



CHAPTER xv.

An Act to extend the objects of and confer further powers on the North British and Mercantile Insurance Company and to amend in divers respects the Acts relating to the Company. A.D. 1892.
[20th May 1892.]

WHEREAS the North British Insurance Company were established as a fire and life insurance company by articles of copartnership dated the 2nd day of November 1809 and subsequent dates and were incorporated by the name of the North British Insurance Company by Royal Charter dated the 6th day of February 1824:

And whereas by a supplementary contract of copartnership or deed of accession and agreement dated the 4th day of May 1824 and subsequent dates the purchasers of new stock of the said incorporated Company became shareholders or members of the said incorporated Company:

And whereas by the North British Insurance Company's Act 1860 (herein-after called "the Act of 1860") power was granted to extend the business of the Company to the East Indies and to Her Majesty's colonies and dependencies and to foreign countries and states and the powers of the directors with reference to the investment of the funds of the Company and otherwise were amended and extended:

And whereas by the North British and Mercantile Insurance Company's Act 1862 (herein-after called "the Act of 1862") the business of the Mercantile Fire Insurance Company was transferred to the said incorporated Company the two companies virtually amalgamated and the name of the amalgamated companies changed to that of the North British and Mercantile Insurance Company (herein-after called "the Corporation"):

A.D. 1892.

And whereas by the North British and Mercantile Insurance Company's Act 1870 (herein-after called "the Act of 1870") the funds of the life department and of the fire department of the Corporation were defined and separated and the Acts of 1860 and 1862 were in various respects amended :

And whereas by the North British and Mercantile Insurance Company's Act 1882 the then existing capital of the Corporation was divided into 80,000 shares each of the nominal amount of £25 and various provisions were made with respect to directors the chairman of the general court the votes of shareholders the investment of funds and other matters :

And whereas under the powers of the North British and Mercantile Insurance Company's (Scottish Provincial Transfer) Act 1889 the business and undertaking of the Scottish Provincial Assurance Company have been transferred to the Corporation :

And whereas the capital of the Corporation is now three million pounds divided into 120,000 shares each of the nominal amount of £25 and of those shares 110,000 have been issued :

And whereas it has become expedient to extend the objects and business of the Corporation :

And whereas it is also expedient to authorise the appointment of a managing director or directors and to make such other amendments of the recited Acts and such other new provisions as this Act contains :

And whereas a copy of the Bill for this Act accompanied by a circular letter explanatory of its main objects was sent to all the members of the Corporation and 3,214 members representing 100,472 shares out of the total number of 110,000 shares have intimated their formal assent to the provisions of this Act and 31 members representing 1,715 shares have neither assented nor dissented and no reply has been received from 130 members representing 3,578 shares and 6 members representing 731 shares have expressed dissent and a special circular has been sent to such dissentients but none of them have appeared to raise any further objection to the Bill And the remaining shares are standing in the names of persons who are either dead or abroad or unable through illness to attend to business :

And whereas the objects of this Act cannot be attained without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen's most Excellent Majesty by and with

the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows (that is to say) :— A.D. 1892.
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1. This Act may be cited as the North British and Mercantile Insurance Company's Act 1892. Short title.

2. The object and business of the Corporation shall in addition to the object and business specified in the Act of 1860 (section 4) and without prejudice to the provisions of that section comprise— Extension of
object and
business.

(i.) Making or effecting insurances against loss of or damage to property of any description in transit by land or by water whether by fire or otherwise ;

(ii.) Making or effecting insurances against loss or damage either to property or person by reason of burglary theft seizure storm tempest violence hail flood or accident of any description whether on land or water ;

(iii.) Contracting with leaseholders borrowers lenders annuitants and others for the establishment accumulation provision and payment of sinking funds redemption funds depreciation funds renewal funds endowment funds and any other special funds and that in consideration either of a lump sum or of an annual premium or otherwise and generally on such terms and conditions as may be agreed ;

(iv.) Acquiring and taking over the assets and business of any company which is for the time being carrying on either in or out of the United Kingdom business of a description similar to that for the time being carried on by the Corporation and undertaking and performing any contracts and discharging any liabilities of any such company as aforesaid :

And the Corporation may do all or any of the things authorised by the Act of 1860 (section 4) and this Act through any corporation company or persons as agents for the Corporation or as agents for any other corporation company or persons and may do all such other things as are incidental or conducive to the attainment of the above objects or any of them :

Provided always that any insurance under the provisions of this Act against loss of or damage to property of any description in transit on the high seas shall be made or effected only where the same property has been or is about to be insured by the Corporation against loss or damage by fire :

A.D. 1892.

Provided also that any insurance under the provisions of this Act against accident to a person shall be made or effected only where an insurance has been or is about to be effected by the Corporation on the life of the same person.

Powers as to formation of company in the United Kingdom or elsewhere in connexion with business of Corporation.

3. For the purpose of carrying on any business which the Corporation are for the time being authorised to carry on the Corporation may form or assist in forming any company in the United Kingdom or elsewhere and may purchase acquire hold and dispose of shares or otherwise acquire a partnership interest in any now or hereafter existing company but as regards companies domiciled elsewhere than in the United Kingdom in accordance with the laws of the dominions colonies dependencies countries or states respectively in which such companies are domiciled and may guarantee dividends or interest on the shares or stock of any such company and may guarantee the fulfilment of all or any of the contracts and obligations of any such company but in every case arrangements shall be made for securing to the Corporation the control and management of the business of such company Provided that the liability of the holders of shares in any such company must be limited.

Power to appoint managing directors.

4.—(1) The Edinburgh Board and the London Board respectively may if they think fit appoint one of the members of such board to act as managing director in respect of all or any of the business and matters within the province and authority of such board.

(2) A director so appointed shall be called "managing director" and his appointment as such may be at any time recalled by the board appointing him.

(3) A managing director shall have exercise and perform such powers functions and duties as may be delegated to him by the board appointing him.

(4) The salary or remuneration received by a managing director shall be fixed by the board appointing him and may be either in addition to or in lieu of the remuneration to which he is entitled as an ordinary director.

(5) A managing director shall cease to hold office as such on ceasing to be a member of the board which appointed him.

Time for registering memorials of names of shareholders enlarged.

5. Section 12 of the Act of 1860 shall be read and have effect as if the words "fifty-six days" were therein substituted for the words "twenty-one days."

6. Section 13 of the Act of 1860 is hereby repealed from and inclusive of the words "and no assignation or transfer" to the end of the section and in lieu thereof it is hereby enacted that—
- (1) The registration of transfers shall be suspended and the transfer books closed during the twenty-one days immediately preceding the day appointed for payment of any half-yearly dividend ;
- (2) Any transfer made during the time the transfer books are so closed shall as between the Corporation and the parties claiming under such transfer but not otherwise be considered as made subsequently to the day so appointed.
7. Section 16 of the Act of 1870 shall be read and have effect as if in place of the words "March or April" the words "March April May or June" were inserted.
8. Section 25 of the Act of 1882 shall be read and have effect as if in place of the word "eighty" the word "forty" were inserted.
9. In the event of the illness absence or incapacity to act of the registrar appointed under section 36 of the Act of 1882 the functions and duties mentioned in that section shall be performed by such officer of the Corporation as the general court may by any general or special resolution direct.
10. Notwithstanding anything in section 46 of the Act of 1882 it shall not be requisite to attach the seal of the Corporation to annuity bonds but annuity bonds shall be valid and effectual if executed in manner provided for execution of policies of insurance under sections 8 and 9 of the Act of 1870.
- 11.—(1) Any dividend may be paid in the case of joint holders of shares to that one whose name stands first in the register of shareholders.
- (2) Dividend warrants and cheques in payment of dividend may be sent through the post to the registered address of the shareholder or in the case of joint holders to the registered address of that one whose name stands first in the register of shareholders.
- (3) Every dividend warrant so sent by post shall be deemed a cheque and the Corporation shall in relation thereto be deemed a banker within the Bills of Exchange Act 1882.
- 12.—(1) If any life policy granted by the Corporation before or after the passing of this Act shall at any time become void or

A.D. 1892.

Closing
transfer
books.

Date of
general
meeting.

Reduction of
qualification
of directors.

Case of
illness &c.
of registrar.

Amendment
of section 46
of Act of
1882 as to
use of seal.

Dividend
warrants by
post.

Policies in
danger of
becoming
void.

A.D. 1892.

shall in the opinion of the Edinburgh Board or of the London Board be in danger of becoming void through nonpayment of a premium the Edinburgh Board or the London Board may if they see fit on the application of any person interested in such policy and subject as herein-after provided declare that the policy instead of being or becoming void is revived or continued in force either for the whole amount or only for a reduced amount and either for the whole period thereof or for a limited period and that any unpaid premium or premiums together with compound interest thereon at a rate not exceeding five pounds per centum per annum are created a charge on the policy and may be deducted by the Corporation from the sum payable by them on the policy falling due and that any bonus or bonuses on the policy have been or may be applied by the Corporation in or towards payment of premiums which have become or may become due and the Edinburgh Board or the London Board may make any one or more of such declarations as they may see fit and such declaration or declarations when endorsed on the policy shall be binding on all persons having or claiming interest therein.

(2) Where the holder of any policy is one of the persons described in section 7 of the Lands Clauses Consolidation Act 1845 or in section 7 of the Lands Clauses Consolidation (Scotland) Act 1845 and by such Act enabled to sell land thereunder that person may make applications to and may if required by the Edinburgh Board or by the London Board and subject as herein-after provided enter into or consent to any agreement under this section as if he were the absolute owner of the policy.

(3) Where any policy has been assigned and notice of the assignment has been given to the Corporation it shall be the duty of the Edinburgh Board or of the London Board on receiving any application under this section to give notice thereof as soon as may be reasonably practicable to the assignee by sending a registered letter to him at his last known address and no such declaration or agreement as aforesaid shall be made until the expiration of fourteen days after the posting of such registered letter.

Corporation
not exempt
from pro-
visions of
future gene-
ral Acts.

13. Nothing in this Act contained shall exempt the Corporation from the provisions of the Life Assurance Companies Acts 1870 to 1872 or of any general Act passed during the present or any future session of Parliament and affecting insurance companies formed previously to the passing thereof.

14. The recited contract and supplementary contract of copartnery and Royal Charter and Acts of Parliament of the Corporation respectively so far as the same respectively were immediately before the passing of this Act in force and except only so far as any of the articles clauses or provisions thereof are altered by or repugnant to or inconsistent with any of the provisions of this Act shall respectively be and continue in full force and effect.

A.D. 1892.
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Contracts of
copartnery
and Royal
Charter and
Acts to
remain in
force.

15. All costs charges and expenses preliminary to and of and incidental to preparing and passing this Act shall be paid by the Corporation.

Expenses of
Act.

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