

# *An Act to Incorporate The National Fire Assurance Company*

*being a Private Act*

Chapter 52 of the *Statutes of Saskatchewan, 1908*  
(effective June 12, 1908) as amended by the *Statutes of  
Saskatchewan, 1913, c.86.*

## **NOTE:**

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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1908

**CHAPTER 52**

An Act to incorporate the National Fire Assurance Company

(Assented to June 12, 1908)

**Preamble**

WHEREAS Armstrong Dean, James Robinson Cathcart and Percival C. Dean, all of the city of Regina, in the province of Saskatchewan, Paul B. Giles and Charles Buxton, both of the town of Yellowgrass in the said province, have petitioned that they may be incorporated under the name of the "National Fire Assurance Company", for the purposes herein contained;

And whereas it is expedient to grant the prayer of the said petitioners;

Therefore His Majesty by and with the advice and consent of the Legislative Assembly of Saskatchewan enacts as follows:

**Incorporation name, objects**

1 The persons hereinbefore named and all such persons as shall become shareholders of the said company shall be and are hereby constituted and declared to be a body corporate and politic in law and in fact under the name and style of the "National Fire Assurance Company", for effecting insurance against losses by fire, lightning, accidents and casualties and doing all things appertaining thereto or connected therewith and as such to have perpetual succession with a corporate seal and power from time to time to make, alter break or change the same and shall be capable in law of contracting and being contracted with, of suing and being sued, of pleading and being impleaded in any court of law or equity.

1908, c. 52, s. 1.

**Capital stock**

2 The capital stock of the said company shall be two hundred and fifty thousand dollars into twenty-five hundred shares of one hundred dollars each:

Provided that the company may increase its capital stock from time to time to an amount not exceeding \$500,000 by resolution of the directors sanctioned by a two-thirds vote of a general meeting of shareholders duly called for that purpose and by filing with the registrar of joint stock companies a certified copy of such resolution accompanied by such fees as would be required to be paid for the increase of the capital of a company under *The Companies Ordinance*.

1908, c. 52, s. 2.

**Chief place of business**

**3** The chief place of business of the said company shall be in the city of Regina in the province of Saskatchewan but may be changed from time to time to such other place in the province as may be designated by bylaw:

Provided however that such bylaw shall be of no effect until it shall have been duly passed by the board of directors and approved of by the shareholders at an annual general meeting or a special general meeting to be expressly convened for that purpose notice thereof being subsequently given in two consecutive issues of *The Saskatchewan Gazette*.

1908, c. 52, s. 3.

**Provisional directors**

**4** For the purpose of organising the said company the persons named in the preamble to this Act shall be the provisional directors thereof; and they or a majority of them may cause stock books to be opened at the chief place of business of the company and elsewhere at the discretion of the said provisional directors which shall remain open as long as they may deem necessary; and the provisional directors are hereby authorised to receive from the shareholders a deposit of at least ten per cent on the amount of the stock subscribed by them respectively and to pay all costs and expenses incurred in the application for and obtaining this Act of incorporation; brokerage on stock and other necessary expenses in connection with the organisation of the company; so soon as the directors shall have been elected as hereinafter provided the powers and functions of the provisional directors shall cease and determine.

1908, c. 52, s. 4.

**First general meeting/  
Election of board of directors/  
Commencement of business**

**5** When one hundred thousand dollars of the said capital stock shall have been subscribed as aforesaid and ten per cent of the amount so subscribed paid in the provisional directors may call a general meeting of the shareholders at the chief place of business of the company giving fourteen days' notice of the time and place where such meeting is to be held in some newspaper published in the city of Regina and by sending to each shareholder a copy of said notice by letter at which general meeting the shareholder present in person or represented by proxy shall elect in the manner hereinafter provided a board of directors composed of not less than five nor more than nine duly qualified shareholders who shall hold office until their successors are elected and it shall not be lawful for the said company to commence the business of insurance until at least one hundred thousand dollars of its capital stock shall have been subscribed and ten per cent of the amount so subscribed paid in and a board of directors elected as aforesaid.

1908, c. 52, s. 5.

**Deposit to be made with provincial treasurer**

**6** The said company shall before commencing the business of insurance deposit with the provincial treasurer the sum of five thousand dollars and such deposit may be made by the company in cash or in securities of the Dominion of Canada or in securities issued by or guaranteed by any of the provinces of Canada or in municipal or school bonds or debentures or by deposit receipts issued by any

chartered bank in Canada, which said sum shall be held for the benefit of the policy holders of the said company in the said province of Saskatchewan so long as any policies of the said company are outstanding within the said province.

1908, c. 52, s. 6.

**Calls on stock**

**7** The shares of capital stock of the said company subscribed for shall be paid in by such instalments and at such times and places as the directors shall appoint:

Provided no such instalment shall exceed ten per cent and not less than sixty days' notice of any calls upon stock shall be given.

1908, c. 52, s. 7.

**Forfeiture of shares**

**8** If any shareholder shall refuse or neglect to pay any call made upon the share or shares held by him for sixty days after the same shall become payable the board of directors may by resolution declare such share or shares and all amounts previously paid thereon to be forfeited to the said company and the same shall thereupon become so forfeited and may be sold by the directors:

Provided always that in case the money realised from any such sale of shares be more than sufficient to pay all arrears and interest together with the expenses of such sale the surplus of such money shall be paid on demand to the former shareholder and no more shares shall be sold than shall be necessary to pay all arrears due by said shareholder with interest and expenses if sale; provided that in all actions or suits for the recovery of such arrears or calls it shall be sufficient for the company to allege that the defendant being the owner of such shares is indebted to the said company in such sums of money as the calls in arrears amount to for such and so many shares whereby an action has accrued to the company by virtue of this Act, and on the trial in order to establish a *prima facie* case it shall only be necessary to prove that the defendant was owner of the said shares in the company, that said calls were made and that notice was given as directed by this Act, and it shall not be necessary to prove the appointment of the directors who made such calls or any other matter whatsoever than by this section specially required; and any copy or extract of any bylaw, rule, regulation or minute or of any entry in any book of the company certified to be a true copy or extract under the hand of the president or vice president, the manager or secretary of the company and sealed with the corporate seal thereof shall be received in all courts and proceedings as *prima facie* evidence of such bylaw, rule, regulation, minute or entry without any further proof thereof and without proof of the official character or signature of the officer signing the same or of the corporate seal.

1908, c. 52, s. 8.

**Redemption of share before sale**

**9** If payment of such arrears, calls, interest and expenses be made before any share so forfeited shall have been sold such share shall revert to the owner as if the same had been duly paid before the forfeiture thereof.

1908, c. 52, s. 9.

**Transfer of shares**

**10** No transfer of any share of the capital stock of the said company shall be valid until entered in the books of the company according to such form as may be from time to time fixed by the bylaws; and until the whole of the subscribed stock of the company is paid up it shall be necessary to obtain the consent of the directors for the time being to such transfer being made:

Provided always that no shareholder indebted to the company shall be permitted to make a transfer or receive a dividend until such debt is paid or secured to the satisfaction of the directors; and no transfer of stock shall at any time be made until all calls thereon due up to the time of transfer shall have been paid.

1908, c. 52, s. 10.

**Liability of shareholders**

**11** In the event of the property and assets of the said company being insufficient to liquidate its debts, liabilities and engagements the shareholders shall be liable for the deficiency but to no greater extent than the amount of the balance remaining unpaid upon their respective shares in the capital stock.

1908, c. 52, s. 11.

**Annual general meetings**

**12** The annual general meeting of shareholders of the company shall be held at the chief place of business of the company on such day and at such hour as may be appointed by bylaw thirty days' notice of such meeting being given in some newspaper published at or as near as may be to the said chief place of business or in such other manner as may be provided by the bylaws of the company.

1908, c. 52, s. 12.

**Special general meetings**

**13** Special general meetings of the shareholders may be called in such manner as may be provided by the bylaws and by giving not less than fourteen days' notice.

1908, c. 52, s. 13.

**Procedure at general meetings**

**14(1)** At all general meetings of the shareholders of the company the president or in his absence the vice president or in the absence of both of them a director chosen by the shareholders shall preside who in case of an equality of votes shall give the casting vote in addition to his vote as a shareholder.

**(2)** Each shareholder shall be entitled to cast one vote for every share held by him for not less than fourteen days prior to the time of voting and upon which all calls then due shall have been paid; such votes may be given either in person or by proxy but the holder of such proxy must be a shareholder.

**Questions determined**

**(3)** All questions proposed for the consideration of the shareholders shall be determined by the majority of votes.

1908, c. 52, s. 14.

**Directors/Number/Election**

**15(1)** The stock, property and affairs of the company shall be managed and conducted by a board of directors which shall consist of duly qualified shareholders (not less than five nor more than nine as may be provided by the bylaws) who shall be elected at the annual general meeting of the shareholders each year; such election to be by ballot and the requisite number of persons receiving the greatest number of votes at such an election shall be the directors for the ensuing year:

Provided if two or more persons receive an equal number of votes in such a manner that a greater number of persons shall appear to be chosen as directors than are required to constitute the board then the chairman of the meeting shall determine which of the said persons so receiving an equal number of votes shall be the director or directors to complete the board.

**Qualification**

(2) No person shall be eligible to be or continue as a director unless he shall hold in his own name stock in the company to the amount of fifteen shares on which not less than ten per cent shall have been paid and unless all calls on such stock shall have been paid and if he is indebted in any manner to the company.

**President, vice president elected/  
Manager or managing director**

(3) The directors shall as soon as may be after their election and from time to time as circumstances may require elect from among themselves by ballot a president, a vice president, a secretary and treasurer of the company who shall hold office until their successors shall have been elected in like manner; the president, vice president or any director may be appointed manager or managing director of the company.

**Vacancy in directorate**

(4) Any vacancy happening among the directors by death, resignation or disqualification during their term of office shall be filled for the remainder of the term by the remaining directors or the majority of them electing in place of such director or directors a shareholder or shareholders eligible for election as directors.

**Quorum**

(5) At all meetings of directors a majority of the full number of directors of the company shall be a quorum for the transaction of business and all questions before them shall be decided by a majority of votes each director present having one vote and in the case of a tie the chairman of the meeting shall in addition to his own vote give the casting vote.

1908, c. 52, s. 15.

**Case of election of directors not taking place at usual time**

**16** In case it should at any time happen that an election of directors of the said company should not be made on any day when it should have been made under the provisions of the Act the said company shall not thereby be or be deemed to have been dissolved but the directors in office shall so continue until their successors shall have been duly elected.

1908, c. 52, s. 16.

**Powers of directors**

17 Subject to the provisions of this Act the directors shall have full power and authority to make and from time to time to alter such bylaws, rules, regulations and ordinances as shall appear to them proper or needful touching the well ordering of the business of the company, the management and disposition of its stock, property, estate and effects and in all things to administer the affairs of the company and make or cause to be made for the company all contracts into which by law the company can enter; and may from time to time make bylaws regulating the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of stock certificates, the forfeiture of stock for nonpayment, the disposal of such forfeited stock and the proceeds thereof, the transfer of stock, the paying and declaring of dividends, the number and term of service of directors; the appointment, functions, duties and removal of agents, officers and servants of the company, the security to be given by them; their remuneration and that, if any, of the directors, the time and place of annual meetings of the company; the calling of meetings of the board or of committee of directors and meetings of the company, the requirements as to proxies, the procedure in all things at meetings; the imposition and recovery of all penalties and forfeitures admitting of regulation by bylaw and the conduct and management in all other particulars of the affairs of the company; and may from time to time repeal, amend or re-enact the same:

Provided always that all such bylaws made by the directors as aforesaid shall only be valid and binding until the next annual general meeting of shareholders unless they are the approved by such meeting and shall thereafter have force and effect as so approved or modified at such meeting until amended or altered.

1908, c. 52, s. 17.

**Powers of company**

18 The company shall have power to make and effect contracts of insurance with any person or persons or bodies politic or corporate against any loss or damage by fire or lightning on any houses, stores or other buildings whatsoever and on any shipping or vessels whatsoever or whithersoever proceeding against loss or damage by fire and in like manner on any goods, chattels or personal estate whatsoever for such time or times and for such premiums or considerations and under such modifications or restrictions and upon such conditions as may be bargained or agreed upon or set forth by and between the company and the person or persons insured or to be insured; and to cause themselves to be reinsured against any loss or risk that they may have incurred in the course of the business; and generally to do and perform all other necessary matters and things connected with and proper to promote the objects for which said company is incorporated; and all policies or contracts issued or entered into by said company shall be under the seal of the said company and shall be signed by the president or vice president and countersigned by the manager or secretary or otherwise as may be directed by the bylaws, rules and regulations of the company and being so sealed, signed and countersigned shall be deemed valid and binding upon the company according to the tenor and meaning thereof.

(2) The said company shall in like manner have power and authority to make and effect contracts of insurance against all accidents or casualties of whatsoever nature and from whatsoever cause arising whereby the insured or his property may suffer loss, damage or injury or be disabled or in the case of the death of any person insured from any accident to secure to his representative the payment of a sum of money; and to insure and guarantee the safe transit and delivery of any money, goods, chattels or effects.

(3) The said company shall in like manner have power and authority to make and effect contracts of insurance with any person or persons or bodies politic or corporate against loss of or damage to crops growing or to be grown, buildings or chattels by reason of hail, rain or wind or against loss of or damage to any live stock or animals by reason of death, sickness, disease or accident.

1908, c. 52, s. 18; 1913, c.86, s.1.

**Realty**

**19** The company shall have power to acquire and hold real estate for the purpose of its business within this province of an annual value not exceeding five thousand dollars and to sell and dispose of the same and acquire other property in its place as may be deemed expedient and further to take, hold and acquire all such lands and tenements, real or personal estate as shall have been *bona fide* mortgaged to it by way of security or conveyed to it in satisfaction of debts previously contracted in the course of its business or purchased at sales upon judgment which shall have been obtained for such debts or purchased for the purpose of avoiding a loss to the company in respect thereof, or of the owner thereof, and to retain the same for a period not exceeding five years from the acquisition thereof; and the company may invest its funds or any part thereof in any of the public securities of the Dominion of Canada or any of the provinces thereof or in the stocks of any bank or in the bonds or debentures of any incorporated city, town, municipality or school district authorised to issue bonds or debentures or in any mortgages or loans upon real estate or in real estate.

1908, c. 52, s. 19.

**Amalgamation**

**20(1)** The company shall have power to amalgamate with or purchase the business of any other insurance company or to sell out and dispose of the business of the company to any other such company upon such terms and conditions as may be agreed upon and as shall not impair the resource or remedy of any creditor or policy holder of the company but before the completion of any such amalgamation, purchase or sale the same must be approved of by a two-thirds vote of the shareholders at an annual general meeting or a special meeting called for the purpose.

**Power to acquire stock or in similar company**

(2) The company shall have power to take, purchase or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as directly or indirectly to benefit this company; to enter into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise with any company carrying on or engaged in any insurance business.

1908, c. 52, s. 20; 1913, c. 86, s.2.

**Annual report to shareholders**

**21** The directors shall cause to be prepared and submitted to the shareholders at each annual general meeting a full and correct statement of the accounts of the company, a general abstract of the estimated liabilities and assets of the company and a list of shareholders showing the amount of stock held and the amount unpaid thereon respectively.

1908, c. 52, s. 21.

**Auditors**

**22** One or more auditors shall be appointed by the shareholders at each annual general meeting whose report shall be embodied in the general statement of affairs of the company submitted to the shareholders as provided in the next preceding section.

1908, c. 52, s. 22.

**Company subject to general insurance laws**

**23** This Act and the company hereby incorporated and the exercise of the powers hereby conferred shall be subject to any general laws in force or that may hereafter be in force in the province respecting insurance companies.

1908, c. 52, s. 23.

**Returns**

**24** The company shall furnish all such returns as may be called for from time to time by the provincial secretary.

1908, c. 52, s. 24.

**Change of name**

**25** The company with the sanction of a special resolution of the company and with the approval of the superintendent of insurance may change its name; no such alteration of name shall affect any rights or obligations of the company or render defective any legal proceedings instituted or to be instituted by or against the company, and any legal proceedings may be continued or commenced against the company by its new name that might have been continued or commenced against the company by its former name.

1913, c. 86, s. 3.