



CHAPTER cxlii.

An Act to authorise the Scottish Provincial Assurance Company to transfer their Undertaking to the North British and Mercantile Insurance Company; to provide for the consideration for such transfer; and for other purposes. A.D. 1889.
[12th August 1889.]

WHEREAS the Scottish Provincial Assurance Company (herein-after called the Scottish Provincial Company) and the North British and Mercantile Insurance Company (herein-after called the North British and Mercantile Company) are respectively companies established for and are now engaged in the transaction of fire and life assurance business :

And whereas the Scottish Provincial Company is constituted and governed by a contract of co-partnery dated the twenty-third day of November one thousand eight hundred and twenty-five and various subsequent dates and by an Act passed in the year one thousand eight hundred and fifty-two intituled "An Act for incorporating the Aberdeen Fire and Life Assurance Company by the name of 'the Scottish Provincial Assurance Company' for enabling the said Company to sue and be sued and to take and hold property and for other purposes relating to the said Company" : 15 Vict.
c. xlvi.

And whereas the North British and Mercantile Company is constituted and governed by a contract of co-partnery dated the second day of November one thousand eight hundred and nine and the nineteenth day of August one thousand eight hundred and eighteen and intervening dates and a supplementary contract of co-partnery dated the fourth day of May one thousand eight hundred and twenty-four and by a Royal Charter dated the sixth day of February one thousand eight hundred and twenty-four and by the following Acts (namely) :—

The North British Insurance Company's Act 1860 ;

[Price 6d.]

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23 & 24 Vict.
c. cxv.

[Ch. cxlii.] *North British and Mercantile* [52 & 53 VICT.]
Insurance Company's (Scottish Provincial Transfer) Act, 1889.

A.D. 1889.

25 & 26 Vict.
c. cii.

The North British and Mercantile Insurance Company's Act
1862;

33 & 34 Vict.
c. xxi.

The North British and Mercantile Insurance Company's Act
1870;

45 & 46 Vict.
c. lii.

The North British and Mercantile Insurance Company's Act
1882:

And whereas the authorised and subscribed capital of the Scottish Provincial Company is one million pounds divided into twenty thousand shares of fifty pounds each on which three pounds have been paid making the paid up capital sixty thousand pounds:

And whereas the capital of the North British and Mercantile Company is three million pounds divided into one hundred and twenty thousand shares of twenty-five pounds each and of those shares one hundred thousand have been issued with six pounds five shillings paid thereon making the paid up capital six hundred and twenty-five thousand pounds:

And whereas the North British and Mercantile Company are empowered by their recited Act of 1860 (section 44) to acquire the business of any other fire or life insurance company and the Scottish Provincial Company are desirous of transferring their business and undertaking to the North British and Mercantile Company:

And whereas the Life Assurance Companies Act 1870 (hereafter called the Act of 1870) prescribes certain procedure in the case of the transfer of the life assurance business of one company to another but inasmuch as the recited contract of co-partnership of the Scottish Provincial Company and their recited Act of 1852 contain no provisions enabling them to transfer their undertaking they are unable to avail themselves of the provisions of the Act of 1870 and for such purposes it is expedient to enable them to transfer their business and undertaking to the North British and Mercantile Company:

And whereas it is expedient to authorise the issue of shares of the North British and Mercantile Company to the shareholders of the Scottish Provincial Company in consideration of the transfer notwithstanding the conditions in the North British and Mercantile Insurance Company's Act 1882 which require all new shares to be first offered to the shareholders of the North British and Mercantile Company:

And whereas it is expedient to make such other provisions as this Act contains:

And whereas the objects of this Act cannot be obtained without the authority of Parliament : A.D. 1889.

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) :—

1. This Act may be cited as the North British and Mercantile Insurance Company's (Scottish Provincial Transfer) Act 1889. Short title.

2. Subject to the provisions of the Act of 1870 the Scottish Provincial Company are hereby authorised and enabled to transfer the whole of their business and undertaking to the North British and Mercantile Company and to enter into and carry into effect an agreement or agreements for that purpose : Provided that any such agreement or agreements shall be submitted to an extraordinary meeting of the shareholders of the Scottish Provincial Company convened and held in accordance with the regulations for holding extraordinary meetings contained in the Scottish Provincial Company's before recited contract of co-partnery and Act of 1852 and shall be approved and confirmed by not less than three-fourth parts in value of the shareholders present in person or by proxy at such extraordinary meeting : Provided further that within three months from the date when the transfer has been confirmed by the court the North British and Mercantile Company shall produce to the Commissioners of Inland Revenue the said agreement or agreements duly stamped and in default of such production the stamp duty with interest thereon at the rate of five pounds per centum per annum from the date of transfer to the date of payment shall be recoverable from the Company with full costs of action and all costs and charges attending the same. Power for Scottish Provincial Company to transfer their undertaking to North British and Mercantile Company.

3. Notwithstanding anything contained in the North British and Mercantile Insurance Company's Act 1882 the North British and Mercantile Company may issue and allot to the shareholders of the Scottish Provincial Company by way of consideration for the transfer such number of shares in the North British and Mercantile Company with such sums credited as paid thereon as have been or shall be agreed between the two Companies and the conditions of the said Act concerning the issue and allotment of new shares shall not apply in the case of any shares issued and allotted to the shareholders of the Scottish Provincial Company in pursuance of this section and of any such agreement as aforesaid. Power to North British and Mercantile Company to issue shares in consideration for transfer.

A.D. 1889.

Power to trustees to accept shares in North British and Mercantile Company.

Power to North British and Mercantile Company to hold existing investments of Scottish Provincial Company.

Investment of funds.

4. Trustees (including all persons acting in any representative or fiduciary capacity) who are shareholders in the Scottish Provincial Company are hereby expressly authorised to take accept and hold shares in the North British and Mercantile Company in substitution for their shares in the Scottish Provincial Company and are hereby indemnified for all acts bonâ fide done by them for the purpose of giving effect to the provisions of this Act.

5. Notwithstanding anything contained in the before-recited contract and supplementary contract of co-partnery Royal Charter and Acts of the North British and Mercantile Company or any of them the North British and Mercantile Company may take over from the Scottish Provincial Company and hold and retain as investments for the purpose of their undertaking all or any of the existing investments of the Scottish Provincial Company.

6. It shall be lawful for the Edinburgh Board and for the London Board respectively of the North British and Mercantile Company and they are hereby empowered from time to time to lay out and invest the funds of the North British and Mercantile Company either in the name of the Company or of trustees to be named by either Board on behalf of the Company in or upon any investments or securities whatsoever either by way of purchase or loan which shall be authorised by a resolution of the Company in force for the time being and it shall be in the power of the Edinburgh Board and of the London Board at pleasure to alter change sell or dispose of any existing investments or securities or any investments or securities which may hereafter be acquired or taken on behalf of the Company and again to lay out the proceeds thereof from time to time in any authorised investments or securities: Provided always that the powers of investment of the Company existing immediately prior to the passing of this Act shall remain in force and be exerciseable until a resolution of the Company authorising investments shall have been passed as aforesaid.

For the purposes of this section a resolution of the Company is a special resolution passed at one special general meeting called in accordance with the provisions of the Acts of the Company relating to the calling of stated general meetings and confirmed at another special general meeting such second special general meeting being held not less than fourteen days and not more than thirty days after the first special general meeting.

The resolution must be passed at the first meeting by a majority of not less than three-fourths of the votes of the members voting thereat and be confirmed at the second meeting by a majority of the votes of the members voting thereat.

7. When and so soon as the transfer has been confirmed by the Court and the affairs of the Scottish Provincial Company have been wound up the recited contract of co-partnery bearing date the twenty-third day of November one thousand eight hundred and twenty-five and various subsequent dates and their recited Act of 1852 shall be repealed :

Repeal of Scottish Provincial Company's contract of co-partnery and Act of 1852.

But notwithstanding this repeal any action or proceeding pending and any cause of action or proceeding existing immediately before the date of such repeal by against or in favour of the Scottish Provincial Company may be continued or enforced by against or in favour of the North British and Mercantile Company in like manner and to the same extent as it might have been continued or enforced by against or in favour of the Scottish Provincial Company the North British and Mercantile Company only being substituted in place of the Scottish Provincial Company.

8. Nothing in this Act contained shall exempt the said Companies or either of them from the provisions of the Act of 1870 or any general Act passed during the present or any future session of Parliament and affecting assurance companies formed previously to the passing thereof.

Companies not exempt from provisions of general Acts.

9. The recited contract and supplementary contract of co-partnery and Royal Charter and Acts of the North British and Mercantile Company 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 respectively are altered by repugnant to or inconsistent with any of the provisions of this Act shall respectively be and continue in full force and effect.

Contracts of co-partnery and Royal Charter and Acts of the North British and Mercantile Company to remain in force.

10. The costs charges and expenses preliminary to and of and incidental to the preparing obtaining and passing of this Act shall be paid by the two Companies in such manner as may be agreed upon.

Costs of Act.

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