

## CHAPTER 71

An Act to Incorporate the United Home  
Mutual Life Insurance Company

[Assented to 20th March, 1964.]

## Preamble

WHEREAS James Cameron McLean, Samuel Cooper Gardiner, and Richard Philip Anderson, all of the City of Vancouver, in the Province of British Columbia, have, by their petition, requested that they be incorporated under the name of "United Home Mutual Life Insurance Company," with power to transact the business of life insurance:

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 *United Home Mutual Life Insurance Company Act, 1964*.

## Definitions.

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

- (a) "Association" means The United Home Security Association, incorporated on the eleventh day of May, 1922, pursuant to the *Societies Act* of British Columbia;
- (b) "Company" means the United Home Mutual Life Insurance Company as incorporated by this Act;
- (c) "Superintendent of Insurance" means the Superintendent of Insurance appointed under the *Insurance Act*.

## Incorporation

3. The persons named in the preamble and such other persons as by this Act become members of the Company, or who may hereafter become members of the Company, are hereby constituted a body politic and corporate under the name of "United Home Mutual Life Insurance Company," and shall have perpetual succession and a common seal.

## Head office

4. The head office of the Company shall be in the City of Vancouver, in the Province of British Columbia, or at such other place in the said Province as the directors may from time to time decide.

## Members

5. All members in good standing of the Association at the time of the coming into force of this Act, and all persons who become and continue to be participating policyholders in the Company, shall be and be deemed to be members of the Company, subject, nevertheless, to the provisions of this Act and of the by-laws.

## Objects

**6. The objects and powers of the Company shall be**

- (a) to transact the business of accident, sickness, and life insurance, including the issuance of annuities and endowments, in all its branches;
- (b) to acquire and take over as a going concern the business and undertaking heretofore carried on by the Association and all its assets and liabilities, and to carry on such business and undertaking.

## Powers

**7. The Company shall have as ancillary and incidental to its objects the powers following:—**

- (a) To purchase, take on lease or in exchange, hire, or otherwise acquire and hold any real and personal property and any rights or privileges that the Company may think necessary or convenient for the purpose of its business;
- (b) To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company, where-soever incorporated, carrying on any business that the Company is authorized to carry on, or possessed of property suitable for the purposes of the Company;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) 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;
- (g) To establish agencies and branches;
- (h) To sell or dispose of the undertakings of the Company, or any part thereof, for such consideration as the Company may think fit;
- (i) To draw, make, accept, endorse, execute, and issue promissory notes, bills of exchange, warranties, and other negotiable or transferable instruments;
- (j) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.

- (k) 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:
- (l) To invest all the moneys of, or in the possession of, the Company in such investments as are authorized for the investment of trust funds or for the funds of a life insurance company.

**Reinsurance**

8. The Company may cause itself to be insured against any risk it has undertaken and against any loss or risk it may incur in the course of its business.

**Vesting and transfer of title**

9. As from the date of the coming into force of this Act the business and undertaking heretofore carried on by the Association, and all lands, estates, leases, charges, mortgages, encumbrances, securities, assets, properties (real and personal or mixed), effects, funds, credits, moneys, rights, rights of assessment, licences, permits, choses in action and causes of action of every description, belonging to, vested in, held by or standing in the name of, or existing in the Association, are hereby transferred to and vested in the Company without further act, conveyance, or other deed, to and for the use and benefit absolutely of the Company, its successors and assigns, and all the estate, right, title, interest, claim and demand which the Association or any member thereof has on the date of the coming into force of this Act, or then after becomes or may become entitled to therein, is hereby vested in the Company.

**Guarantee fund**

10. (1) The net value of the assets of the Association vested in the Company by this Act after deducting the liabilities of the Association shall be determined by the auditor of the Association as of the time of the coming into force of this Act. In consultation with the actuary of the Association, the auditor in valuing the liabilities shall make reasonable provision for all benefits and administration expenses ordinarily payable by the Association after the valuation date in respect of covered services or expenses rendered to or incurred for the members or or before the valuation date and administration expenses in connection therewith incurred after the valuation date. No amount shall be included in the liabilities for goodwill.

(2) Any member of the Company who was a member of the Association in good standing (with proper allowance for the effect of grace periods in payment of contributions as set out in the membership certificate) at the time of the coming into force of this Act, shall by virtue of his being such a member of the Association in good standing, be entitled to receive from the Company, in exchange for and in satisfaction of any interest he may have in the assets of the Association, redeemable guarantee stock in such form as may be determined by the directors in the amount determined by dividing the net assets so determined in paragraph (1) herein, by the total number of members of the Association in good standing as at the valuation date. Such guarantee stock may be redeemed

by the Company in whole or any part thereof as the directors may from time to time decide, in accordance with the by-laws of the Company and subject to the consent of the Superintendent of Insurance.

(3) (a) As a requirement of becoming a member of the Company in accordance with section 5, the applicant for membership may be required by the Company to purchase from the Company guarantee stock in the amount of twenty dollars (\$20.00), or such lesser amount as the directors may from time to time decide is necessary in order to maintain a guarantee fund. No dividend or interest shall be paid thereon. The Company may redeem in whole or in part, or redeem and re-issue its guarantee stock at the discretion of the directors, and subject to the by-laws of the Company and subject to the consent thereto in writing of the Superintendent of Insurance.

(b) When any person ceases to be a policyholder of the Company, his membership in the Company shall terminate; however, his right of ownership of any guarantee stock held by him at the time of his ceasing to be a member will not be affected by such termination of membership until the Company requires or agrees to the redemption of such guarantee stock by the Company.

(c) No holder of guarantee stock of the Company shall by virtue of that fact alone, be entitled upon the winding-up or termination of the business of the Company, to share in the assets of the Company over and above the value of his guarantee stock.

**Liabilities**

**11.** The Company shall, subject to the provisions of this Act, assume and be liable for all the debts, obligations, and contracts of the Association existing at the time of the coming into force of this Act.

**Rights and liabilities of assessment members**

**12.** Nothing in this Act contained shall be considered in any manner to affect any action, suit, or proceeding commenced on behalf of or against the Association at the time of the coming into force of this Act, but any such action, suit, or proceeding may, at the option of the claimant therein, be carried on and continued by or against the Company, which is, in such case, for all the purposes thereof, substituted for the Association.

**Board of Directors.**

**13.** The property, business, and affairs of the Company shall be administered by a Board of Directors composed of not less than three nor more than eight members, as may be determined by the by-laws of the Company from time to time.

**First directors**

**14.** The first directors of the Company shall be James Cameron McLean, Samuel Cooper Gardiner, and Richard Philip Anderson, all of the City of Vancouver, in the Province of British Columbia.

**Officers.**

**15.** The officers of the Association at the time of the coming into force of this Act shall be the first officers of the Company, and shall,

subject to the by-laws, hold office until their successors are elected or appointed.

Retirement of  
directors.

**16.** At the first and each subsequent annual meeting of the Company, such directors shall retire as shall be prescribed by the by-laws.

Election of  
directors.

**17.** Directors shall be elected at each annual 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.

Qualification  
for director.

**18.** Any member of the Company in good standing shall be eligible to be elected as a director.

Disqualifica-  
tion of  
director.

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

Casual  
vacancy.

**20.** 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 direc-  
tor eligible for  
re-election.

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

Meetings of  
Board

**22.** Subject to the provisions of this Act, the directors 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.

By-laws

**23.** It shall be lawful for the Board of Directors to make by-laws, not inconsistent with the provisions of this Act, for the government and proper administration of the property, affairs, business, and interests of the Company, and the carrying-out of its objects and powers, and to repeal, alter, and amend the same from time to time, including, without limiting the generality of the foregoing, relating to

- (a) the number, nomination, election, rotation, retirement, and removal of directors;
- (b) the appointment of committees;
- (c) the officers of the Company and their nomination, election, or appointment;
- (d) the duties of the officers, servants, and agents of the Company;
- (e) the calling and conduct of meetings of the Company;
- (f) the method of voting and the form of proxy;
- (g) determining the rates, rules, and conditions under which the Company's policies shall be issued, transferred, or purchased;
- (h) the establishment of branches;
- (i) the classification of members into different classes and prescribing the rights of any class;
- (j) generally, all other necessary matters and things that they may deem expedient in conducting and managing the interests, business, and affairs of the Company.

Annual  
meeting

**24.** The fiscal year of the Company shall terminate on the thirty-first day of December in each year, and the annual meeting of the members of the Company shall be held not later than the thirtieth day of April next following the termination of each fiscal year at such time and place as the directors may appoint.

## Notice

**25.** Notice of the annual meeting shall be given by advertisement in a daily newspaper published and circulated in the City of Vancouver, or otherwise as the directors may decide.

Special  
meetings

**26.** The directors may from time to time, as they see fit, call special meetings of the Company.

## Votes

**27.** Each member in good standing present at a meeting in person or by proxy shall be entitled to one vote.

Members not  
in good stand-  
ing

**28.** No member who, under the by-laws, is in arrears in respect to any indebtedness to the Company shall be in good standing.

## Proxies

**29.** Proxies shall be in such form as provided by the by-laws, and no member shall hold a proxy who is not himself a member in good standing of the Company.

## Quorum

**30.** A quorum at any meeting of the members shall be not less than twenty members present in person.

Application of  
assets on  
dissolution

**31.** In the event of the dissolution or winding-up of the Company, the assets of the Company shall be applied

- (i) in payment of all legal costs incurred in the winding-up or dissolution of the Company;
- (ii) in the payment of all debts or liabilities of the Company;
- (iii) and the balance, if any, shall be disposed of as may be directed by any Judge of the Supreme Court of British Columbia, to whom application for such direction shall be made by the directors of the Company or the liquidator, as the case may be.

Member not  
liable for  
debts, etc., of  
Company

**32.** No person in his capacity as member of the Company shall be in any way liable, accountable, or chargeable for any debt, claim, or demand due or payable by the Company, or for any act or default of the Company.

Companies  
Acts 5 and  
Companies  
Clauses Act  
not to apply

**33.** Section 5 of the *Companies Act* and the *Companies Clauses Act* shall not apply to the Company.

Provisions of  
Companies  
Act to apply

**34.** Sections 11 to 15, 49, 100 to 106, 109, 112 to 115, 124 to 127, 137 to 149, 153 to 158, 162 to 166, 168, 172, 212, 219 to 245, and 261 to 271 of the *Companies Act* shall apply to the Company.

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

Coming into  
force of Act

**36.** (1) This Act shall come into operation on a date to be fixed by the Lieutenant-Governor in Council by his Proclamation; provided that this Act shall first have been approved by a vote of not less than three-fourths of such members of the Association as, being entitled so to do, vote by proxy or attend and vote in person at a special general meeting of the Association of which not less than fourteen days' notice has been given.

(2) Notice of the said meeting shall be deemed to have been properly given if the same shall have been advertised for two consecutive issues in The British Columbia Gazette and in a newspaper freely circulating in the City of Vancouver.

(3) As and from the date of the coming into force of this Act, the said Association shall be and be deemed to have been dissolved.