

CHAPTER 58

An Act to Incorporate Fraser Valley Mutual
Insurance Company

[Assented to 1st April, 1966.]

Preamble.

WHEREAS a petition has been presented praying for an Act to incorporate a company with the rights, powers, and privileges hereinafter set forth, and 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 *Fraser Valley Mutual Insurance Company Act, 1966*.

Definitions.

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

- (a) "Society" means Fraser Valley Medical Services Society, originally incorporated on the twenty-second day of December, 1944, pursuant to the *Societies Act* of British Columbia as "Fraser Valley Medical-Dental Society";
- (b) "the Company" means "Fraser Valley Mutual Insurance Company" as incorporated by this Act;
- (c) "Superintendent of Insurance" means the Superintendent of Insurance appointed under the *Insurance Act*.

Incorporation

3. John A. Grimmett, President, of the District of West Vancouver, in the Province of British Columbia; V. Howard Chadwick, Vice-President, of the District of Surrey, in the Province of British Columbia; Helen W. Martin, Secretary-Treasurer, of the District of Burnaby, in the Province of British Columbia; Murray A. Edworthy, John P. Wellwood, and Harry N. Watson, physicians and surgeons, and Mayor J. Stuart Gifford, all of the City of New Westminster, in the Province of British Columbia, being officers and directors of Fraser Valley Medical Services Society, a Society incorporated under the *Societies Act* of the Province of British Columbia, having a registered office at 604 Blackford Street, in the City of New Westminster, in the Province of British Columbia, together with such persons as become members of the Company, are incorporated as a mutual insurance company under the name of "Fraser Valley Mutual Insurance Company" (hereinafter called "the Company").

Corporate name.

Registered office.

4. The registered office of the Company shall be at 604 Blackford Street, in the City of New Westminster, in the Province of British Columbia, or at such other 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.

No share capital.

5. The Company shall be a corporation without share capital and shall have perpetual succession and a common seal.

Qualification for membership.

6. Every person who has contracted with the Company for a policy of insurance or a policy providing for an annuity, and who holds such a policy upon which no premium is overdue, shall be a member of the Company and entitled to attend and vote at all general meetings of the Company, and each member shall have one vote. Every member of the Society in good standing at the date of the coming into force of this Act shall also be entitled to be a member of the Company either as the holder of a policy of insurance or as a covered employee under a group contract and shall be entitled to continue as a member as long as he remains entitled to such insurance coverage under the provisions of this Act and the by-laws of the Company.

Objects and classes of insurance authorized.

7. The objects of the Company shall be:—

(1) To undertake, transact, and make contracts of insurance in any one or more of the following classes of insurance:—

(a) Personal accident insurance:

(b) Sickness insurance:

(c) Life insurance (including annuities and endowments of all kinds and disability insurance):

(2) To acquire and take over as a going concern the business and undertaking heretofore carried on by the Society and all its assets and liabilities, and to carry on such business and undertaking.

Establishment of reserve for life insurance.

8. The Company is empowered to transfer from time to time to its life branch fund from its accident and sickness fund sums in excess of reserves required therefor for the purpose of establishing, with such sums and such other moneys or securities as the Company may raise, a life branch fund of at least one million dollars.

Powers.

9. 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 purposes of its business:

(b) To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company, wheresoever 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 sell or dispose of the undertaking of the Company, or any part thereof, for such consideration as the Company may think fit:
- (d) 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:
- (e) 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:
- (f) To draw, make, accept, endorse, execute, and issue promissory notes, bills of exchange, warrants, and other negotiable or transferable instruments:
- (g) To invest all the moneys of, or in the possession of, the Company in such investments as are authorized for the investment of the funds of a life insurance company:
- (h) 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:
- (i) 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:
- (j) To establish agencies and branches:
- (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 carry out all or any of the objects of the Company, and do all or any of the above things as principals, agents, contractors, or otherwise, and either alone or in conjunction with others:
- (m) To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company.

Reinsurance

10. 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,
transfer of
title and
commence-
ment of
business.**

11. As from the date of the coming into force of this Act, the business and undertaking heretofore carried on by the Society, and all lands, estates, leases, charges, mortgages, encumbrances, securities, assets, properties (real and personal or mixed), effects, funds, credits, moneys, contracts, 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 Society, shall be 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 Society or any member thereof has on the date of the coming into force of this Act, or thereafter becomes or may become entitled to therein, shall be and are hereby vested in the Company.

Liabilities.

12. The Company shall assume and be liable for all the debts, obligations, and contracts of the Society existing at the time of the coming into force of this Act.

**Actions for
or against
the Society
continued.**

13. 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 Society 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 Society.

**Qualification
of directors.**

14. Every member of the Company shall be eligible to be elected as a director, but he shall cease to be a director if he ceases to be a member of the Company.

**Provisional
directors.**

15. The persons named in section 3 shall be the provisional directors of the Company and shall remain in office until replaced by directors duly elected in their stead at the first annual meeting.

**Election of
directors.**

16. (1) The Company shall, by by-law passed not less than one month prior to the holding of its first annual meeting, determine the number of directors to be elected at that and at subsequent annual meetings until otherwise changed by by-law, but the number so determined shall not be less than nine nor more than twenty-one.

(2) At any annual meeting thereafter the Company may, by by-law, change or authorize the Board of Directors to change from time to time the number of directors, but the Board of Directors shall at all times consist of not less than nine nor more than twenty-one directors, and in the event of any increase in the number of directors having been made by the directors, the vacancy or vacancies in the Board thereby created may be filled by the directors from among the qualified members of the Company, to hold office until the next annual meeting.

(3) At the second and each subsequent annual meeting such directors shall retire as shall be prescribed by the by-laws. A retiring director may, if otherwise eligible, be re-elected. Subject to the by-laws, directors shall hold office until their successors are elected.

(4) The directors may fill any casual vacancy occurring on the Board, provided that the person appointed to fill such vacancy is eligible for election as a director.

Officers

17. The officers of the Society 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.

Power of corporate member to be represented.

18. A corporate member, or a firm or organization which is a member, by resolution of its directors or other governing body, may authorize such person as it thinks fit to act as its representative at any meeting of the Company, and any person authorized as aforesaid is entitled to exercise the same powers on behalf of the corporation, firm, or organization that he represents as that corporation, firm, or organization could exercise if it were an individual member of the Company.

By-laws

19. The directors may from time to time pass by-laws not inconsistent with this Act for the management, regulation, and procedure of the Company's business in all respects whatsoever and may alter and amend the same.

By-laws shall bind Company and members.

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 provisions on the part of each member, his heirs, executors, administrators, successors, and assigns, to observe all the provisions of the by-laws, subject to the provisions of this Act.

Remuneration of directors

21. Any director may receive any salary or remuneration for attending to the business of the Company as an officer, employee, agent, solicitor, or otherwise.

Annual meetings, etc.

22. The first annual meeting of the Company shall be held not later than eighteen months from the date on which this Act comes into force. At such meeting the Company may appoint auditors and may pass by-laws not inconsistent with this Act for the establishment of its fiscal year, rules governing a quorum and the use and form of proxies at general meetings of the Company, regulations relating to the tariff of rates and premiums, the terms and conditions of its insurance policies, 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 branches, and generally all other necessary matters or things they may deem expedient in conducting and managing the business and affairs of the Company. After the first annual meeting an annual meeting shall be held at least once in every calendar year and not more than fifteen months after the preceding annual meeting. The time and place of the annual meeting of the Company shall be determined in the manner prescribed by its by-laws. General meetings other than annual meetings shall be special meetings of the Company. The Company may alter or amend its by-laws by special resolution as defined by the *Companies Act*.

- Notice.** 23. Notice of annual meetings may be given by advertisement in a daily newspaper published and freely circulating in all parts of the Province, or otherwise as the directors may decide.
- Special meetings.** 24. The directors may from time to time as they see fit call special meetings of the Company.
- Proxies** 25. 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 of the Company.
- Quorum** 26. A quorum at any meeting of the Company shall be not less than twenty members present in person.
- Application of assets on dissolution** 27. 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.
- Members not liable for debts, etc., of Company** 28. No person in his capacity as a 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 Act, s 5, and Companies Clauses Act not to apply.** 29. Section 5 of the *Companies Act*, and the *Companies Clauses Act* shall not apply to the Company.
- Provisions of Companies Act to apply.** 30. Sections 11 to 15, 48, 49, 100 to 102, 104 to 106, 109, 112 to 115, 124 to 127, 137 to 149, 153 to 158, 162 to 164, 166, 168, 172, 212, 219 to 245, and 261 to 271 of the *Companies Act* shall apply to the Company.
31. This Act and the Company incorporated hereby shall be subject to all the provisions of the *Insurance Act*.
- Coming into force of Act** 32. (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 Society as being entitled so to do vote by proxy or attend and vote in person at a special general meeting of the Society 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 given pursuant to the by-laws of the Society or advertised for two consecutive issues in The British Columbia Gazette and in a newspaper freely circulating in all parts of the Province.

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

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in right of the Province of British Columbia
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