

CHAPTER 61

An Act to Incorporate the Heritage Life Assurance
Corporation

[Assented to 1st April, 1966.]

Preamble.

WHEREAS Peter Arthur Manson, of the City of Vancouver, and Paul Ashton Jaffary and Hans Bjorn Hareid, of the Municipality of West Vancouver, all in the Province of British Columbia, have, by their petition, requested that they be incorporated under the name of "Heritage Life Assurance Corporation," with power to transact the business of personal accident insurance, life insurance, and sickness insurance:

And whereas a petition has been presented praying for enactment of an Act to incorporate a company with the rights, powers, and privileges hereinafter set forth:

And whereas it is expedient to grant the prayer of the said petition:

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

Short title.

1. This Act may be cited as the *Heritage Life Assurance Corporation Act, 1966*.

Definitions.

2. In this Act, unless the context otherwise requires,

(a) "Company" means the Heritage Life Assurance Corporation as incorporated by this Act;

(b) "Superintendent of Insurance" means the Superintendent of Insurance appointed under the *Insurance Act*, being chapter 197 of the *Revised Statutes of British Columbia, 1960*.

Incorporation.

3. Paul Ashton Jaffary, of West Vancouver, British Columbia, executive; Peter Arthur Manson, of Vancouver, British Columbia, barrister and solicitor; and Hans Bjorn Hareid, of West Vancouver, British Columbia, barrister and solicitor, together with such other persons as shall hereafter become shareholders therein, are constituted a body politic and corporate under the name of "Heritage Life Assurance Corporation".

Seal.

4. The Company shall have perpetual succession and a common seal.

Liability of shareholders.

5. The liability of the shareholders shall be limited to the amount (if any) unpaid on the shares respectively held by them.

Registered office.

6. The registered office of the Company shall be in such place in the Province of British Columbia as the directors may from time to time

determine, and the Company may establish branch offices and agencies at any place within or without the Province.

Powers

7. The Company is empowered to carry on business as insurers in respect of all or any of the following classes of insurance:—

- (a) Personal accident insurance:
- (b) Life insurance (including annuities and endowments of all kinds and disability insurance):
- (c) Sickness insurance.

Ancillary powers.

8. The Company shall have as ancillary and incidental to the above-mentioned objects the powers set forth in section 22 of the *Companies Act*, being chapter 67 of the *Revised Statutes of British Columbia, 1960*, and amendments thereto, except in so far as any of such powers may be inconsistent with or repugnant to the provisions of the *Insurance Act*.

Further ancillary powers.

9. Without limiting the generality of the foregoing, the Company shall have as ancillary and incidental to its objects the powers following:—

- (a) To pay out of the funds of the Company all or any of the expenses of or incidental to the formation and organization thereof, or that the Company may consider to be preliminary:
- (b) To procure the Company to be registered and recognized in any foreign country or place, and to designate persons therein, according to the laws of such foreign country or place, to represent the Company, and to accept service for and on behalf of the Company of any process or suit:
- (c) To do all such other things as are incidental to or conducive to the attainment of the objects and the exercise of the powers of the Company:
- (d) To borrow, raise, or secure the payment of money, and to give security therefor, in such manner as the Company shall think fit, and to purchase, redeem, or pay off such securities.
- (e) To establish local advisory boards, agencies, and branches:
- (f) To sue and be sued, plead and be impleaded, contract and be contracted with, in its said proper name, in any matter, action, or cause whatsoever:
- (g) To invest all or any portion of the moneys of or in the possession of the Company in such investments as from time to time are authorized for the investment of trust funds or for the funds of a life insurance company:
- (h) To adopt a French form of its corporate name, subject to acceptance by the Registrar of Companies of the Province of British Columbia, but only if such French form is approved by three-fourths of such members of the Company as, being entitled so to do, vote by proxy or attend and vote in person at a special general meeting of the Company of which not less than fourteen days' notice has been given:

- (i) To cause itself to be reinsured against any risk undertaken by it;
- (j) To reinsure any other insurer against any risk undertaken by such other insurer if the risk is of a class of insurance that the Company is empowered to transact;
- (k) To amend the name of the Company.

Capital.

10. The capital of the Company shall be two million dollars (\$2,000,000), divided into five hundred thousand (500,000) common shares of four dollars (\$4) each; provided always that the Company in general meeting may, subject to the provisions of section 8 of the *Companies Act*, increase, decrease, divide, subdivide, or consolidate its capital from time to time.

Minimum subscription.

11. Before the Company commences business there shall have been subscribed and paid for not less than one hundred thousand (100,000) common shares in respect of which there has been actually paid not less than one million dollars (\$1,000,000) in cash.

Board of Directors.

12. The persons named in section 3 of this Act shall be the first directors of the Company, and thereafter the directors of the Company shall be such persons as are from time to time elected at the first and succeeding annual general meetings of the Company. The number of directors so to be elected shall be determined by its by-laws, and the Company shall have the power to increase or reduce the number of directors; provided that the number of directors at any time shall not be less than three. The directors shall administer the affairs of the Company, subject to the provisions of this Act, and may from time to time make such rules and regulations as they shall see fit governing the holding of meetings of the Board and the method of conducting its affairs.

Election of directors and officers.

13. Directors shall be elected at each annual general meeting of the Company to fill the vacancies then occurring, and the directors then elected shall, subject to the by-laws, hold office until their successors are elected. The directors shall appoint the officers of the Company subject to the provisions of the by-laws of the Company.

Disqualification of director.

14. Any director who would not be eligible for election as such shall cease to be a director.

Casual vacancy.

15. The directors may fill any casual vacancy occurring on the Board of Directors; provided that the person appointed to fill such vacancy would be eligible for election as a director.

Retiring.

16. A retiring director may, if otherwise eligible, be re-elected.

Powers of first directors.

17. The first directors shall have power to receive subscriptions for shares and to do all such other acts, deeds, and things as are advisable or necessary for or incidental to the organization of the Company.

Contracts with
directors

18. Any director may accept and hold any office or place of trust or profit under the Company, and may enter into or be interested in any contract with the Company, and may receive any salary or remuneration for attending to the business of the Company as an officer, employee, solicitor, or otherwise; provided that no agent is eligible to be elected or to be a director of the Company, and the Board of Directors shall not at any time include more than two paid officers, other than the Chairman of the Board and the President.

Annual meet-
ings, etc.

19. The first general meeting of the Company shall be held not later than one year from the date on which this Act comes into force. At such meeting the members of the Company may appoint auditors, and shall pass by-laws not inconsistent with this Act for the management of its business, the issue and transfer of its shares, the establishment of its fiscal year, rules governing quorum and the use and form of proxies at general meetings of the Company, the appointment and duties of the officers, servants, and agents of the Company, the calling and conduct of meetings of the Company, the establishment of local advisory boards, agencies, and branches, and generally all other necessary matters or things that the members may deem expedient in conducting and managing the interests, business, and affairs of the Company. After the first general meeting an annual general meeting shall be held at least once in every calendar year and not more than fifteen months after the preceding annual general meeting. The time and place of the annual general meeting of the Company shall be determined in the manner provided in its by-laws.

by-laws.

20. The by-laws of the Company shall bind the Company and its members to the same extent as if they had been respectively signed and sealed by each member and by the Company and contained covenants on the part of each member, his heirs, administrators, executors, and assigns, to observe all the provisions of the by-laws subject to the provisions of this Act. The by-laws of the Company may be amended from time to time by the Company in general meeting by a two-thirds vote of those members of the Company represented in person or by proxy who are entitled to vote in the affairs of the Company.

Failure to
hold meetings

21. No failure to elect directors or to hold a first or any general meeting shall operate as a dissolution of the Company, but anything omitted to be done may afterwards be performed at a meeting called in conformity with the by-laws or at a special general meeting.

*Companies
Clauses Act
not to apply*

22. The provisions of the *Companies Clauses Act, Revised Statutes of British Columbia, 1960*, chapter 68, and amendments thereto, shall not apply to the Company.

*Provisions of
Companies
Act not to
apply*

23 Section 5 of the *Companies Act* shall not apply to the Company.

Provisions of
Companies
Act to apply.

24. The following sections of the *Companies Act, Revised Statutes of British Columbia, 1960*, chapter 67, and amendments thereto, shall mutatis mutandis apply, except in so far as any of them are varied by or inconsistent with or repugnant to the provisions of this Act, in which case the provisions of this Act shall prevail to the extent of such variation, inconsistency, or repugnancy: Sections 2, 7, 8, 11 to 15 (inclusive), 25, 49, 52, 59 to 66 (inclusive), 79 to 98 (inclusive), 100 to 106 (inclusive), 108, 109, 112 to 115 (inclusive), 124 to 128 (inclusive), 130, 137 to 149 (inclusive), 152 to 155 (inclusive), 166, 168, 172, 219 to 246 (inclusive), and 263.

Application of
Insurance Act.

25. This Act and the Company incorporated hereby shall be subject to all the provisions of the *Insurance Act*.

Effect of
non-issuance
of licence.

26. (1) Unless a licence is issued to the Company within three years after the date of commencement of this Act,

- (a) the Superintendent of Insurance shall refuse to issue a licence to the Company; and
- (b) the Superintendent of Insurance shall, at the cost of the Company, appoint a liquidator of the Company in writing, and notice of any such appointment shall be given to the Company by the Superintendent of Insurance, and be entered by him in register of insurers and be published by him in the Gazette; and
- (c) the commencement of the winding-up shall be the date of such appointment, and the affairs of the Company in the Province shall be wound up by the liquidator so appointed pursuant to the provisions of this Act,

but nothing in this section shall prejudicially affect any policyholder or creditor of the Company.

(2) The Company or any member may, prior to the appointment of a liquidator pursuant to clause (b) of subsection (1), apply to the Lieutenant-Governor in Council for relief against the provisions of this section, and the Lieutenant-Governor in Council may extend the time for a licence to be issued to the Company upon such terms and conditions as he may think proper.

(3) In no event shall an extension of time pursuant to the provisions of subsection (2) extend the time for issuance of a licence beyond four years from the date of commencement of this Act.