



CHAPTER 99.

An Act to incorporate the C. U. & C.
Insurance Company.

[Assented to 3rd April, 1947.]

WHEREAS a petition has been presented praying for an Act Preamble
to incorporate a company with the rights, powers, and
privileges hereinafter set forth, and it is expedient to grant the
prayer of said petition:

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

1. This Act may be cited as the "C. U. & C. Insurance Com- SE 11116
pany Act, 1947."

2. William West, Alfred Gordon Butcher, James Burnley Name of company
Gaunt, Charles Leslie Buchanan, John Robert Hunter, Jorgen
Paul Lundie, Daniel Brown, Gustave William Ramsell, and John
Fortnum, all of Vancouver, British Columbia, and James Henry
Urch, of New Westminster, British Columbia, together with
such persons and bodies corporate as become shareholders in or
members of the company are hereby constituted a body politic
and corporate under the name of the "C. U. & C. Insurance
Company."

3. The head office of the Company shall be in the City of Head office
Vancouver, Province of British Columbia, and the Company may
establish branch offices and agencies in any place within or
without British Columbia.

4. The Company may issue shares to the amount of five hun- Share capital
dred thousand dollars, divided into one hundred thousand shares

of five dollars each. Ten thousand of said shares may be issued as preference shares. No dividends or interest shall be paid on common shares and no dividend or interest shall be paid on preference shares in excess of five per centum per annum. All shareholders, whether holders of common or preferred shares, shall be members of the Company and entitled to vote: Provided, however, that no shareholder shall have more than one vote. The preference shares may be redeemed at any time as the by-laws permit: Provided that a like number of common shares are issued at the same time.

Contracts.

5. The Company may make all and every kind of contract of insurance and indemnity respecting the subjects hereinafter enumerated, that is to say, health, accident, sickness, automobile, disability, double indemnity, fire, guarantee, life, and theft insurance as said types of insurance are respectively defined in the "Insurance Act," being chapter 133 of the "Revised Statutes of British Columbia, 1936," and amending Acts, or any of them, or any combination thereof, with any of the following persons or corporations, that is to say:—

- (a.) Any credit union incorporated under the "Credit Unions Act":
- (b.) Any co-operative association incorporated under the "Co-operative Associations Act":
- (c.) Any corporation, wherever incorporated, that by virtue of its Act of incorporation, charter, memorandum, or articles of association, or rules is required to carry on its business or operations in a manner substantially similar to the requirements of the "Credit Unions Act," or the "Co-operative Associations Act," or the "Societies Act":
- (d.) Any person who is a member, shareholder, or employee of any credit union, co-operative association, or corporation referred to in this section wherever carrying on business or operations or residing within or without the Province of British Columbia.

Fidelity Guarantee

6 The Company may make and effect contracts:—

- (a.) Guaranteeing the fidelity of persons filling or about to fill situations of trust or confidence and due performance and discharge by such persons of all or any of the duties and obligations imposed upon them by contract or otherwise:
- (b.) Guaranteeing the due performance and discharge by receivers, officials, and other liquidators, committees, guardians, executors, administrators, trustees, attorneys, brokers, and agents of their respective duties and obligations:

- (c.) Guaranteeing the due performance and discharge by persons of all or any contracts, duties, or obligations imposed upon them by contract or otherwise:

Provided that such contracts may be made only with the persons and corporations referred to in the last preceding section.

7. The Company shall have the power, subject to the limitations contained in sections 5 and 6, to carry on the business of insurance in all its aspects and of whatsoever nature and kind and whether as principal or as agent. General powers

8. The Company shall have as ancillary and incidental to the objects set forth in this Act the ancillary powers given to companies incorporated thereunder by the "Companies Act" and set forth in clauses (a), (i), (j), (q), (r), and (t) of section 22 of said "Companies Act." Ancillary powers

9. The Company may cause itself to be insured against any risk it may have undertaken and against any loss or risk it may incur in the course of its business and against the happening of any event with respect to which the Company is or may become obligated to pay a sum of money or other thing of value. Reinsurance

10. The persons named in section 2 of this Act are constituted 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 meetings of the Company. The number of directors so to be elected shall be nine, but the Company shall have power to increase or reduce the number of directors: Provided that the number of directors at any time shall not be less than nine. Directors.

11. Notwithstanding the provisions of any other Act, no director shall be disqualified from holding office by reason of the fact that he holds any office or position of profit with the Company. Directors holding office.

12. The directors may forthwith procure subscriptions for shares, make calls on shares subscribed, receive payments thereon, and may generally do whatever is necessary to organize the Company. Preliminary powers of directors.

13. 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 and shareholders of the Company may appoint auditors and other officers of the Company and shall pass by-laws not inconsistent with this Act for the management of its business, the issue and transfer of its shares, the regulation of the tariff of rates and premiums, the terms and conditions of its insurance policies, and the refunding of receipts to its members or former members subject to the provisions of section 15. First general meeting.

General powers
of directors.

14. Until the adoption of by-laws as provided in section 13, the directors may on behalf of the Company do all such things and exercise all such powers as might be done or exercised by them or by the Company by virtue of this Act and the directors may until such time pass by-laws not inconsistent with this Act, for the management of its business in all respects and alter and amend the same.

Application of
receipts.

15. The Company's income, after payment of losses and operating expenses, shall be applied as follows:—

- (a.) By setting aside each year such sums as its by-laws shall provide as reserves for contingencies and such further sums as may be required by the Superintendent of Insurance; and
- (b.) By refunding to its members or such class or classes of its members or former members and in such manner as the by laws of the Company may provide the whole or any portion of its remaining income upon a basis relating to the earned portion of premiums paid by the member during such year, with appropriate differences for different types of insurance or contract.

Minimum capital
subscription

16. Until the Company has capital subscribed in the amount of fifty thousand dollars with not less than twenty thousand dollars paid up and a licence is obtained from the Superintendent of Insurance, it shall not make any contract of insurance.

Reserve funds

17. The directors may invest the reserve funds and from time to time pay from the reserve funds the claims and demands which cannot be met from the ordinary receipts of the Company. In the event of the Company being wound up and being possessed of any existing reserve funds the then members shall be entitled to divide the same among themselves according to the provisions of the by-laws of the Company.

Limited liability

18. The policyholders shall not have any liability for the debts or obligations of the Company, and each shareholder shall only be liable for its debts or obligations to the extent of the unpaid balance of the shares for which he has subscribed.

Remuneration of
directors

19. The directors may be paid such remuneration for their services as directors as may be determined by a resolution of a general meeting of the Company, and the manager, whether a director or not, and the other officers and employees of the Company may be paid such salary or remuneration as the directors may determine.

Applicant not
member until policy
is issued or
underwritten such

20. No applicant for insurance shall be deemed a member of the Company until his policy of insurance has been issued to him by the directors; but he shall, upon the issuance of such policy,

become and remain a member of the Company during the subsistence of such policy, subject to the provisions of the by-laws of the Company.

21. A resolution in writing signed by all of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted.

Resolution of directors.

22. After the first general meeting a general meeting shall be held at least once in each calendar year and not more than fifteen months after the preceding 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.

Annual meeting.

23. In this Act, unless the context otherwise requires, "member" means a holder of a subsisting policy of the Company, or a shareholder.

Member defined.

24. The by-laws of the Company shall bind the Company and its members to the same extent as if they had respectively been signed and sealed by each member and by the Company and contained covenants on the part of each member, his heirs, executors, and administrators to observe all the provisions of the by-laws, subject to the provisions of this Act.

By-laws shall bind Company and members.

25. Save in so far as the provisions thereof are expressly varied or excepted by this Act, or are inconsistent with or repugnant to this Act, in which case the provisions of this Act shall to the extent of such inconsistency or repugnancy govern, the following clauses and words of the "Mutual Fire Insurance Companies Act," being chapter 44 of the "Revised Statutes of British Columbia, 1936," and amending Acts, shall apply to and be incorporated with this Act, namely, sections 10, 14, 34 to 38, both inclusive, subsections (2) and (3) of section 40, and section 60: Provided that wherever in any of said sections the words and phrase "mutual insurance" appear, they shall mean any contract of insurance made by the Company; and wherever in any of said sections the words and phrase "mutual company" shall appear, they shall mean the Company.

Certain provisions of the "Mutual Fire Insurance Companies Act" to apply.

26. Notwithstanding the provisions of this or any other Act, save in so far as the provisions thereof are expressly varied or excepted by this Act, or are inconsistent with or repugnant to this Act, in which case the provisions of this Act shall to the extent of such inconsistency or repugnancy govern, the clauses and provisions of the "Companies Clauses Act" shall be incorporated with this Act, except sections 136 to 140, inclusive, of the said "Companies Clauses Act" which shall not apply.

Certain provisions of the "Companies Clauses Act" to apply.

Power of Superintendent of Brokers to grant exemption from certain provisions of the "Securities Act."

27. Notwithstanding any of the provisions of the "Securities Act," the Superintendent of Brokers may from time to time grant to the Company exemption from Part I. of the said "Securities Act": Provided that such exemption shall only be granted if the said Superintendent is satisfied that the financial position of the Company is reasonably secure and shall be granted for such period of time as said Superintendent shall determine and so from time to time.

Power to enter into contract with C. U. & C. Health Services Society

28. Notwithstanding the provisions of this or any other Act, the Company shall have the power, subject to the approval of the Lieutenant-Governor in Council, at any time after its incorporation, to enter into a contract with C. U. & C. Health Services Society, a society incorporated under the "Societies Act," to take over all of the assets and liabilities of said Society, including the obligations of the said Society to its members to provide them individually with health and accident benefits and to issue policies of insurance to the members of the said Society pursuant to the said contract upon the same terms and containing the same provisions for benefits and for like periods of time as the by-laws of the said Society provide for the protection and benefit of its members, and upon the issuing of said policies of insurance by the Company the persons to whom said policies are issued shall thereupon become members of the Company.

Power of C. U. & C. Health Services Society to enter into contract with the Company

29. Notwithstanding the provisions of any other Act, the said C. U. & C. Health Services Society shall have the power, subject to the approval of the Lieutenant-Governor in Council, to enter into a contract with the Company for the purposes set forth in section 28 of this Act upon the authority of an extraordinary resolution of the Society. The Society shall register the said extraordinary resolution and a copy of the said contract with the Registrar of Companies, and the Registrar may, after being satisfied that the Company has contracted to assume all of the debts and liabilities of the Society, cancel the certificate of incorporation of the Society and fix a date from which the Society shall be deemed to be dissolved, and thereafter the Company shall be liable for all the debts, liabilities, and obligations of the Society.

30. Notwithstanding any of the provisions of this Act, this Act and the Company incorporated hereby shall be subject to all of the provisions of the "Insurance Act."

VICTORIA, B.C.

W. J. G. D. M. D. O. H. E. G. C. K. S. M. S. T. A. G. G. M. P. S. V.

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