



ANNO VICESIMO-SECUNDO

VICTORIÆ REGINÆ.

CAP. XIII.

AN ACT to Incorporate sundry Persons by the name of the "Newfoundland Fire Insurance Company."

[Passed 20th April, 1859.]

WHEREAS the establishment of a Company at St. John's for Preamble.
Insuring, against loss or damage by Fire, Buildings, Erections, Ships in Harbor or on the Stocks, Merchandize, Household Furniture, Farming Stock, and other property, is desirable; and whereas the several persons hereinafter named, with others, have entered into a subscription to raise in Shares such sum as may be sufficient for a joint stock or fund for the said purpose, and have prayed to be Incorporated:

Be it therefore enacted, by the Governor, Legislative Council, and Assembly, in Legislative Session convened, and by the authority of the same, as follows:

That Walter Grieve, John MacGregor, Eugenius Harvey, John Fox, Henry K. Dickenson, Samuel Carson, Hugh W. Hoyles, Robert Pack, John Munn, William Donnelly, W. H. Ridley, Philip Duggan, William F. Wilson, Robert Brown, John W. Smith, Edward Morris, John Kent, Charles Simms, Nicholas Stabb, Nicholas Mudge, Gustav Ehlers, Robert H. Prowse, Alan Goodridge, William Kelligrew, Jeffery Lash, George Lash, Robert L. Muir, Thomas Avery, Edward St. John, Denis V. Reardon, Nathan R. Vail, John Power, James Shannon Clift, Robert Hunt, John Little, William V. Whiteway,

Walter Grieve and others incorporated by the name of the "Newfoundland Fire Insurance Company."

Matthew W. Walbank, Richard O'Dwyer, Ambrose Shea, Charles H. Renouf, Peter G. Tessier, John Boyd, James O. Fraser, John Kavanagh, and Edward L. Jarvis, and all such other persons as may hereafter become Stockholders in the said Company, their respective successors, executors, administrators and assigns, shall be and they are hereby united into a Company, and declared to be a body politic and corporate, by the name of the "Newfoundland Fire Insurance Company," and by that name shall have perpetual succession and a common seal, with power to alter the same, and by that name also shall and may sue and be sued, plead and be impleaded, at Law or in Equity; and also shall and may, from time to time, and at all times, have full power and authority to ordain, make and establish, all such Rules and Bye-laws, and to do and perform all such other acts, deeds, matters and things whatsoever, as may be necessary for the good government and management of the business of the said Corporation, and as to them as such body politic and corporate shall appertain to do; Provided always, that such Rules and Bye-laws shall not be inconsistent with the true intent and meaning of this Act, nor repugnant to the laws of the Colony.

Capital £100,000, in
2,000 Shares of £5
each.

Shares, how payable.

Profits, how disposed
of.

Governor in Council
to appoint Commis-
sioners. Duties of
Commissioners.

II. That the capital or the joint stock of the said Corporation shall consist of the sum of One Hundred Thousand Pounds, in Two Thousand Shares of Fifty Pounds currency each, to be paid in dollars at Five Shillings each, or in other coins of equivalent values,—payable as follows: Five Pounds per share upon One Thousand Shares within twelve calendar months after the passing of this Act; Five Pounds per share upon the remaining One Thousand Shares, from time to time as the same may be taken up; and the remaining Forty-five Pounds per share upon either or both the first and second thousand shares to be paid to the Trustees or Directors of the Company, for the time being, in such proportions and at such times as shall be determined by any general meeting or meetings of the proprietors; Provided always, that no one call shall exceed the sum of five pounds per share, and that a notice of thirty days shall be given to each Shareholder, his Executors, Administrators and Assigns, of such call: That all the profits of the Company, after paying all losses and current expenses, shall constitute a reserved fund until such fund, together with the payments advanced by the proprietors on account of their shares, amount to Twenty-five Thousand Pounds, after which the Directors shall be at liberty to declare and pay dividends not exceeding six per centum per annum upon all the reserved funds of the Company, until the said funds shall amount to One Hundred Thousand Pounds, whereby the whole capital of the Company shall be paid up, and after which the full annual profits may be divided: That His Excellency the Governor or Administrator of the Government, for the time being, is hereby authorized, by and with the advice of Her Majesty's Council, to appoint Commissioners, not being Stockholders, whose duty it shall be to examine and certify to His Excellency that the Five Pounds per centum on one moiety of said Capital Stock are in the vaults or office of the said Corporation or in an incorporated Bank of Newfoundland, and also to ascertain by the oath of the Secretary or Agent (which oath any one of Her Majesty's Justices of the Peace for the District of St. John's is hereby authorised to administer) that the aforesaid deposit on the Capital Stock of the Corporation has been paid in by the Stockholders towards the payment of their respective shares, and not for any other purpose whatsoever.

III. That all subscribers for Stock or Shares in the said Corporation shall, previous to the day of the first general meeting of the members and shareholders of the said Corporation, to be called as hereafter mentioned, pay into the hands of such person or persons as the persons mentioned by name in and by the first section of this Act, or the major part of them, may direct, a deposit of Ten Shillings upon each Share subscribed for by the Shareholders respectively; and the said deposit shall be taken and allowed to every subscriber who shall pay the same, as part and parcel of the first instalment of Five Pounds per Share required to be paid in under and by virtue of this Act; and no subscriber shall, upon any pretence whatsoever, vote at the first general meeting of the Company in respect of any Share or Shares upon which he shall not have paid the said deposit,—all which deposits shall be forfeited to the Company in every instance in which any Shareholder or Shareholders shall refuse to comply with the further requirements of this Act.

Deposit on shares, when and how payable.

IV. That so soon after the passing of this Act as One Thousand Shares shall be subscribed, and Ten Shillings upon each Share paid as aforesaid, it shall be lawful for any five of the persons named in the first section of this Act to call a general meeting of the Shareholders, to be held at St. John's, fourteen days' notice thereof having been given in two or more of the Public Newspapers published there, for the purpose of making, ordaining, and establishing such bye-laws, ordinances, and regulations, for the good order and management of the affairs of the said Corporation, as they shall deem necessary, and also for the purpose of choosing, by ballot, nine Directors, being Members and Shareholders, holding not less than Ten Shares each in the said Corporation, which Directors shall, as soon thereafter as may be convenient, meet together and choose by ballot, out of their number, a President, and shall also at the same time, or at any future meeting, appoint a Secretary, and so many and such other officers, clerks, servants, and agents, for carrying on the said business, as they shall deem requisite and necessary, and shall at the same time, or at any future meeting, accept and receive what remains due of the first instalment of Five Pounds on each Shareholder's or Subscriber's share or subscription, and shall take from such subscribers severally their individual or joint bonds or such other securities for the remainder of their subscription as they (the said Directors) shall think meet and advisable, and shall commence the operations of the said Insurance Company, subject to the rules and regulations as hereinafter provided, and shall continue to serve as Directors aforesaid until the first annual meeting for the choice of Directors, as herein-after provided, or until others are chosen in their room.

When a general meeting of the Company may be had, and by whom called.

For what purposes meeting to be holden.

V. That there shall be a General Annual Meeting of the Shareholders and Members of the said Corporation held on the Third Thursday in January in each and every year after the present year One Thousand Eight Hundred and Fifty Nine, at St. John's, which meeting may be continued from day to day by adjournment, and at which Annual Meeting the Shareholders then present, or represented by proxy, shall first elect by ballot Five Directors for the ensuing year out of the Nine Directors who shall have served for the preceding year, of which Five Directors the President shall always be one (subject nevertheless to removal from his said office of President in manner hereinafter provided); and the said Shareholders shall then elect by ballot Four other Directors from the Shareholders of the Company, qualified to become Directors: Provided always, that it shall be competent for the said Shareholders to re-elect the Four persons who were Directors

Annual Meeting to be held in each year on the third Thursday in January.

Objects of Meeting.

for the preceding year, if they shall think fit to do so; and at the Annual Meeting to be held at the time aforesaid, the Directors shall lay before the Shareholders, in duplicate, an exact and particular statement of the affairs of the Company to the last day of December then preceding, showing its debts, the particulars of its current risks and other liabilities, and its assets; which statement shall be transmitted in duplicate to the Executive of the Colony for the information of His Excellency the Governor and the Legislature.

Powers of Directors.

VI. That the Directors for the time being of the said Corporation shall have power to transact all business appertaining to a Fire Insurance Company, and to do and execute all the matters and things contained in the preceding sections of this Act as far as the same may be left unexecuted by the Directors therein mentioned, and they shall manage the whole concerns of the said Corporation, agreeably to this Act, and such Bye-Laws, Rules and Regulations as the Shareholders and Members thereof may from time to time establish, and also do and execute all other matters and things that may be necessary and requisite for the benefit of the said Corporation; and also shall have power to appoint and remove at pleasure a Secretary and such other Officers, Clerks and Agents, as they or the major part of them shall think necessary for executing the business of the said Corporation; and shall allow the said Secretary, Officers and Clerks, Agents and Servants, such compensation for their respective services as to them the said Directors shall appear reasonable and proper, subject to the approval of the Stockholders; all which, together with the expenses of buildings, house or office rent, and other contingencies, shall be defrayed out of the funds of the said Corporation; and it shall be competent for the Directors, by resolution to be made from time to time at any meeting of their Board, to authorize such of the officers of the said Company as they may approve of, to accept risks, fix the rates of Insurance, and transact any other business of the Company.

Three Directors to constitute Board for the transaction of Business.

VII. That not less than Three Directors shall constitute a Board for the transaction of business, of which the President shall always be one, except in case of sickness or necessary absence, in which case the Directors present may choose one of their Board as a Chairman for the time being; that all questions relating to any business to be transacted at the Board shall be decided by a majority of the votes of the Directors then present; and that no Director shall have more than one vote except the President or Chairman so chosen as aforesaid, who shall vote at the Board as a Director and shall also have a casting vote in all questions when the votes shall happen to be equal.

Questions how decided by Board, and number of votes of each member of Board.

Qualification of Directors.

VIII. That no person shall be eligible as a Director unless such person is a Shareholder, and holds not less than Ten Shares of the Capital Stock of the said Corporation in his own right; and in case the President or any other Director should disqualify himself by the sale, disposal or transfer of his Shares, or any of them, so as to reduce his interest in the said Capital Stock to less than the Ten Shares required for the qualification of a Director, or in case of the removal of the President, or any other Director, by the Shareholders, for misconduct or mal-administration, or in case of any vacancy among the Directors by death, resignation, or absence from the Colony for three months, the said Directors for the time being shall and may, if they shall think fit, fill up each and every such vacancy by choosing one of

Mode of filling up vacancy in Directorship.

the Shareholders, duly qualified, and the person so chosen shall serve until another be chosen in his room. And each Director shall be entitled to receive reasonable compensation, not exceeding Seven Shillings and Sixpence currency, for each day's attendance at the meetings of the Board.

IX. That on every occasion when, in conformity with the provisions of this Act, the votes of the Shareholders are to be given, every Shareholder may vote by proxy, provided such proxy be a Shareholder, and produces a sufficient authority in writing from his constituent or constituents so to act; that all questions be decided by a majority of the votes of all the Shareholders then present or represented by proxy; and that the number of votes which each Shareholder shall be entitled to give, shall be one vote for each Share he may hold in the Capital Stock of the said Corporation; provided that no Shareholder shall be allowed to give more than One Hundred and Fifty Votes upon any question, either in respect of his own Shares or in respect of any proxy or proxies of which he may be the holder.

When Shareholders may vote by proxy.

Number of votes each Shareholder entitled to.

X. That so soon as one half of the Capital Stock of the said Company shall have been subscribed, and instalments amounting to Five Thousand Pounds shall have been actually paid in manner and form as is hereinbefore provided, and good and satisfactory security for the sum of Forty-five Thousand Pounds of the said subscribed Stock shall have been given on account of the subscriptions to the said Capital Stock, notice thereof shall be given in two or more of the Newspapers published in this Colony, and the Directors shall commence with the business and operations of the said Corporation: Provided always, that no Insurance shall be effected, nor shall any policy be assigned in manner hereinafter provided, until the said sum of Five Thousand Pounds shall be actually paid in and received on account of the subscriptions to the Capital Stock of the said Corporation.

When Directors may commence with the business and operations of the Company.

XI. That the said Corporation shall have power and authority to make Insurance against loss or damage by fire, on houses or other buildings and erections, ships in harbor, in dock or on the stocks, merchandize, household furniture, farming stock and other property, and to fix the premiums, rates, provisions, and terms of payment; and all policies of Insurance made by the said Corporation shall be subscribed by the President, or in case of his death, absence, sickness, or inability, by any two of the Directors, and shall be countersigned by the Secretary of the said Corporation; or in case of the absence, sickness, or inability of the said Secretary, then by such person or persons as the Directors, or a majority of them, may appoint to act in his stead, and shall be binding and obligatory on the said Corporation; and that all losses duly arising under any policy so subscribed and countersigned, shall and may be adjusted and settled by the Board of Directors, and the same shall be binding on the said Corporation, and shall be paid to the assured within Sixty days after such adjustment: Provided always that until the paid-up capital and reserved funds of the Company shall together amount to Fifty Thousand Pounds, the said Directors shall not in any case make Insurance on any single risk of any one building or tenement and its contents, not being separated by fire-proof walls from adjoining erections, exceeding Five Thousand Pounds.

Powers of Corporation in matters of Insurance.

By whom policies of Insurance subscribed

By whom losses to be adjusted.

Risk exceeding £5000 not to be taken by Corporation until capital and reserved fund shall amount to £50,000.

XII. That the paid-up portion of the Capital Stock of the said Corporation collected in manner hereinbefore provided, shall be by the said Di-

Mode of investing paid-up capital.

rectors invested in such public funds, or loaned to and invested on the security of such public or corporate bodies or associations or joint stock companies, as may by the said Directors be deemed advisable; and in the event of there being no public funds, or public or corporate bodies or associations, or joint stock companies, to which the same can be advantageously lent and disposed of, or in which the same can be safely invested, then it shall and may be lawful for the said Directors, or a majority of them, to apply the same and dispose thereof by letting the same out at interest upon the security of lands, or upon other security, as they may think fit: Provided that no loan of the Capital Stock at any time to be created under the provisions of this Act, or any part thereof, shall be made directly or indirectly to any officer or director of the said company, or to his partner in business, nor shall any such director or officer be a party to any security for any such loan; and no Shareholder to whom any part of the said Capital Stock shall have been lent shall be eligible as a director or officer while the loan continues.

To whom loans shall not be made.

Mode of investing profits, rents, and premiums.

XIII. That it shall and may be lawful to and for the Directors of the said Corporation to use, apply, and dispose of the monies arising in the course of the dealings of the said Corporation, and all the profits, rents, premiums, and interest thereof, by letting the same out at interest, upon either the security of lands, or other property, or otherwise as the Directors thereof may think fit, anything contained in this Act to the contrary notwithstanding. And the restrictions, as to loans to Directors and Officers, and to the eligibility, as Directors and Officers, of Shareholders to whom money may have been loaned, which are contained in the last preceding section, with regard to the Capital Stock, shall extend and apply in all respects to any loans of money to be made by virtue of this section, in like manner as if the same were repeated herein. Provided always, that nothing herein contained shall be so construed as to prevent any Director's note from being received in the same manner as the note of any other Shareholder, by the said Corporation, on account of any premium for a policy of insurance granted on behalf of such Director, as a party assured, either on his individual account, or as agent for others.

Director's vote may be received in the same manner as any other shareholder's.

Corporation not to buy or sell Goods, Wares, or Merchandise.

May hold any Ships, Houses, &c., abandoned by reason of fire.

XIV. That the said Corporation shall not directly or indirectly deal or trade in buying or selling any Goods, Wares, Merchandise, or Commodities whatsoever. Provided, nevertheless, that it shall be lawful for the said Corporation to take, receive, hold, possess and enjoy, any Ships, Houses, Goods, Merchandise, Chattels or Commodities whatsoever, which shall have been abandoned to the said Corporation, by reason of any Loss or Damage by Fire having accrued to the same, and shall and may sell and dispose of the same at such time or times, and in such manner, as to the said Directors for the time being shall seem expedient.

Shares; how assignable.

XV. The Shares of the said Corporation shall be personal property and assignable and transmissible under and subject to such bye-laws as may be made in that behalf; but no transfer shall be valid or effectual unless the same shall first have been approved by the Board of Directors, nor until the party transferring shall have discharged all his liabilities actually due to the Company,—nor until such assignment shall have been duly registered in a book to be kept for that purpose by the Company; no fractional part of a Share shall be assignable, and whenever a holder shall have assigned all his Shares, he shall cease to be a member of the Company.

XVI. The Shares of the said Corporation shall be subject to Attachment and Execution, as other personal property, by placing a Warrant of Attachment in the hands of the President, Vice-President, or Secretary of the Corporation, but such Attachment shall not bind any share except for the amount or value thereof beyond the existing liabilities of the holder to the Company, whether the same be direct or collateral, or payable then or at any future time. For the purpose of ascertaining the interest of any holder in his Shares, any Officer of the Company may be examined before the Court or a Judge, as in ordinary cases of attachment; and upon the production of a bill of sale of such Shares from the Sheriff, or of a rule of Court or Judge's order requiring them to do so, and upon payment of or security for the amount of such liabilities as aforesaid, the Directors shall register an assignment to the purchaser of such Shares by operation of Law, and such assignment shall be valid and effectual to all intents and purposes.

Shares subject to attachment and execution.

Mode of attaching and ascertaining interest on shares attached.

XVII. That in case of any loss or losses taking place which shall be equal to the capital stock of the said Corporation, and the President and Directors, after knowing of such loss or losses taking place, shall make any further policy of Insurance, they and their Estates, jointly and severally, shall be accountable for the amount of any and every loss which shall take place under such policy or policies so made.

Liability of Directors on making Insurance where losses equal to the Capital Stock of the Corporation has taken place.

XVIII. That the shareholders of the said Corporation shall be individually liable for the payment of the debts and engagements of the said Corporation to an amount equal only to that of the Stock owned by them respectively: Provided nothing herein contained shall be construed to exempt the Joint Stock of the said Corporation from being liable for and chargeable with the debts and engagements of the same.

Liability of Shareholders.

XIX. That all bonds and other securities, of what nature or kind soever, taken for the payment of the residue of the capital stock as is hereinbefore directed, shall, from time to time, be revived or changed, and other and further security or securities for the same be given as is provided in and by the fourth section of this Act; and in case of any refusal or delay to renew or change any such security or securities, or to give and grant other and further security or securities therefor, to the satisfaction of the said Directors, or a majority thereof, within thirty days after notice thereof given, then and in such case it shall and may be lawful for the said Directors, or a majority of them, to cause such proceedings, both in law or equity, or either, as may be deemed requisite, to be taken for the recovery of the amount of such several and respective securities, or it shall and may be lawful to and for the said Directors, or a majority of them, if they shall think fit, to declare the shares in the capital stock of the said Corporation for the amount of the residue of which such security or securities shall have been given, forfeited to the said Corporation, together with all deposits, instalments, interests, profits, or dividends thereto belonging or appertaining; and that such stock so forfeited shall be sold by public auction for and on account of the said Corporation, and the purchaser or purchasers thereof shall give security or securities for the payment of the amount due by the said Corporation on account of such forfeited shares at the time of such forfeiture, as is hereinbefore provided, and shall likewise be subject to all the provisions of this Act, anything herein contained to the contrary notwithstanding.

Course to be adopted by Directors where Bonds or other securities not paid or renewed.

Books, papers, correspondence, &c., subject to the inspection of the Directors.

XX. That the books, papers, correspondence, and all other matters and things belonging to the said Corporation, shall at all times be subject to the inspection of the Directors, or any of them ; but no shareholder, not a director, shall inspect the account of any individual or corporate body with the said Corporation, unless at any general or special meeting of the shareholders.

Joint Committee of Legislature to have free access to books and accounts of the Corporation.

XXI. That any joint committee hereafter to be appointed by the Honorable the Legislative Council and House of Assembly, for the purpose of examining into the proceedings of the Corporation, shall, either during the session or prorogation of the General Assembly, have free access to all the books and accounts of the same.

Number of Shareholders who may call a general meeting.

XXII. That any number of shareholders not less than twenty, who together, shall be proprietors of four hundred shares, shall have power at any time, by themselves or their proxies, to call a general meeting of the shareholders (at all which general meetings fifteen shareholders present shall constitute a quorum) for any purpose relative to the business of the said Corporation, other than a dissolution thereof, giving at least thirty days' notice in two of the Newspapers published in this Colony, and specifying in such notice the time and place of such meeting, with the objects thereof ; and the Directors, or any five of them, shall have the like power, at any time, upon observing the like formalities, to call a general meeting as aforesaid.

Objects of meeting.

Number of Shareholders who may call a general meeting to dissolve the Corporation.

XXIII. That any number of shareholders, not less than thirty, who together, shall be proprietors of two-thirds of the whole subscribed stock in the capital of the said Corporation, shall have the power at any time, by themselves or their proxies, to call a general meeting of the shareholders, for the purpose of taking into consideration the propriety of dissolving the said Corporation, giving at least three months' previous notice in two or more of the Newspapers published in this Colony, and specifying in such notice the time and place of such meeting, with the object thereof ; and should it be agreed upon at such meeting that the said Corporation should be dissolved, such shareholders are hereby authorised and empowered to take all legal and necessary ways and means to dissolve the said Corporation ; and upon such or any other dissolution of the said Corporation, the Directors then in office shall take immediate and effectual measures for the closing all the concerns of the said Corporation, and for dividing the capital and profits which may remain among the shareholders in proportion to their respective shares.

Three months notice to be given of such meeting in two of the Newspapers published in the colony.