directors thereof, and they, or a majority of them, may cause stock books to be opened, upon which stock books shall be recorded the subscriptions of such persons as desire to become shareholders in the said Company; and such books shall be opened in the City of Vancouver and elsewhere at the discretion of the said Provisional Directors, and shall remain open so long as they deem it necessary.

First general meet-  
ing of shareholders.

4. When and so soon as fifty thousand dollars of the said capital stock shall have been subscribed as aforesaid, and ten per cent. of the amount so subscribed paid in, the said Provisional Directors shall call a general meeting of shareholders, at some place to be named, in the City of Vancouver, giving at least ten days' notice thereof in the British Columbia Gazette, and also in some daily newspaper published in the said city, at which general meeting the shareholders present in person, or by written proxy, shall elect seven Directors in the manner and qualified as hereinafter provided, who shall constitute a Board of Directors, and shall hold office until their successors are elected.

Shares, how paid in.

5. The shares of capital stock subscribed for shall be paid in and by such instalments, and at such times and places as the said Directors shall appoint. No such instalments shall exceed ten per cent., and not less than four months' notice thereof shall be given; and executors, administrators and curators paying instalments on the shares of deceased shareholders shall be, and they are hereby respectively, indemnified for paying the same: Provided always, that it shall not be lawful for the said Company to commence the business of fire insurance until a sum not less than five thousand dollars shall have been actually paid in on account of the subscribed stock. The Company shall give to or deposit with the Provincial Government, from time to time, such security as the Lieutenant-Governor in Council may, by Order in Council, direct and approve, and shall not commence nor carry on business until such security shall have been given.

Deposit to be made  
by company with  
Provincial Govern-  
ment.

Management of com-  
pany's affairs.

6. The stock, property, affairs and concerns of the said Company shall be managed and conducted by a Board of seven Directors, one of whom shall be chosen President and one Vice-President, who, excepting as is hereinbefore provided for, shall hold office for one year, which Directors shall be shareholders residing in British Columbia, and be elected at the annual general meeting of shareholders, to be held at the

Annual general  
meeting.

City of Vancouver in each year, on such day as may be appointed by by-law, not less than ten days' notice of such meeting being given, as provided in section four; and the said election shall be held and made only by such of the shareholders present in person or by proxy as shall have paid all calls made by the Directors and then due, and all such elections shall be by ballot, and the seven persons who shall have the greatest number of votes at any such election shall be Directors, except as hereinafter directed; and if two or more persons have an equal number of votes in such a manner that a greater number of persons shall appear to be chosen as Directors, then the Directors who shall have the greater number of votes, or the majority of them, shall determine which of the said persons so having an equal number of votes shall be the Director or Directors, so as to complete the whole number of seven; and the said Directors, as soon as may be after the said election, shall proceed in like manner to elect by ballot one of their number to be the President and one to be the Vice-President; but shareholders not residing in the Province of British Columbia shall be ineligible, and if any Director shall move his domicile out of British Columbia his office shall be considered as vacant; and if any vacancies should at any time happen amongst the said Directors by death, resignation, disqualification or removal during the current year of office, such vacancy shall be filled for the remainder of the year by the remaining Directors, or the majority of them, electing in such place or places a shareholder or shareholders eligible for such an office: Provided always, that no person shall be eligible to be or continue a Director unless he shall hold in his name and for his own use, stock in the said Company to the amount of fifteen shares, whereof at least ten per cent. shall have been paid in, and shall have paid all calls made upon his stock and all liability incurred by him with the Company. No person shall be disqualified to be a Director by reason of his receiving any salary or remuneration for attending to the business or affairs of the Company as Managing Director, Agent, Solicitor or otherwise.

Election of directors.

Vacancies, how filled.

Qualification of directors.

7. In case it should at any time happen that an election of Directors of the said Company should not be made on any day when, pursuant to this Act, it should have been made, the said Company shall not for that cause be deemed to be dissolved, but it shall be lawful on any other day to hold and make an election in such a manner as may be regulated, directed and appointed by the Directors for the time being, and the Directors in office shall so continue until a new election is made.

Failure to elect directors.

8. At all general meetings of the said Company each shareholder shall be entitled to give one vote for every share held by him for not less than fourteen days prior to the time of voting, upon which all calls

Votes of members.

then due have been paid ; such votes may be given either in person or by proxy, the holder of any such proxy being himself a shareholder, and no shareholder shall be entitled to give more than one hundred votes upon proxies held by him ; and all questions proposed for the consideration of the shareholders shall be determined by the majority of votes, the chairman presiding at such meeting having the casting vote in case of an equality of votes.

Business of the company.

9. The said Company shall have power and authority to make and effect contracts of insurance with any person or persons, body politic or corporate against loss or damage by fire or lightning on any houses, stores or other buildings whatsoever, and in like manner on any goods, chattles or personal estate whatsoever, within the boundaries of British Columbia as now or hereafter from time to time established, for such time or times, or for such premiums or considerations, and under such modifications and restrictions, and upon such conditions as may be bargained or agreed upon or set forth by and between the Company and the person or persons agreeing with them for such insurance ; and to cause themselves to be insured against any loss or risk they may have incurred in the course of their business, and generally to do and perform all other necessary matters and things connected with and proper to promote those objects, and all policies, contracts of insurance issued or entered into by the said Company shall be under the seal of the said Company, and shall be signed by the President or Vice-President and countersigned by the Manager, or otherwise, as may be directed by the by-laws, rules and regulations of the Company in case of the absence of any of the said parties, and being so sealed, signed and countersigned, shall be deemed valid and binding upon them according to the tenor and meaning thereof ; and the chief place of business of the said Company shall be in the City of Vancouver.

Limit to number of shares which may be subscribed for.

10 It shall and may be lawful for any person or persons, or body politic or corporate, to subscribe for such and so many shares as he, she, or they may think fit, not, however, exceeding during the first month after the subscription books are opened one hundred shares : Provided, nevertheless, that after the expiration of such first month there shall be no limitation to the subscription for or acquisition of any number of shares.

Forfeiture of shares.

11. If any shareholder shall refuse or neglect to pay the instalments due on any share or shares held by him, the Directors may forfeit such share or shares, together with the amount previously paid thereon, in such manner as may be provided by the by-laws, and such forfeited share or shares may be sold at a public sale by the Directors after such notice as they may direct, and the moneys arising therefrom

shall be applied for the purposes of this Act : Provided, always, that in case the money realized by any sale of shares be more than sufficient to pay all arrears and interest, together with the expenses of such sale, the surplus of such money shall be paid on demand to the owner, and no more shares shall be sold than what shall be deemed necessary to pay such arrears, interest and expenses.

12. If payment of such arrears of calls, interest and expenses be made before any shares so forfeited shall have been sold, such shares shall revert to the owner as if the same had been duly paid before forfeiture thereof, and in all actions or suits for the recovery of such arrears or calls it shall be sufficient for the Company to allege that the defendant being the owner of such shares is indebted to the said Company in such sum of money as the calls in arrear amount to for such and so many shares, whereby an action hath accrued to the Company by virtue of this Act, and on the trial it shall only be necessary to prove that the defendant was owner of the said shares in the Company, that such calls were made and that notice was given as directed by this Act. And it shall not be necessary to prove the appointment of the Directors who made such calls or any other matter whatsoever other than what is before mentioned. A copy of any by-law, rule, regulation or minute, or of any entry in any book of the Company certified to be a true copy or extract under the hand of the President or a Vice-President, or the Manager or Secretary of the Company, and sealed with the corporate seal, shall be received in all Courts and proceedings as prima facie evidence of such by-law, rule, regulation, minute or entry, without further proof thereof, and without proof of the official character or signature of the officer signing the same, or of the corporate seal.

Effect of payment of calls before sale of forfeited shares.

As to actions by company against shareholders.

13. At all meetings of Directors four shall be a quorum for the transaction of business, and all questions before them shall be decided by a majority of votes, and in case of an equality of votes the President, Vice-President, or presiding Director shall give the casting vote in addition to his vote as Director.

Meetings of directors.

14. At the annual meeting of the shareholders the election of Directors shall be held, and all business transacted without the necessity for specifying such business in the notice of such meeting, and to such meeting a general balance sheet and statement of the affairs of the Company, with a list of all the shareholders thereof, and all such further information as shall be required by the by-laws, shall be laid before the shareholders. Special general meetings of shareholders may be called in such manner as may be provided for by the by-laws, and at all meetings of the shareholders the President, or in his absence the Vice-President, or in the absence of both of them a Director chosen by

Annual statement to be laid before shareholders.

Special general meetings.

the shareholders, shall preside, who, in case of an equality of votes, shall give the casting vote in addition to his vote as a shareholder.

By-laws, &c

**15.** The Directors shall have full power and authority to make, and from time to time to alter, such by-laws, rules, regulations, and ordinances as shall appear to them proper and needful touching the well-ordering of the Company; the management and disposition of its stock, property, estate, and effects; the calling of special general meetings; the regulation of the meetings of the Board of Directors and of sub-boards, to facilitate the details of business, cancellations of appointments of any members thereof, and the definition of the duties and powers of such sub-boards; the making of calls upon the subscribed capital; the appointment and removal of officers and agents of the Company, the regulation of their powers and duties, and the salaries to be paid to them; the regulation of the transfer of stock and the form thereof; the compensation of Directors, and the establishment and regulation of agencies: Provided, always, that all such by-laws, rules, regulations and ordinances made by the Directors as aforesaid shall only be valid and binding until the next annual general meeting of the shareholders, unless they are then approved by such meeting, and shall thereafter have force and effect as so approved or modified at such meeting; and provided, further, that such by-laws do not contravene the provisions of this Act.

Powers as to real estate.

**16** The Company shall have power to acquire and hold real estate for the purposes of its business within the Province of British Columbia of an annual value not exceeding ten thousand dollars, and to sell or dispose of the same and acquire other property in its place as may be deemed expedient. The Company shall also have power to take, hold, and acquire all such lands and tenements, real or immoveable 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 dealings, 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 twenty years; and the Company may invest its funds, or any part thereof, in the public securities of the Dominion of Canada or of any of the Provinces thereof, or in the stocks of any banks or building societies, or in the bonds or debentures of any incorporated city, town, or municipality authorized to issue bonds or debentures, or on first mortgages on real estate.

As to transfer of stock.

**17.** No transfer of any share of the stock of the said Company shall be valid until entered in the books of the said Company, according to such form as may from time to time be fixed by the by-laws, and until

the whole of the capital stock of the said Company is paid up, it shall be necessary to obtain the consent of the Directors to such transfer being made: Provided, always, that no shareholder indebted to the Company shall be permitted to make a transfer or receive a dividend until such a debt is paid or secured to the satisfaction of the Directors, and no transfer of stock shall at any time be made until all calls thereon have been paid in

**18.** 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 the deficiency but to no greater extent than the amount of the balance remaining unpaid upon their respective shares in the capital stock, but shall not be liable to an 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 section, be the amount recoverable with costs against such shareholders: 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; and provided always, that nothing in this section shall be construed to alter or diminish the additional liabilities of the Directors of the Company hereinbefore provided for.

Liability of shareholders.

**19.** The shareholders of the Company, at the annual meetings thereof, may declare such dividends upon the capital stock as they shall deem justified by its business, so that no part of the capital thereof be appropriated to such dividends; and also may, by resolution, order that the holders of policies or other instruments shall be paid such portion of the actual realized profits, in such proportion, at such time, and in such manner as the said shareholders may direct, and may authorize the Directors to enter into obligations so to do, either by endorsement on the policies or otherwise: Provided, always, that the holders of the policies or other instruments so participating in the profits shall not be in any wise answerable or responsible for the debts of the said Company.

Dividends.

**20.** This Company shall make, once at least in every year, a list of all persons who, on the fourteenth day succeeding the day on which the ordinary general meeting, or if there is more than one ordinary meeting in each year, the first of such ordinary general meetings, is held, are members of the Company; and such list shall state the names, addresses, and occupations of all the members therein mentioned, and the number of shares held by each of them, and shall contain a summary specifying the following particulars:—

Annual list of members of company to be made.

To contain certain particulars.

- (1.) The amount of capital of the Company, and the number of shares into which it is divided :
- (2.) The number of shares taken from the commencement of the Company up to the date of the summary :
- (3.) The amount of calls made on each share :
- (4.) The total amount of calls received :
- (5.) The total amount of calls unpaid :
- (6.) The total amount of shares forfeited :
- (7.) The names, addresses, and occupations of the persons who have ceased to be members since the last list was made, and the number of shares held by each of them.

Copy to be filed with Registrar.

The above list and summary shall be completed within seven days after such fourteenth day as is mentioned in this section, and a copy shall forthwith be forwarded to the Registrar of Joint Stock Companies.

Further enactments with respect to giving security by company, &c.

**21.** Any further enactments which the Parliament of Canada, or the Legislature of this Province, may make with respect to giving security by the Company, or as to the making of returns to or inspection of the Company's affairs by the Government, shall not be deemed an infringement of the privileges conferred by this Act.

Publication of annual statement.

**22.** The statement showing the Company's assets, liabilities, income and expenditure shall be printed within one month after such general annual meeting in the British Columbia Gazette.

Short title.

**23.** This Act may be cited as the "Pacific Coast Fire Insurance Company's Act, 1890."

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VICTORIA, B.C.:

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