



CHAPTER 79.

An Act to incorporate the Medical Services Association
of British Columbia.*[Assented to 28th March, 1957.]*

Preamble.

WHEREAS C. James Abrams, Printer, of the City of New Westminster; James J. Behan, Executive, of the City of Vancouver; John C. Broatch, Personnel Manager, of the City of Vancouver; John T. Cummins, Millwright, of the City of Vancouver; Stephen A. Jennings, Professor, of the City of Vancouver; T. Keith MacLean, Physician and Surgeon, of the City of Vancouver; Archibald L. McLellan, Executive Director, of the City of Vancouver; James McMillan, Machinist, of the City of Vancouver; John C. Poole, Physician and Surgeon, of the City of Vancouver; Murray D. Rowan, Secretary-Treasurer, of the City of Vancouver; Seiriol I. Williams, Physician and Surgeon, of the City of Vancouver; and George W. Wilson, Executive, of the City of Trail, all in the Province of British Columbia, have by their petition requested that they be incorporated under the name of the Medical Services Association of British Columbia with power to furnish prepaid medical, surgical, and obstetrical care to groups, families, and individuals, and other benefits as hereinafter set out:

And whereas the said petitioners have by their petition prayed that an Act may be passed for such purposes:

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

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 "Medical Services Association Act."

Incorporation

2. The persons named in the preamble, and such other persons as may hereafter become members of the Association, are hereby consti-

tuted a body politic and corporate under the name of the Medical Services Association of British Columbia, and by that name shall have perpetual succession and a common seal.

Definitions.

3. In this Act, unless the context otherwise requires:—

- (a) "The Association" means the Medical Services Association of British Columbia as incorporated by this Act:
- (b) "Employer" means (i) any person, firm, or corporation employing one or more persons in any one locality or department; (ii) any trustee representing two or more persons, firms, or corporations engaged in a common trade, occupation, or profession and employing amongst them one or more persons; or (iii) any trustee representing two or more persons engaged in a common trade, occupation, or profession or having some other common qualification of residence, obligation, affiliation, or activity: Provided, in all cases, that not less than such number of persons so employed or represented as may be determined upon by by-law from time to time are or become employee members of the Association, or subscribers to a member plan or plans of Trans-Canada Medical Plans:
- (c) "Employee" or "employed person" means (i) a person who works full time for an employer, or (ii) a person who is represented by a trustee in accordance with the provisions for such representation as may be determined upon by by-law from time to time, and in both cases shall extend to and include the proprietor or partners of any firm or partnership:
- (d) "Employee member" means an employee who has been duly admitted to membership in the Association:
- (e) "Dependent" means the spouse of an employee member and any unmarried child of an employee member: Provided that the age of such child may be defined and determined upon from time to time by the rules and regulations of the Association:
- (f) "Employer member" means an employer who has been duly admitted to membership in the Association:
- (g) "Professional member" means any member of the Association who is a physician and surgeon registered and in good standing under the "Medical Act" of the Province of British Columbia or under the equivalent Statute or Ordinance of any other State, Province, or Territory:
- (h) A "special resolution" means a resolution passed by a majority of not less than three-fourths of such members of the Association as, being entitled so to do, attend and vote in person at a general meeting of the Association of which at least

fourteen days' notice has been duly given specifying the intention to propose thereat such resolution as a special resolution.

Powers.

4. The Association shall have the following powers, objects, and purposes, namely:—

Arrange for
services.

Enter into
contracts

Relations with
Medical
Associations

Benefits to
professional
members

To hold land

To sue and
be sued.

To invest

To borrow
money.

- (a) To acquire and take over as a going concern the undertaking heretofore carried on in the City of Vancouver and elsewhere in the Province of British Columbia of the Medical Services Association, a society duly incorporated under the "Societies Act," with all of the assets and liabilities thereof:
- (b) To arrange for the provision to employee members of the Association and their dependents of any or all services usually offered by physicians and surgeons as may be required in the prevention, diagnosis, or treatment of illness on a non-profit, prepayment, and voluntary basis:
- (c) To enter into contracts with any person, firm, corporation, or agency for the furnishing and supply of medical and surgical care and treatment to employee members of the Association and their dependents:
- (d) To maintain effective collaboration with the College of Physicians and Surgeons of British Columbia, and with the British Columbia Division of the Canadian Medical Association:
- (e) To arrange with an underwriter for the provision to professional members, their widows and families, of deferred compensation, pension, and death benefits:
- (f) To purchase, acquire, hold, possess, lease, and enjoy any land or personal property necessary for the purpose of the Association, and the same or any part thereof from time to time to dispose of by sale, mortgage, lease, exchange, or otherwise as the Association may deem proper or advisable:
- (g) To sue or be sued, plead or be impleaded, contract and be contracted with, in its said proper name in any matter, action, or cause whatsoever:
- (h) To invest all moneys of or in possession of the Association arising from or connected with its business, or objects or any of them, in any securities, permitted by the law of any Province of Canada to a trustee or in securities as permitted by the Act of Canada from time to time regulating the investments of life insurance companies, with power to change and substitute such investments at any time and from time to time.
- (i) To borrow money in such amounts at such rates of interest and on such terms as may be deemed advisable in connection with its business, or objects or any of them, and to make, enter into, and execute all such deeds, mortgages, agreements, or instruments as may be deemed requisite or necessary under

the seal of the Association and signed by such officers as may be designated by by-law:

Bills of
exchange.

- (j) To draw, make, accept, and endorse all bills of exchange, cheques, and promissory notes deemed necessary for the purposes of the Association under the hands of such officers as may be designated by by-law, and it shall not be necessary to affix the seal of the Association to any such bill, note, or cheque, but nothing herein contained shall authorize the Association to issue bills or notes payable to bearer or intended to be circulated as money or as bills or as notes of a bank:

To establish
funds.

- (k) For the purposes aforesaid, to establish a fund or funds and to administer the same:

To co-operate
with other
associations.

- (l) To do all such other things as are incidental to or that may be deemed conducive to the attainment of the objects of the Association or any of them including, but without limiting the generality of the foregoing, the power to enter into arrangements or agreements with any similar association or body operating in any other Province or Territory of Canada or in any of the States or Territories of the United States of America or in any other country for the purpose of providing any or all medical and surgical care and treatment required in the prevention, diagnosis, or treatment of illness for any person or group of persons with whom a contract for medical and surgical care and treatment has been entered into by any such similar association or body or by this Association or for the purpose of contributing to the payment of the cost of such care and treatment.

Use of funds

5. (1) Any accretions to the funds of the Association shall be used in the furthering of its objects, and the payment of any dividend to the members of the Association is prohibited.

Dissolution

(2) In the event of the dissolution or the winding-up of the Association, the assets of the Association shall be used:—

- (a) In the payment of any legal costs incurred in the winding-up or dissolution of the Association.
- (b) In the payment of all debts or liabilities of the Association then due or accruing due, and the balance, if any, shall be disposed of as may be directed by a Judge of the Supreme Court of British Columbia to whom application for direction in such event shall be made by the directors of the Association or the liquidator, as the case may be.

Membership.

6. (1) Membership in the Association shall consist of employer members, employee members, and professional members as hereinbefore

defined, and any person may be admitted to as many classes of membership as he may be eligible for under the by-laws.

(2) All members in good standing in their respective classes of the Medical Services Association, the society presently incorporated under the provisions of the "Societies Act" of the Province of British Columbia, shall be and be deemed to be members in good standing of the Association, but subject nevertheless to the by-laws of the Association.

Business.

7. (1) The business and affairs and property of the Association shall be administered by a board of eleven (11) directors, three (3) to be elected by and to represent the professional members, three (3) to be elected by and to represent the employer members, and five (5) to be elected by and to represent the employee members.

(2) C. James Abrams, Printer, of the City of New Westminster; James J. Behan, Executive, of the City of Vancouver; John C. Broatch, Personnel Manager, of the City of Vancouver; John T. Cummins, Millwright, of the City of Vancouver; Stephen A. Jennings, Professor, of the City of Vancouver; T. Keith MacLean, Physician and Surgeon, of the City of Vancouver; James McMillan, Machinist, of the City of Vancouver; John C. Poole, Physician and Surgeon, of the City of Vancouver; Murray D. Rowan, Secretary-Treasurer, of the City of Vancouver; Seiriol L. Williams, Physician and Surgeon, of the City of Vancouver; and George W. Wilson, Executive, of the City of Trail, all in the Province of British Columbia, shall be the first directors of the Association and shall hold office until the first annual general meeting of the Association.

(3) At the first annual general meeting of the Association and at each annual meeting thereafter a board of directors shall be elected for such terms and in such manner as may be provided by the by-laws of the Association.

By laws.

8. The board of directors shall have the power to make by-laws for the government and proper administration of the property, affairs, business, and interest of the Association and for the election, appointment, retirement, and removal of directors and officers of the Association and generally for the government and management of the affairs of the Association and the carrying-out of its objects, and to repeal, alter, abrogate, and amend the same from time to time including, without limiting the generality of the foregoing, for or relating to:—

- (a) The qualifications for and the conditions of membership in the Association and the amount of the monthly contributions to be paid under any contract entered into by the Association.
- (b) The commencement of business of the Association and the date of the first and subsequent annual general meetings.
- (c) The method of giving notice by advertisement or otherwise of an annual or other meeting of the members of the Association.

- (d) The provisions for payment of accounts for services rendered to employee members of the Association and their dependents by professional members:
- (e) The conditions under which a member shall cease to be a member or be suspended from membership and as to the reinstatement of any such member and the inclusion of a member in a different class of membership from that in which he was previously included:
- (f) The benefits to which a member is entitled for himself or for those persons included in the class which he represents:
- (g) The procedure at meetings of the Association or board of directors, including a provision as to the necessary quorum of members or directors at any such meeting:
- (h) The fixing of fees payable to each director for attending the meetings of the board, such fees not to exceed twenty-five dollars for each day which the director is so engaged or is absent from his home in connection therewith, together with his necessary expenses:
- (i) The constitution of committees and the prescribing of the duties thereof:
- (j) The keeping of accounts and auditing the same:
- (k) The establishment of branch offices at places other than the place at which the head office of the Association is situated:
- (l) The amount of the enrolment fees and any assessments payable by individual members of the different classes of membership and the time for payment of and the collection of such fees and assessments:
- (m) The provisions for contributions to and benefits to be derived from deferred compensation, pension, and death benefit plans by professional members, their widows and families.

But every such by-law and every repeal, amendment, or re-enactment thereof shall not have force and effect until sanctioned by a special resolution passed at a general meeting of the Association, and in default of confirmation thereof by special resolution shall at and from that time become null and void: Provided that, notwithstanding anything hereinbefore contained, no by-law or repeal, amendment, or re-enactment thereof made pursuant to the powers contained in paragraph (m) hereof shall have force and effect unless approved by special resolution passed by a majority of not less than three-fourths of the professional members of the Association at a meeting of such professional members duly called for the purpose of considering the same.

Responsibility
of members

9. Except as may be provided in the by-laws or rules and regulations of the Association, no employee member of the Association in good standing shall be liable, accountable, or chargeable for any amount due

for services rendered pursuant to the provisions of a contract with the Association by any professional member to such employee member or his registered dependents if the account for such services has been rendered to the Association or dealt with in accordance with the rules and regulations of the Association.

Liability of members
for debts of
Association.

10. No member of the Association shall be in any way liable, accountable, or chargeable for any debt, claim, or demand due or payable by or for any act or default of the Association: Provided that no professional member or other physician and surgeon shall be relieved by the provisions of this section from any claim for damages or otherwise to which he would be liable if this Act had not been passed.

Liability of
Association.

11. The Association shall not be liable in any action for negligence or malpractice or for any act or omission by any professional member or other physician and surgeon, arising out of or in connection with the treatment of any person entitled to the benefits provided by the Association.

Head office.

12. The head office of the Association shall be at the City of Vancouver or at such other place within the Province of British Columbia as the board of directors may by by-law decide.

"Insurance Act"
not to apply

13. Notwithstanding anything contained in the "Insurance Act," or any other Act of the Province of British Columbia, the Association shall not be deemed to be undertaking insurance or carrying on the business of insurance in furnishing any or all services required in the prevention, diagnosis, or treatment of illness, and the said "Insurance Act" shall not apply to this Association.

"Societies Act"
not to apply.
Provisions of
"Companies Act"
to apply.

14. (1) The "Societies Act" shall not apply to the Association.

(2) The following provisions of the "Companies Act" shall, so far as the same are applicable and are not inconsistent with this Act, apply to the Association, namely: Sections 11 to 15, 97 to 103, 106, 109 to 112, 122 to 125, 135 to 148, 150 to 155, 159 to 161, 163 to 165, 169, 170, 214 to 219, 221 to 238, and all other sections of the "Companies Act" are hereby expressly exempted and shall not apply to the Association.

(3) The "Companies Clauses Act" shall not apply to the Association.

Substitution for
Medical Services
Association in
contracts, etc.

15. The Association as from the date of the coming into force of this Act shall be substituted in the place and stead of the said Medical Services Association in or in respect of every contract, deed, mortgage, indenture, conveyance, appointment, or other document whatsoever or trust howsoever created wherein, whereby, or of which the said Medical Services Association is or was named and all powers, rights, immunities, and privileges conferred upon or enjoyed by it under any such contract, deed, mortgage, indenture, conveyance, appointment, or other document

whatsoever or in respect or by virtue of any trust howsoever created shall be vested in the Association upon the same trusts and with the same powers and subject to the same obligations and duties as are therein, thereby, or in respect thereof, respectively, provided and imposed, and all contracts, deeds, mortgages, indentures, conveyances, appointments, or other documents whatsoever heretofore or hereafter made, in or to which the said Medical Services Association is a party, or is in any manner referred to, and shall be read and construed and given effect to as if the Association were and had been a party or was so referred to therein in the place and stead of the said Medical Services Association

Transfer of
title

16. As and from the date of the coming into force of this Act, all lands, estates, leases, charges, mortgages, encumbrances, securities, assets, properties real and personal or mixed, effects, rights, credits, choses in action and causes of action of every description belonging to or standing in the name of or existing in the said Medical Services Association, shall be transferred to and vested in the Association without further act, conveyance, or other deed to and for the use or benefit absolutely of the Association, its successors and assigns, and all the estate, right, title, interest, claim, and demand which the said Medical Services Association has on the date of the coming into force of this Act or thereafter becomes or may become entitled to shall be vested in the Association and the Association shall be and is hereby empowered to exercise all the powers, rights, and privileges over or in respect of the same or any of them that the said Medical Services Association has or had or could or might have exercised and may sell, release, discharge, assign, transfer, convey, dispose of, or otherwise deal with all or any of the said lands, estates, leases, charges, mortgages, encumbrances, securities, assets, properties real, personal or mixed, effects, rights, credits, choses in action and causes of action aforesaid and execute all requisite or proper assignments, transfers, discharges, releases, deeds, grants, or other conveyances or other documents whatsoever as occasion therefor shall arise, and exercise all powers in connection therewith or in respect thereto in the name of the Association, in the same manner as if they stood in the name of or had been made to or in favour of the Association, and no suit, action, appeal, application, or other proceeding being carried on or power or remedy being exercised shall be discontinued or abated on account of this Act or the acquiring by this Association of all the undertaking and assets of the said Medical Services Association, but the same may be continued in the name of the Association and the Association shall have the same rights and be subject to the same liabilities and shall pay or receive the like costs as if such suits, actions, appeals, applications, or other proceedings had been commenced or defended in the name of the Association, and the Association is empowered to bring, maintain, and exercise in its own name any suit, action, appeal, application, or other proceeding

or to exercise any power, right, or remedy or right of distress which the said Medical Services Association could have been or become entitled to bring, maintain, or exercise.

Registration.

17. This Act shall be and shall in all respects be treated for the purposes of every land or other Registry Office and other public office in British Columbia as a legal and valid grant, conveyance, transfer, and assignment to the Association of any and all lands or interests in lands and of any and all mortgages, charges, and encumbrances and of any and all other property of every description, real, personal or mixed, and whether under the "Land Registry Act," "Companies Act," the "Bills of Sale Act," or any other Act, or under any system or form of registration now or hereafter standing in the name of or vested in the said Medical Services Association and upon application being made for the registration of the said lands, interests in lands, mortgages, charges, encumbrances, and other property in the name of the Association in any Land Registry or any other public office where such registration can properly be made, accompanied by the filing of a copy of this Act. This Act shall for purposes of registration of title and for all other purposes be deemed to be a legal and valid grant, conveyance, assignment, or transfer of the said lands, interests in lands, mortgages, charges, encumbrances, and other property from the said Medical Services Association to this Association, as from the date of coming into force of this Act, and it shall not be necessary in any grant, conveyance, assignment, transfer, lease, or other instrument to recite or set out such transfer of title from the Medical Services Association to this Association.

**Protection to
creditors of
Medical Services
Association**

18. Nothing in this Act shall affect the rights of any creditor of the said Medical Services Association or impair, modify, or affect the liability of the said Medical Services Association in respect of any trust or other obligation whether legal or equitable, and the Association shall be liable for and subject to and shall pay, discharge, carry out, and perform all the debts, liabilities, obligations, contracts, and duties of the said Medical Services Association, and any person having any claim, demand, right, cause of action or complaint against the said Medical Services Association or to whom the said Medical Services Association is under any liability, obligation, contract, or duty, shall have the same rights and powers in respect thereto and to the collection and enforcement thereof from and against this Association as such person now has against the Medical Services Association.

**Contingency
Fund**

19. (1) Directors shall establish and maintain a Contingency Fund, which said Fund shall be available for meeting contingencies, and the amount of the said Fund from time to time shall be not less than an amount equivalent of the sum of one month's composite contribution in respect of each employee member paying or on whose behalf is paid

a regular monthly fee or assessment: Provided that the said minimum amount to be maintained in the said Fund from time to time may be reduced with the consent of the Lieutenant-Governor in Council.

(2) Any capital or principal amount of the said Fund in excess of the minimum amount required to be maintained therein from time to time in accordance with subsection (1) of this section, and any income and earnings of the said Fund may be withdrawn from the said Fund without the consent of the Lieutenant-Governor in Council by the directors of the Association and used in the furthering of its objects.

(3) The capital or principal sum of the said Fund shall be held in trust by a trust company registered under the "Trust Companies Act," to be selected by the directors of the Association, and may be invested in any securities permitted by the law of any Province of Canada to a trustee or in securities as permitted by the Act of Canada from time to time regulating the investment of life insurance companies, with power to change and substitute such investments at any time and from time to time, but subject to the prior approval of the directors of the Association.

Commencement
of Act.

20. (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 Medical Services Association as being entitled so to do, attend and vote in person at a special general meeting of the said Medical Services Association of which not less than fourteen (14) 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 three consecutive issues in The British Columbia Gazette and in a newspaper freely circulating in each electoral district in which employee members of the said Medical Services Association reside.

(3) As and from the date of the coming into force of this Act, the said Medical Services Association, the society presently incorporated under the provisions of the "Societies Act" of the Province of British Columbia, shall be and be deemed to have been dissolved.

VICTORIA, B. C.

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