CHAPTER lxxxi.

An Act to define and extend the objects of the Royal Insurance Company to provide for the transfer to that Company of the business of the Queen Insurance Company and for other purposes. [3rd July 1891.]

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WHEREAS a joint stock Company or Association (in this Act called "the Company") was constituted under the name of the Royal Insurance Company by a deed of settlement dated the thirty-first day of May 1845 (in this Act called "the settlement") and having been completely registered under the Act of the seventh and eighth years of the reign of Her present Majesty chapter 110 was duly registered as a Company under the Companies Act 1862:

And whereas by resolutions passed at meetings of the Company the provisions of the settlement have been varied in some respects but not as regards the objects of the Company:

And whereas the objects of the Company are described in clause 2 of the settlement as follows:—

"The business or purpose of the Company shall be to make or effect assurances or insurances on messuages or dwelling-houses mills factories theatres warehouses sheds buildings and other erections of every description whatever (nothing excepted) on ships barges vessels and other craft of all descriptions in any dock port or harbour canal or river and on the cargoes or goods in or on board such ships barges vessels or other craft on goods wares and merchandise household goods and furniture farming stock and produce implements and utensils and on all other personal chattels whatsoever (nothing excepted) against the risk of loss or damage by fire or by storm or other casualty also assurances or insurances on lives or survivorships on the joint continuance of two or more lives or the duration of one or more life or lives for any term of years absolutely or contingently determinable on a life or lives and all such other assurances whether connected with life or not as may be effected according

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to law including endowments for widows children and other persons and to purchase and sell annuities either for lives or years and on survivorships and either immediate deferred reversionary or contingent and also life reversionary and other estates and interests real and personal and to advance and lend moneys as the board of directors shall from time to time think fit and generally to carry on the businesses known and understood as fire insurance and life insurance and all matters and things connected therewith in the fullest sense and meaning and to the full extent allowed by law and such insurances sales purchases loans business and transactions shall not be confined to persons or property within the United Kingdom of Great Britain and Ireland but shall or may according to the discretion of a board of directors be made effected or done with reference to persons or property resident or being in any other part of the world":

And whereas the settlement provides that the capital of the Company shall be 2,000,000*l.* divided into 100,000 shares of 20*l.* each with power to the Company to increase or decrease the same in manner therein provided and of that capital 96,515 shares have been issued upon each of which the sum of 3*l.* has been paid or credited and by resolutions passed in accordance with the provisions of the settlement at meetings of the Company held on the twenty-fifth day of November and the ninth day of December one thousand eight hundred and ninety the capital of the Company has been increased to 3,000,000*l.* by the creation of 50,000 additional shares of 20*l.* each but none of those additional shares have yet been issued or allotted:

And whereas the directors are authorised by the settlement from time to time to borrow on mortgage or otherwise as in the settlement mentioned moneys required for the payment and discharge of claims or liabilities or other business purposes of the Company:

And whereas by clause 20 of the settlement provision is made for making from time to time laws rules and regulations for the Company but subject to the condition that such new laws rules and regulations do not extend to alter the objects of the Company or to release any of the shareholders from their respective liabilities to pay the full sum payable by them respectively in respect of every share in the capital of the Company:

And whereas it is expedient that the objects of the Company be further defined and extended and their constitution amended and altered as by this Act appearing and that such further powers be conferred upon the Company as in this Act expressed:

And whereas proposals have been made for the transfer to the Company of the business undertaking and goodwill of the Queen

Insurance Company on the terms and conditions set forth in the draft of a proposed agreement (a copy whereof is contained in the schedule to this Act and which is herein-after referred to as "the scheduled proposed agreement") and the shareholders of each of the two Companies at special meetings duly convened with notice of the object have resolved that it is expedient that the Company should acquire and take over the business undertaking goodwill property assets and liabilities of the Queen Insurance Company (herein-after referred to collectively as "the undertaking of the Queen Insurance Company") upon those terms and conditions and it is expedient that provision be made for the transfer to the Company of the undertaking of the Queen Insurance Company accordingly:

And whereas the several proceedings required by the Life Assurance Companies Act 1870 in the case of transfer of business from one company to another under that Act have been observed with respect to the application to Parliament for this Act (that is to say) Publication in the Gazette of notice of such application transmission to each life policy holder of the Queen Insurance Company of a statement of the nature of the proposed transfer together with an abstract containing the material facts embodied in the agreement under which such transfer is proposed to be effected and copies of the actuarial reports upon which such agreement is founded and deposit of the proposed agreement for the inspection of the policy holders and shareholders at the offices of the Queen Insurance Company and of the Company respectively for a period of fifteen days after the issuing of the said abstract but the provisions of the said Act with respect to the transfer of the life assurance business of one company to another cannot be made applicable to the proposed transfer of the business of the Queen Insurance Company to the Company:

And whereas the purposes of this Act cannot be effected 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):—

Short title.

1. This Act may be cited for all purposes as the Royal Insurance Company's Act 1891.

Interpretation.

2. In this Act the expression "the regulations" means and includes the provisions of the settlement for the time being in force and any laws rules and regulations enacted by the Company in general meeting under the powers contained in the settlement or in this Act.

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Objects and business.

3. The objects of the Company shall be and are hereby defined and extended so as to consist of and comprise the following purposes (that is to say) :—

(*a*) To continue the business of the Company as authorised by the existing regulations :

(*b*) To make and effect insurances of property of any description against loss or damage by fire :

(*c*) To make and effect insurances against loss or damage by reason of burglary theft seizure violence storm hail flood tempest or accident of any description whether on land or water either to property or person :

(*d*) To make and effect insurances on lives and survivorships :

(*e*) To make and effect re-insurances of all kinds :

(*f*) To sell and purchase annuities reversions and expectant and contingent interests and sums payable at a future period whether connected or unconnected with the duration of a life or lives and endowments of children and others :

(*g*) To carry on such business and to do any such matters or things as aforesaid either in the United Kingdom or in the colonies or dominions or dependencies thereof or in foreign countries :

(*h*) To acquire and carry on the business of any company 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 Company and to undertake and perform any contracts for acquiring assets or for undertaking or discharging liabilities of any company carrying on such business as aforesaid Provided always that no such contract or contracts shall alter diminish or in any way prejudice the rights and interests of the holders of any of the existing policies of the Company :

(*i*) To manage sell lease mortgage or otherwise deal with any real or personal property acquired or held by the Company in conformity with the regulations :

(*j*) To raise money for the purposes of the Company as may be authorised by the regulations :

(*k*) To do all or any such things as aforesaid through any corporations companies or persons as agents for the Company or to do the same as agents for any corporations companies or persons and to 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 in connexion only and as included in the same policy with an insurance of the same property

against loss or damage by fire and so far only as the same may be found to be reasonably necessary for the maintenance of the fire business of the Company And any insurance under the provisions of this Act against accident to a person shall be made or effected in connexion only and as included in the same policy with an insurance on the life of the same person and so far only as the same may be found to be reasonably necessary for the maintenance of the life business of the Company.

Authorised business abroad may be carried on by formation of companies.

4. For the purpose of carrying on in any of the dominions colonies or dependencies of the United Kingdom or in any foreign country or state any insurance business which the Company are for the time being authorised to carry on there the Company 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 Company the control and management and benefit of the business of any such company.

Power to make new regulations.

5. Notwithstanding anything contained in the settlement the Company with the consent or approval of three fourths of the votes of the shareholders present in person or by proxy and voting at two successive extraordinary meetings or at a general meeting and one extraordinary meeting of the Company duly convened in accordance with the regulations with notice of the object may from time to time make new laws rules and regulations for all or any of the following purposes:—

(*a*) For sub-dividing all or any shares for the time being in the capital of the Company In any such sub-division all the holders of shares of the same class shall be entitled to have their shares sub-divided in like manner:

(*b*) For alteration of the amounts and denominations of such shares:

(*c*) For the issue of shares at a premium and for providing for the application of any such premium to purposes to which capital is properly applicable:

(*d*) For the issue of shares with part of the amount thereof credited as having been paid thereon and the ranking of

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such shares for dividend as if the amount so credited had been actually paid on such shares :

Any such new laws rules and regulations shall be of the same validity as if they had been originally contained in the settlement and shall be subject to be altered modified or repealed by any subsequent laws rules or regulations duly made in conformity with this Act.

Undertaking of Queen Insurance Company to be transferred to Company.

6. Within three months after the passing of this Act the undertaking of the Queen Insurance Company shall by deed duly stamped and in which the consideration is truly stated be assigned and transferred to the Company upon and subject to the terms and conditions expressed in the scheduled proposed agreement and from and after the execution of such deed full effect shall be given to the said terms and conditions :

Provided always that within the period of three months as aforesaid the Company shall produce such deed to the Commissioners of Inland Revenue and in default of production the ad valorem stamp duty with interest at the rate of five pounds per centum per annum from the date of transfer or vesting to the date of payment shall be recoverable from the Company with full costs of suit and all costs and charges attending the same.

Power to trustees to accept shares in Company.

7. Trustees (including all persons acting in any representative or fiduciary capacity) who are shareholders or policy holders (that word having in this section the meaning assigned to it by the Life Assurance Companies Act 1870) in the Queen Insurance Company or in any other company whose undertaking may under the provisions of this Act be transferred to the Company are hereby expressly authorised to take accept and hold shares in or contracts with the Company in substitution for their shares in or contracts with such other company unless expressly or by necessary implication precluded from so doing and are hereby indemnified for all acts bonâ fide done by them for the purpose of giving effect to the provisions of this Act.

Substituted shares to be held on same trusts, &c.

8. Shares substituted for shares in the capital of the Company which may be sub-divided as aforesaid and shares substituted for shares in the capital of the Queen Insurance Company in accordance with the terms and conditions expressed in the scheduled proposed agreement shall be in substitution for the shares for which they are so respectively substituted and shall be liable to the same trusts powers provisions declarations agreements charges liens and incumbrances as immediately before the sub-division or substitution affected the shares for which the same are substituted and so as to give effect to and not revoke any testamentary disposition of or affecting the same.

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As to trustee policy holders of transferred company.

9. It shall be lawful for trustees (including all persons acting in any representative or fiduciary character) who are policy holders of the Queen Insurance Company or of any other company whose undertaking may be transferred to the Company as aforesaid to abandon any claims against the Queen Insurance Company or such other company respectively and to accept in lieu thereof the liability of the Company such abandonment and acceptance to be signified in the manner prescribed by the 7th section of the Life Assurance Companies Act 1872 The expression "policy holders" has in this section the same meaning as in the Life Assurance Companies Act 1870.

As to life assurance fund of Queen Insurance Company.

10. Upon the transfer of the undertaking of the Queen Insurance Company to the Company under the provisions of this Act all moneys or funds forming the life assurance fund of the Queen Insurance Company under the Life Assurance Companies Acts 1870 to 1872 shall be placed to the credit of and form part of the life assurance fund of the Company under the said Acts and that fund shall thereafter be applicable as if all the life policies and annuity contracts of the Queen Insurance Company had been entered into by the Company in lieu of the Queen Insurance Company.

Saving clause.

11. Save as in this Act expressly provided nothing in this Act contained shall prejudice or affect the settlement.

Act to be registered.

12. The Company shall forward to the Registrar of Joint Stock Companies a printed copy of this Act and it shall be recorded by him and if such copy is not so forwarded within three months from the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the copy is omitted to be forwarded and every manager of the Company who knowingly and wilfully authorises or permits such default shall incur the like penalty and every penalty under this section shall be recoverable summarily.

Costs of Act.

13. All costs charges and expenses of and incidental to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company.

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The SCHEDULE referred to in the foregoing Act.

DRAFT PROPOSED AGREEMENT.

ARTICLES OF AGREEMENT made and entered into this day of 189 between THE "QUEEN" INSURANCE COMPANY of the one part and THE "ROYAL" INSURANCE COMPANY of the other part.

Whereby it is mutually agreed as follows:—

1. Subject to such approval and sanction of this agreement as are hereinafter mentioned the whole business and undertaking and the goodwill and sole right to use the name of the Queen Insurance Company shall be transferred to and taken over by the Royal Insurance Company as from midnight on the 30th day of September 1890 and shall as from that time be treated as part of the business of and belonging to the Royal Insurance Company.

2. The Queen Insurance Company will transfer to the Royal Insurance Company all and singular the real and personal property rights and assets whatsoever and wheresoever (including choses in action) of the Queen Insurance Company and will do and execute all such acts deeds and things as may be reasonably required by the Royal Insurance Company at any time or times hereafter for effectually vesting such property rights and assets in the Royal Insurance Company and for otherwise carrying out the objects of this agreement.

3. The Royal Insurance Company shall have the sole right and be at liberty to use the name of the Queen Insurance Company in any policies and otherwise in such manner as the Royal Insurance Company may deem fit and the Queen Insurance Company and the directors thereof will use all reasonable endeavours to secure to the Royal Insurance Company all the advantages appertaining to the goodwill name and business of the Queen Insurance Company.

4. In consideration of the said transfer the Royal Insurance Company will take over the said business and assume all the liabilities of every kind of the Queen Insurance Company but provided always that the capital stock and funds only of the Royal Insurance Company shall be answerable for such liabilities and that the shareholders of the Royal Insurance Company shall not be individually liable further or otherwise than to pay and contribute to the capital of such Company the amount remaining unpaid of their respective shares in such capital And further the Royal Insurance Company will create a sufficient amount of additional capital and will thereout allot to or provide for the shareholders of the Queen Insurance Company in respect of the 180,035 shares in that company 25,719 shares in the Royal Insurance Company of 20*l.* each with the sum of 3*l.* credited as having been paid up thereon and ranking henceforth for a dividend

pari passu with the existing shares of the Royal Insurance Company and to be issued and held subject to the provisions of the deed of settlement of that Company and the said 25,719 shares shall be delivered to the directors or liquidators of the Queen Insurance Company and be distributed and apportioned to and among the shareholders of the Queen Insurance Company in the proportion of one share in the Royal Insurance Company for every seven shares in the Queen Insurance Company Provided always that all fractional holdings of less than seven shares shall be paid for by the said directors or liquidators proportionately in cash with and out of the proceeds of sale of the unapportioned shares so delivered to them as aforesaid If it shall be necessary in order to carry the said sale into effect that the interest of any shareholder in the Queen Insurance Company shall be purchased then and in any such case the proportion of shares in the Royal Insurance Company to which such shareholder would have been entitled shall be realised and the net proceeds of the same shall be applied in or towards payment for such interest and in the event of deficiency the balance if any due to such shareholder shall be paid by the Royal Insurance Company and the surplus if any of such net proceeds shall be handed over to the Royal Insurance Company If there should be any of the said 25,719 shares which the shareholders in the Queen Insurance Company entitled thereto and whose interests shall not be purchased shall not have accepted within such reasonable time after the conditions of clause 9 shall have been satisfied as the directors or liquidators of the Queen Insurance Company shall fix the shares to which such shareholders would have been entitled shall be realised and the net proceeds distributed among them.

5. Subject to the conditions contained in the deed of settlement of the Royal Insurance Company relative to the number qualification and place of residence of directors ten of the present directors of the Queen Insurance Company are to be appointed directors of the Royal Insurance Company in addition to the present directors of the last-mentioned Company.

6. The services of the present manager of the Queen Insurance Company shall be retained by them until the transfer of the business is completed at a salary at the rate of four thousand pounds per annum and thereafter he shall be taken into the service of the Royal Insurance Company at the same rate with liberty nevertheless for the Royal Insurance Company to commute the same by payment to him of a gross sum on the basis of the Queen Insurance Company's annuity tables applicable to his then age on condition that he shall not at any time accept office or employment of any description under or in connexion with any other Fire or Life Insurance Company The remainder of the staff of the Queen Insurance Company shall also be taken over by the Royal Insurance Company.

7. Holders of life policies in the Queen Insurance Company which have been issued with the right to participate in profits shall on accepting the liability of the Royal Insurance Company in lieu of that of the Queen Insurance Company in the manner provided by the 7th section of the Life Insurance Companies Act 1872 be entitled to share rateably and proportionately with the owners of participating life policies in the Royal Insurance Company in the profits which may be hereafter declared by the directors of the Royal Insurance Company to be divisible on or in respect of the combined life account.

8. This agreement is conditional (1) on its being approved and adopted by the shareholders of the Queen Insurance Company in the manner prescribed in that

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behalf by the deed of settlement of that company (2) on its being approved by the shareholders of the Royal Insurance Company (3) on the obtaining of all necessary legal sanctions and powers to the proposed arrangement and the respective parties hereto undertake to use their utmost endeavours to obtain such approvals and sanctions and powers as speedily as practicable but in the event of the same not being obtained within twelve months from the date of these presents or within such extended period as may be agreed on in writing between the parties then this agreement shall become void and all business carried on and all out-goings and other payments made by the Queen Insurance Company or on account of the business of that company shall be deemed to have been carried on and paid and made on their own account and not as agents for or on behalf of the Royal Insurance Company.

9. All the costs charges and expenses of carrying this agreement into effect shall be paid by the Royal Insurance Company Provided that if the agreement shall become void in accordance with the foregoing provision then such costs charges and expenses shall be borne by the Company by whom the same shall have been incurred.

In witness whereof the Queen Insurance Company and the Royal Insurance Company have hereunto caused their respective common seals to be affixed the day and year first before written.

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