

UNEDITED

The Saskatchewan Insurance Act

being

Chapter 84 of *The Revised Statutes of Saskatchewan, 1920*
(assented to November 10, 1920).

FOR HISTORICAL REFERENCE ONLY

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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SCHEDULE A

CHAPTER 84

An Act relating to Insurance

SHORT TITLE

Short title

1 This Act may be cited as *The Saskatchewan Insurance Act*.

1915, c.15, s.1; R.S.S. 1920, c.84, s.1.

INTERPRETATION

Interpretation

2 In this Act, unless the context otherwise requires, the expression:

“Accident insurance”

1. “**Accident insurance**” means insurance against bodily, injury and death by accident, including the liability of employers for injuries to persons in their employment, and the insurance of personal property other than plate or other glass against accident or damage or loss by reason of any cause except by fire or perils of navigation;

“Assessment insurance” or insurance on the assessment system

2. “**Assessment insurance**” or “**insurance on the assessment system**” includes any contract in which the premium, or not being a premium note within the meaning of paragraph 31, consists of sums uncertain or variable in time, number system or amount; and also any contract whereby the benefit is in any manner or degree made dependent upon the collection of sums levied upon persons holding similar contracts, or upon members of the contracting company, and any assessment insurance undertaken or transacted under the authority of *The Insurance Act 1917* (Canada), or any other Act of the Parliament of Canada hereafter passed governing insurance;

“Automobile insurance”

3. “**Automobile insurance**” means insurance against accidental injury or death to the driver of an automobile, including insurance against loss or damage from accident to or injury suffered by an employee or other person caused by an automobile for which the owner is liable; and insurance against loss or damage to property from an accident caused by an automobile, and insurance against loss or damage to an automobile by fire, accident, burglary or theft;

“Beneficiary”

4. “**Beneficiary**” includes every person entitled to insurance money, and the executors, administrators and assigns of any person so entitled;

“Beneficiary for value”

5. “**Beneficiary for value**” means a beneficiary for a valuable consideration other than marriage;

“Bond insurance”

6. “**Bond insurance**” means guaranteeing the validity and legality of bonds issued by any province of Canada or by any city, county, town, village, school district, municipality or other civil division of any such province, or by any private or public corporation;

“Burglary insurance”

7. **“Burglary insurance”** means insurance against loss or damage by burglary, theft or housebreaking;

“Cash mutual company”

8. **“Cash mutual company”** means a company organized to transact mutual insurance but empowered to undertake contracts of insurance on both the cash plan or the premium note or mutual plan;

“Certificate of authority”

9. **“Certificate of authority”** means a certificate issued by the superintendent entitling the holder to act as an insurance agent within the province;

“Company”

10. **“Company”** means and includes any corporation, or any unincorporated society or association, or any partnership or any underwriter or group of underwriters that undertakes or effects or agrees or offers for valuable consideration so to undertake or effect in the province, any contract of insurance within the meaning of this Act;

“Contract of insurance”

11. **“Contract of insurance”** means and includes any policy, certificate, interim receipt, or renewal receipt, or writing evidencing the contract, or any contract or agreement scaled, written or oral, the subject matter of which is insurance;

“Court”

12. **“Court”** means His Majesty’s Court of King’s Bench for Saskatchewan or a judge thereof;

“Declaration”

13. **“Declaration”** includes any mode of designating in writing a beneficiary or of apportioning or reapportioning insurance money among beneficiaries;

“Dominion license”

14. **“Dominion license”** means a license granted under and pursuant to the provisions of the Act of the Parliament of Canada known as *The Insurance Act 1917* (Canada), or any other Act of the Parliament of Canada hereafter passed governing insurance;

“Extra-provincial company”

15. **“Extra-provincial company”** means a company incorporated or legally constituted, otherwise than by or under any Act of the Legislature, but does not include a Dominion licensee;

“Guarantee insurance”

16. **“Guarantee”** means the guaranteeing of the fidelity of persons in positions of trust, public or private, also the guaranteeing and becoming security for the due performance of any contract or agreement or of the duties of any office, and also the executing of bonds in legal actions and proceedings;

“Inland marine insurance”

17. **“Inland marine insurance”** means marine insurance in respect of subjects of insurance at risk in Canada above the harbour of Montreal;

“Inland transportation insurance”

18. **“Inland transportation insurance”** means insurance against loss or damage to goods, wares, merchandise or property of any kind, including matter transmitted by mail, in transit otherwise than by water, from place to place in Canada;

“Insurance fund”

19. **“Insurance fund”** or **“insurance funds,”** as applied to a friendly society or to any company not incorporated exclusively for the transaction of insurance, includes all moneys, securities for money, and assets appropriated by the rules of the society or company to the payment of insurance liabilities or appropriated for the management of the insurance branch or department or division of the society, or otherwise legally available for insurance liabilities, but does not include funds of a trade union appropriated to or applicable for the voluntary assistance of wage earners, unemployed or upon strike;

“Insurance money”

20. **“Insurance money”**, includes every benefit and bonus payable by the insurer under the contract of insurance;

“Insurance of the person”

21. **“Insurance of the person”** includes insurance against death, sickness, infirmity, casualty, accident, disability, or against any change of physical or mental condition, and any contract of insurance having for its subject the life, health, safety or physical or mental condition of a person;

“Investment insurance”

22. **“Investment insurance”** means insurance against loss of either principal or interest, or both, of moneys lent, invested or secured on mortgages or debentures, and loss of deposits and loans of every kind to any person or persons, or corporation at home or abroad, and includes insurance against loss of rentals by any cause except fire;

“License”

23. **“License”** means a certificate that the company has complied with the requirements of this Act;

“Member”

24. **“Member,”** as applied to any mutual or cash mutual company transacting fire, live stock or other insurance, means a person holding a contract of insurance issued by a mutual or cash mutual company;

“Minister”

25. **“Minister”** means the member of the Executive Council to whom for the time being is assigned the administration of this Act;

“Mutual company”

26. **“Mutual company”** means a company empowered solely to transact mutual insurance;

“Mutual insurance”

27. **“Mutual insurance”** means insurance given in consideration of a premium note or undertaking with or without an immediate cash payment thereon;

“Offer to undertake any contract”

28. **“Offer to undertake any contract”** includes the setting up of a sign or inscription containing the name of the company and the distribution or publication of any proposal, circular, card, advertisement, printed form or like document in the name of the company or any written or oral solicitation in the company's behalf;

“Person”

29. **“Person”** includes a partnership;

“Plate glass insurance”

30. **“Plate glass insurance”** means insurance against the breaking of plate or other glass, either local or in transit;

“Premium note”

31. **“Premium note”** means an instrument given as consideration for fire or live stock insurance whereby the maker undertakes to pay such sums as may be legally demanded by the insurer, the aggregate of such sums not to exceed an amount specified in the instrument;

“Provincial company”

32. **“Provincial company”** means a company incorporated by or under an Act of the Legislature;

“Registrar”

33. **“Registrar”** means the Registrar of Joint Stock Companies;

“Sickness insurance”

34. **“Sickness insurance”** means insurance against loss or illness, not ending in death, or disability not arising from accident or old age;

“Society” “friendly society”

35. **“Society”** or **“friendly society”** includes any corporation, association, or fraternity, benevolent, mutual, provident, industrial or co-operative or the like, which, not being incorporated mainly or solely for the transaction of insurance, undertakes or effects for valuable consideration, or agrees or offers so to undertake or effect within Saskatchewan, any contract of insurance with its own members, and with no others than members;

“Sprinkler leakage insurance”

36. **“Sprinkler leakage insurance”** means insurance of any goods or premises against loss or damage by water caused by the breakage or leakage of sprinklers, pumps, water pipes or plumbing and its fixtures;

“Steam boiler insurance”

37. **“Steam boiler insurance”** means insurance upon steam boilers and pipes, engines and machinery connected therewith or operated thereby against explosion, rupture and accident, and against personal injury or loss of life, or destruction of or damage to property resulting therefrom;

“Superintendent”

38. **“Superintendent”** means the Superintendent of Insurance, and includes his deputy;

“The Insurance Act 1917”

39. **“The Insurance Act 1917 (Canada),”** includes any Act of the Parliament of Canada that may be in force from time to time governing insurance;

“Will”

40. **“Will”** means last will and testament;

“Written”

41. **“Written”** as applied to an instrument includes written or printed or partly written and partly printed.

1915, c.15, s.2; 1916, c.16, s.1; 1918-19, c.33, s.2, (redrawn); R.S.S. 1920, c.84, s.2.

SUPERINTENDENT OF INSURANCE

Rank and powers of superintendant

3(1) The Lieutenant Governor in Council may appoint an officer to be called "The Superintendent of Insurance" who shall have such powers, rights and privileges of administration as may be required under the provisions hereof; and such officer shall be paid such salary as may be determined from time to time by the Lieutenant Governor in Council.

Acts under minister

(2) The superintendent shall act under the instructions of the minister and shall examine and report to the minister from time to time upon all matters connected with insurance as carried on by the several companies licensed to do business in Saskatchewan or required by this Act to make return of their affairs.

Record of documents kept

(3) The superintendent shall keep a record of the several documents required to be filed by each company under this Act, and shall:

(a) enter in a book under the heading of such company the securities deposited on its account with the minister, naming in detail the several securities, their par value, their date of maturity, and the value at which they are received as deposit, and such books shall be left open to public inspection;

(b) in each case before the issue of a new license or the renewal of a license, make a report to the minister that the requirements of the law have been complied with, and that from the statement of the affairs of the company it is in a condition to meet its liabilities;

(c) keep a record of the licenses as they are issued;

(d) visit personally or cause a duly qualified member of his staff to visit the head office or chief agency of each company in Saskatchewan at least once in every year, and examine the statements of the condition and affairs of each company as required under this Act and report thereon to the minister as to all matters requiring his attention and decision;

(e) prepare for the minister from the said statements an annual report on or before the first day of May in each year showing the full particulars of each company's business, together with an analysis thereof giving items classified from the statements given by each company, and such report may be published forthwith after the completion thereof.

Evidence

(4) For the purposes of his duties under this Act the superintendent may require to be made and may take and receive affidavits, statutory declarations and depositions. And may examine witnesses upon oath; and he shall have the same power to summon officers of corporations, receivers and liquidators and other persons to attend as witnesses, to enforce their attendance, and to compel them to produce books, documents and things and to give evidence as any court has in civil cases.

Actions against superintendent

(5) Without a fiat of the Attorney General, no action or proceeding shall be brought or taken against the superintendent for anything done or not done in the performance, or intended or supposed performance of his duty under this Act.

Superintendent may visit chief agency and examine its affairs

4(1) If the superintendent, after a careful examination into the condition and affairs of business of a company licensed to transact business in Saskatchewan, from the annual or other statements furnished by such company to the minister or for any other cause deems it necessary and expedient to make a further examination into the affairs of the company and so reports to the minister, the minister may in his discretion instruct the superintendent to visit the head office or chief agency of such company to inspect and examine into all its affairs and to make all such further inquiries as are necessary to ascertain its condition and ability to meet its engagements and whether it has complied with all the provisions of this Act applicable to its transactions.

(2) The officers or agents of such company shall cause their books to be opened for the inspection of the superintendent and shall otherwise facilitate such examination so far as it is in their power.

(3) For the purpose of such inquiry the superintendent or the person delegated by him to conduct such inquiry may examine under oath the officers or agents of such company relative to its business.

(4) In order to facilitate the inspection of an insurance company's books and papers, the company may be required by the superintendent with the approval of the minister to produce the said books and papers at the head or chief office of the insurance company in Saskatchewan or at such other convenient place as the superintendent may direct; the officer or officers of the company who have custody of the books shall be entitled to be paid by the company for the actual expenses of such attendance.

1915, c.15, s.4; R.S.S. 1920, c.84, s.4.

Reports entered

5(1) A report of all companies so visited by the superintendent shall be entered in a book kept for that purpose, with notes and memoranda showing the condition of each company after such investigation.

(2) A special report shall be communicated in writing to the minister stating the superintendent's opinion as to the standing and financial position of every company so visited and all other matters desirable to be made known to the minister, which report shall not be open to public inspection.

1915, c.15, s.5; R.S.S. 1920, c.84, s.5.

Duty to furnish information

6(1) It shall be the duty of the officers and agents of a company licensed under this Act, and of adjusters licensed information thereunder, to furnish the superintendent on his request with full information relative to any contract of insurance issued by the company which comes within the terms of section 196, or relative to any settlement or adjustment under any such contract.

(2) The minister may, at his discretion, instruct the superintendent to visit the head office or chief agency from which the contract was issued, or the office of the adjuster, and inquire into such contract or settlement, and the provisions of section 4 shall apply *mutatis mutandis* to such inquiry.

1918-19, c.33, s.3; R.S.S. 1920, c.84, s.6.

Superintendent makes special report on assets to minister

7(1) If it appears to the superintendent that the assets of a company are insufficient to justify its continuance in business or that it is unsafe for the public to effect insurance with it, he shall make a special report on its affairs to the minister.

Suspension or cancellation of licenses

(2) If the minister, after consideration of the report and after a reasonable time has been given to the company to be heard by him and upon such further inquiry and investigation as he sees proper to make, reports to the Lieutenant Governor in Council that he agrees with the superintendent in the opinion so expressed; the Lieutenant Governor in Council may suspend or cancel the license of the company and prohibit it from doing any further business; and thereafter it shall be unlawful for the company to do any further business in Saskatchewan until the suspension or prohibition is removed by the Lieutenant Governor in Council.

(3) Notice of the suspension or cancellation of any license and prohibition from doing any further business shall be published in *The Saskatchewan Gazette*; and thereafter any person transacting business on behalf of the company, except for winding up its affairs, shall be deemed for each offence to be liable to the penalty provided by this Act.

(4) The suspension or cancellation or nonrenewal of the license of a company licensed under *The Insurance Act 1917* (Canada), shall *ipso facto* in the respective cases operate as a suspension or cancellation under this Act without notice from the minister:

Provided however that if the company's license shall be revived under the said Act the minister shall, on proof of such revival and payment of the proper fees, grant such company a new license.

(5) Such company shall during such suspension or cancellation be held to be unlicensed and unauthorised to do further business; the minister may, however, issue such modified or conditional license as may be necessary for the protection of policyholders.

1915, c.15, s.7; R.S.S. 1920, c.84, s.7.

Minister may direct examinations into company's affairs outside of Saskatchewan

8(1) The minister may from time to time instruct the superintendent to visit the head office of any company licensed under this Act and incorporated or legally formed elsewhere than in Saskatchewan, and to examine into the general condition and affairs of such company.

Cancellation of license if permission refused

(2) If such company declines to permit such examination or refuses to give any information desired for such purpose in its possession or control, its license may be withdrawn by the minister.

(3) Wherever the affairs of any insurance company doing business in Saskatchewan appear to require the same the superintendent, with the approval of the Lieutenant Governor in Council, may at the expense of the company have abstracts prepared of its books and vouchers and a valuation made of the assets and liabilities; and the certificate of the superintendent approved of by the minister shall be conclusive as to the expenses to be paid by the company in respect thereof.

Control of assets during investigation

(4) Where either the minister the directors of a company or any of its shareholders deem it advisable to make an investigation into the operation of a company, or the acts of any of its officers, the minister may instruct the superintendent to take charge of the assets of the company pending investigation. All expenses incurred shall be paid by the company on completion of the investigation the control of the assets shall be returned to the company.

1915, c.15, s.8; R.S.S. 1920, c.84, s.8.

Officers and clerks

9 The Lieutenant Governor in Council may from time to time appoint such officers and clerks under the superintendent as are necessary for the purposes of this Act and define their powers and duties which may be coextensive with those of the superintendent.

1915, c.15, s.9; R.S.S. 1920, c.84, s.9.

Officials not to be shareholders in any insurance

10 The superintendent or any officer or clerk under him shall not directly or indirectly be interested as a shareholder in any insurance company doing business in Saskatchewan.

1915, c.15, s.10; R.S.S. 1920, c.84, s.10.

APPLICATION OF ACT

Application of Act

11 The provisions of this Act shall not apply to a company licensed by the Dominion of Canada except sections 2 to 5, subsections (1), (4) and (5) of section 7, subsection (1) of section 12, sections 16 and 17, and subsections (1) and (3) of section 18, sections 19 to 22, section 51, subsections (1), (2) and (3) of section 55, sections 64, 66, 70, 73, 79 to 93, 95 to 103, 170 to 172; subsections (1) and (2) of section 178, and sections 175 to 199 and 201 to 206.

1915, c.15, s.11; R.S.S. 1920, c.84, s.11.

LICENSES

License required

12(1) Every company doing business in Saskatchewan shall obtain from the superintendent and hold a license under the provisions of this Act.

(2) No company shall undertake or solicit or agree or offer to undertake any contract within the intent of section 2 whether the contract be original or renewed, except the renewal from time to time of life insurance policies, or accept or agree or negotiate for any premium or other consideration for the contract, or prosecute or maintain any action or proceeding in respect of the contract except such actions or proceedings as arise in winding up the affairs of the company, without in each such case having first obtained from the superintendent, and holding, a license under the provisions of this Act.

1915, c.15, s.12; R.S.S. 1920, c.84, s.12.

Restrictions on granting licenses

13(1) No such license shall be granted:

(a) to a company undertaking fire or fire and inland marine, or fire and accident, or life, or life and accident, or guarantee or suretyship insurance, or hail insurance, unless the amount of its authorised capital stock shall be at least \$500,000 and unless the company shall furnish to the superintendent satisfactory evidence that of the said capital stock at least \$200,000 has been *bona fide* subscribed and taken up and that at least \$25,000 of the said subscribed stock has been paid up in cash;

(b) to a company undertaking accident, or sickness, or sickness and accident, or live stock insurance, with or without insurance on vehicles, unless the amount of its authorised capital stock shall be at least \$200,000, of which \$100,000 at least shall be shown to have been *bona fide* subscribed and taken up and at least \$10,000 paid up in cash;

(c) to a company (not being one of those referred to in clause (d) hereof) undertaking only inland marine insurance, or inland transportation insurance, or insurance against any loss of or damage to property by accidental causes, including explosions, or by reason of larceny, housebreaking or burglary, or any two of said kinds of insurance, unless the amount of its authorised capital stock shall be at least \$100,000, of which at least \$50,000 shall be shown to have been *bona fide* subscribed and taken up and at least \$10,000 paid up in cash;

(d) to a company undertaking bicycle or vehicle insurance, or plate glass insurance, or both, unless the amount of its authorised capital stock shall be at least \$25,000, of which \$12,000 at least shall be shown to have been *bona fide* subscribed and taken up and at least \$3,000 paid up in cash.

(2) A license shall not be granted to a company for the transaction of both fire and life insurance.

(3) A company incorporated elsewhere than in Canada shall not be licensed unless it shows to the satisfaction of the minister that it has carried on successfully for a period of not less than five years the business for which a license is desired.

(4) A license shall not be granted to a company to transact the business of insurance until it has been shown to the satisfaction of the superintendent that such company has been examined by the Government of its home province or state.

1915, c.15, s.13; R.S.S. 1920, c.84, s.13.

Companies which may be licensed

14 A license under this Act may be granted to a company, other than a company incorporated under the authority of the Parliament of Canada, to carry on the business of:

(a) life insurance in all its branches; or

(b) fire, storm, cyclone, tornado, inland marine, inland transportation and sprinkler leakage insurance; or

(c) hail insurance; or

(d) plate glass, live stock, explosion, steam boiler, burglary, theft, automobile and vehicle, employer's liability, guarantee, accident and sickness insurance; or

(e) mortgage, investment and title insurance, or any kind or kinds of insurance not included in any of the foregoing groups.

1915, c.15, s.14; R.S.S. 1920, c.84, s.14.

Company may be licensed for one or more groups

15 A company licensed to carry on the kind or kinds of business in any one of the groups mentioned in section 14 of this Act with the exception of group (a), may take out one, two or three licenses, as the case may be, to carry on the kind or kinds of business referred to in one, two or three of the remaining groups excepting group (a) upon paying an additional license fee for each such additional license according to the scale fixed by section 204, and may combine any of the kinds of business for the carrying on of which it has received a license or licenses; no such company shall carry on any such business in this province without being specially licensed to do so under this section.

1915, c.15, s.15; R.S.S. 1920, c.84, s.15.

DOCUMENTS TO BE FILED BY COMPANIES

Documents filed by companies

16(1) Before the issue of a license to a company, such company shall file in the office of the superintendent the documents provided for in the next following clauses, that is to say:

- (a) a certificate of registration under *The Companies Act*;
- (b) a certified copy of the Act of incorporation or other instrument of association of the company, which shall include its charter and regulations verified in manner satisfactory to the superintendent;
- (c) an affidavit or statutory declaration that the company is still in existence and legally authorised to transact business under its charter;
- (d) a certified copy of the last balance sheet and auditor's report thereon;
- (e) notice of the place where the head office of the company without Saskatchewan is situate;
- (f) notice of the place where the head office of the company in Saskatchewan is to be situate;
- (g) the amount of the capital of the company and the number of shares into which it is divided, the number of shares subscribed and the amount paid up thereon;
- (h) in the case of companies not licensed under *The Insurance Act, 1917* (Canada), a statement in such form as may be required by the superintendent of the condition and affairs of the company on the thirty-first day of December then next preceding or up to the usual balancing day of the company or as the superintendent shall require.

(2) When any of the documents referred to in this section have been filed with the Registrar of Joint Stock Companies under *The Companies Act*, they shall be deemed to have been filed in compliance with the terms of this section.

Policy forms approved before issue

(3) No contract of insurance shall be issued or delivered in Saskatchewan by any company licensed under this Act until a copy of the form of such contract has been mailed by prepaid registered letter to the superintendent and duly approved by him.

(4) No change or variation in a form so approved shall be effective until filed with the superintendent and duly approved by him.

1915, c.15, s.16; 1917 (sess.2), c.54, s.1; 1918-19, c.33, s.4; R.S.S. 1920, c.84, s.16.

Inscriptions on documents

17(1) Every company licensed under this Act shall cause to be printed, stamped or written in plain letters across the face of every policy, interim receipt or other insuring document which falls within section 196 of this Act, the words "Licensed under *The Saskatchewan Insurance Act*."

(2) Every application, contract, or instrument and every circular, advertisement or publication soliciting insurance of the person, issued or used in Saskatchewan for the purpose of assessment insurance, shall bear the words "Assessment System" printed or stamped in large type at the head thereof.

1915, c.15, s.17; 1918-19, c.33, s.5; R.S.S. 1920, c.84, s.17.

FORM OF LICENSES

Form of licenses

18(1) The license shall be in such form as may be from time to time determined by the superintendent, and it shall specify the business to be carried on by the company and shall expire on the thirty-first day of December in each year but shall be renewable from year to year.

(2) Such license when issued to a company other than a Dominion licensee shall be subject to such limitations or restrictions as the minister may from time to time prescribe.

Proof before renewal

(3) Before the renewal of the license of company under this Act, proof shall be furnished to the superintendent that the requirements of *The Companies Act* with respect to the renewal of licenses have been complied with.

1915, c.15, s.18; 1917 (sess.2), c.54, s.2; 1918-19, c.33, s.6; R.S.S. 1920, c.84, s.18.

ISSUE OF LICENSES

Issue of licenses

19 So soon as a company applying for a license has deposited with the superintendent the security hereinafter mentioned and has otherwise conformed to the requirements of this Act, the superintendent may issue the license.

1915, c.15, s.19; R.S.S. 1920, c.84, s.19.

DOMINION LICENSES

Dominion licenses

20 Insurance licensees of the Dominion of Canada shall, upon due application and upon proof of such Dominion license subsisting and upon otherwise conforming to the provisions of this Act applicable to Dominion licensees, be entitled to a license under this Act.

1915, c.15, s.20; R.S.S. 1920, c.84, s.20.

NOTICE OF LICENSE PUBLISHED

Publication of licenses

21 Every company on first obtaining such license shall forthwith give notice thereof in two successive issues of *The Saskatchewan Gazette* and shall give the like notice when the company ceases to carry on business in Saskatchewan.

1915, c.15, s.21; R.S.S. 1920, c.84, s.21.

YEARLY PUBLICATION BY SUPERINTENDENT OF LICENSED COMPANIES

Yearly publication of licensed companies

22 The superintendent shall cause to be published yearly in *The Saskatchewan Gazette* a list of companies licensed of licensed under this Act with the amount of the deposit, if any, made by each company; and, upon a new company being licensed or upon the license of a company being withdrawn, he shall publish a notice thereof in two successive issues of *The Saskatchewan Gazette*.

1915, c.15, s.22; R.S.S. 1920, c.84, s.22.

DEPOSIT AND SECURITIES

Deposit of securities

23(1) Every company shall, before the issue or the renewal of the license, lodge with the minister either in cash or in any stock, debentures or other securities in which trustees may invest trust money, or in bonds or debentures secured by rates or taxes levied under the authority of the Government of any province of Canada on property situated in such province, and collectible by the municipalities in which such property is situated, the initial or renewal deposits respectively hereinafter stated.

Title to securities

(2) The title to any stock, bonds or debentures already deposited with the minister under the provisions of this Act, securities or hereafter to be deposited, shall be vested in the minister by virtue of his office while such stock, bonds or debentures form the whole or any part of the deposit required by sections 24, 26, 27 and 74, without any formal transfer, and the deposit of such stock, bonds or debentures by any company as required by this Act, shall be *prima facie* evidence that such stock, bonds or debentures are the absolute property of the company and are free from liens and incumbrances of any nature whatsoever.

1917, c.22, s.2; R.S.S. 1920, c.84, s.23.

Initial deposits

24 The initial deposit to be made by any company before the original issue of the license shall be the sum appointed for such company in the twenty-sixth section of this Act.

1915, c.15, s.24; 1917, c.22, s.3; R.S.S. 1920, c.84, s.24.

Annual readjustment of deposit

25 The amount of deposit required of every company shall on or before the first day of May in each year be readjusted in terms of sections 26 and 27, and on default to make such readjustment the company's license may be cancelled.

1918-19, c.33, s.7; R.S.S. 1920, c.84, s.25.

Amount of deposit

26(1) If on the preceding thirty-first day of December in any year the company's total contingent liability or amount at risk does not exceed one million five hundred thousand dollars, then:

- (a) every company, if provincial, shall keep on deposit with the minister \$10,000; and, if an extra-provincial company, \$20,000, except a plate glass insurance company, which shall deposit \$3,000;
- (b) every friendly society, transacting life insurance, or sickness and funeral benefit insurance, or both, whose head office is outside of Canada, shall keep on deposit such sum as may be fixed by regulations of the Lieutenant Governor in Council;
- (c) every provincial mutual fire insurance company insuring mercantile and manufacturing risks shall keep on deposit with the minister \$5,000;
- (d) every extraprovincial mutual fire insurance company shall keep on deposit with the minister \$10,000.

(2) This section shall not apply to provincial mutual fire insurance companies licensed only for the insurance of farm buildings and contents and of isolated risks other than mercantile and manufacturing risks, or to provincial mutual live stock or provincial mutual hail insurance companies.

1915, c.15, s.26; 1918-19, c.33, s.8; R.S.S. 1920, c.84, s.26.

Additional security in certain cases

27(1) If it appears from any annual statement furnished by the company under the provisions of section 55 that the company's total contingent liability or amount at risk on the preceding thirty-first day of December exceeds \$1,500,000, then for each additional \$1,500,000, or fraction thereof, each company mentioned in the next preceding section shall, if an extraprovincial company, lodge with the minister by way of additional security a sum equal to one-half of the initial deposit, and, if a provincial company, the sum of \$200 for every \$100,000, or fraction thereof, by which the total contingent liability exceeds \$1,500,000.

Hypothecation of securities

(2) If a company incorporated under the laws of this province proposes to hypothecate or make deposit of any of its securities or moneys in another province, it shall, before such deposit is made, increase the amount of its deposit in the hands of the minister to an amount, if a company other than a life company, sufficient to cover the value of its reinsurance risk in Saskatchewan, or, if a life company, sufficient to cover its actuarial reserve in Saskatchewan as required by *The Insurance Act, 1917* (Canada).

1915, c.15, s.27; R.S.S. 1920, c.84, s.27.

Provincial companies governed by this Act

28 Notwithstanding the provisions of its charter of incorporation every company heretofore or hereafter chartered under the authority of the Legislature shall be governed only by this Act in regard to deposits to be made with the minister.

1915, c.15, s.28; R.S.S. 1920, c.84, s.28.

Value of Canadian securities

29 Securities of the Dominion of Canada or securities issued by any of the provinces of Canada shall be accepted at their market value at the time when they are deposited.

1915, c.15, s.29; R.S.S. 1920, c.84, s.29.

Debentures to be accepted

30 Municipal and school debentures, legally and properly issued in the province shall be accepted at their market value at the time when they are deposited.

1915, c.15, s.30; R.S.S. 1920, c.84, s.30.

Other securities

31 Other securities shall be accepted at such valuation as the minister may direct.

1915, c.15, s.31; R.S.S. 1920, c.84, s.31.

Further deposit where securities decline

32(1) If the market value of any of the securities which have been deposited by any company declines below the value at which they were deposited, the minister may from time to time call upon the company to make a further deposit so that the market value of all the securities deposited by any company shall be equal to the amount which they are required to deposit by this Act.

(2) Notwithstanding anything herein contained the minister may at his discretion place a value upon any securities which have been deposited by a company, and may certify the value at which such deposit will be accepted.

1915, c.15, s.32; 1918-19, c.33, s.9; R.S.S. 1920, c.84, s.32.

Substituting securities

33 Where any company desires to substitute other securities for securities deposited, the minister may permit the substitution to be made.

1915, c.15, s.33; R.S.S. 1920, c.84, s.33.

Use of securities by superintendent

34 The securities so deposited as aforesaid may be used by the minister for the purposes of reinsuring all or any part of the risks of the company outstanding in Saskatchewan as and when the superintendent may see fit.

1915, c.15, s.34; R.S.S. 1920, c.84, s.34.

Withdrawal of deposit

35(1) A company having made a deposit under this Act shall be entitled to withdraw the same with the sanction of the minister whenever it is made to appear to him that the company is carrying on its business of insurance under license of the Dominion of Canada.

(2) If at any time it appears that a company has on deposit with the minister under this Act a sum in excess of the prescribed amount, the minister, upon being satisfied that the interest of the company's policy holders in this province will not be prejudiced thereby, and upon giving such notice in *The Saskatchewan Gazette* and taking such other precautions as he deems expedient, may authorise the withdrawal of the amount of such excess or such portion thereof as he deems advisable; but the minister may authorise such withdrawal without giving notice.

1915, c.15, s.35; 1917, c.22, s.4; R.S.S. 1920, c.84, s.35.

Suspension or cancellation upon default

36 If, from the annual statements or the examination of the affairs and conditions of a company, it appears in the case of a life insurance company that its policy reserves, and in the case of any other company that its unearned premiums, in both cases in respect to risks outstanding in Saskatchewan, together with any other liabilities in Saskatchewan, exceed its assets in Saskatchewan, including the deposit in the hands of the minister, the company shall forthwith make good the deficiency, and on failure so to do its license may be suspended or cancelled. In the case of life companies such reserves shall be calculated on the basis used by the insurance branch of the Department of Finance at Ottawa.

1918-19, c.33, s.10; R.S.S. 1920, c.84, s.36.

Interest upon deposit

37 Except in cases in respect to which it may be otherwise provided by the minister, so long as any company's deposit is unimpaired and no notice of any final judgment or order to the contrary is served upon him, the interest upon securities forming a deposit shall be handed over to the company when received by him.

1915, c.15, s.37; R.S.S. 1920, c.84, s.37.

Insufficiency of security voids license

38 Where a company fails to make the deposits under this Act at the time required or where written notice has been served on the superintendent of an undisputed claim arising from loss insured against in Saskatchewan remaining unpaid for the space of sixty days after being due or of a disputed claim after final judgment in the regular course of law and tender of a legal valid discharge being unpaid so that the amount of securities representing the deposit of the company is liable to be reduced by sale of any portion thereof, the license of the company shall *ipso facto* be null and void and shall be deemed to be cancelled; but the license may in the two last mentioned cases be renewed and the company may again transact business if, within six months after notice to the superintendent of the company's failure to pay any undisputed claim or the amount of any final judgment as provided in this section, such undisputed claim or final judgment upon or against the company in Saskatchewan is paid and satisfied and the company's deposit is no longer liable to be reduced below the amount required by this Act.

1915, c.15, s.38; R.S.S. 1920, c.84, s.38.

ADMINISTRATION OF SECURITIES

What securities administered

39 The securities deposited with the minister shall be subject to administration only in respect of any contract which falls within section 2, and which further has for its subject some property in Saskatchewan or property in transit to or from Saskatchewan, or the life, safety, health, fidelity or insurable interest of some resident of the province, or where the contract itself makes the payment thereunder primarily payable to some resident of the province.

1915, c.15, s.39; R.S.S. 1920, c.84, s.39.

Administration of securities upon failure to pay disputed claim

40 A company shall be liable upon the application of a creditor or policy holder to have its deposit in the hands of the minister administered in manner hereinafter mentioned upon failure of the company to pay any undisputed claim arising under a contract within section 39 for the space of sixty days after being due, or if disputed after final judgment and tender of a legal, valid discharge and (in either case) after notice thereof to the minister; in the event of such administration all deposits of the company held by the minister shall be applied *pro rata* towards the payment of all claims duly authenticated against the company as well as in respect of unearned premiums, such being claims and premiums under the contract aforesaid; and the distribution of the proceeds of such deposits may be made by order of the court.

1915, c.15, s.40; R.S.S. 1920, c.84, s.40.

Notice when claim payable on proof

41 Where a claim accruing on the occurrence of any event is by the terms of the contract payable on proof of such occurrence without any stipulated delay, the notice on proof required in section 40 shall not be given until after the lapse of sixty days from the time when the claim becomes due.

1915, c.15, s.41; R.S.S. 1920, c.84, s.41.

Notice of application to court for administration of deposits

42 Before an application is made to the court for the administration of a company's deposit with the minister, at least ten days' notice of the intended application shall be served on the superintendent and on the company, and the deposits notice shall designate the day named for the hearing of the application.

1915, c.15, s.42; R.S.S. 1920, c.84, s.42.

Receiver

43(1) Upon granting an order for administration, as aforesaid the court shall appoint a receiver, who may be an officer of the court, who shall forthwith call upon the company to furnish a statement of all its outstanding contracts within sections 2 and 39, and upon all claimants under such contracts to file their claims; and upon the claims being filed with the receiver, the parties interested shall have the right to contest the same and to appeal from the decision of the receiver to the court, according to the practice of the court.

Claims for premium rebates

(2) In case of any such administration the claimants shall be entitled to claim for a part of the premiums paid proportionate to the unexpired period of their respective contracts, rebates and such unearned premiums shall rank in the distribution of the assets with judgments obtained and claims accrued.

Sale and distribution of proceeds

(3) Upon completion of the schedule to be prepared by the receiver of all judgments against the company upon the said outstanding contracts and of all claims for unearned premiums or for surrender of policies, the court shall cause the securities held, by the minister for the company, or any part of them, to be sold in such manner and after such notice and formalities as the court may appoint, and all the proceeds of sale, after paying expenses incurred, shall be distributed, subject to the next following subsection, *pro rata* amongst the claimants according to the schedule, and the balance, if any, shall be surrendered to the company.

Delayed claims filed before distribution

(4) If any claim arises under a contract within section 39, after the statement of outstanding contracts has been obtained from the company, and before the final order of the court for distribution, the holder of such claim shall be entitled, upon due proof, to share in such distribution.

Claims subsequent to distribution

(5) As to any claim arising after the distribution of the proceeds of the securities and as to any balance of claims against the company not fully paid and met by such distribution the holders of such claims shall not be barred from any recourse they may have against the company.

1915, c.15, s.43 (redrawn) ; R.S.S. 1920, c.84, s.43.

Court may grant additional powers

44 The court, by the order appointing a receiver or by any subsequent order, may authorise the receiver to exercise, in respect of the accounts of the company, all or any of the powers which the master in chambers would have if he were taking an account of the claims against the said deposit, and every receiver so authorised shall possess the said powers, as well as the powers usually enjoyed by a receiver appointed under an order of the said court.

1915, c.15, s.44; R.S.S. 1920, c.84, s.44.

SURRENDER OF SECURITIES

Delivery of securities to company ceasing business

45 When a company has ceased to transact business in Saskatchewan and has given written notice to that effect to the superintendent, it shall reinsure all such outstanding contracts as are within section 39 with some company or companies licensed to do business in Saskatchewan or obtain a discharge of such contracts; and its securities shall not be delivered to the company until the same is done to the satisfaction of the superintendent.

1915, c.15, s.45; R.S.S. 1920, c.84, s.45.

Payment of loss by company that has ceased to do business

46 When a company has ceased to transact business in Saskatchewan after the notice hereby required and its license has in consequence been withdrawn the company shall pay the losses arising from policies not reinsured or surrendered as if the license had not been withdrawn.

1915, c.15, s.46; R.S.S. 1920, c.84, s.46.

Application and conditions for delivery of securities

47(1) Upon making application for securities the company shall file with the superintendent a list of all contracts within section 39 which have not been reinsured as provided by section 45, or have not been discharged; and it shall at the same time publish, in *The Saskatchewan Gazette* and in such newspaper or newspapers as the superintendent may direct a notice that it has applied to the minister for the release of its securities on a certain day, not less than three months after the date of the notice, and calling upon all claimants (contingent or actual) opposing the release to file their opposition with the superintendent on or before the day so named; and after that day, if the minister is satisfied that the company has ample assets to meet its liabilities under section 39, all the securities may be released to the company by an order of the Lieutenant Governor in Council, or a sufficient amount of them may be retained to cover the claims filed and the remainder may be released; and thereafter from time to time, as such opposing claims lapse or proof is adduced that they have been satisfied, further releases may be made on the authority aforesaid.

(2) The onus of proof that all claimants have been properly and fairly satisfied or paid shall in all cases rest on the company, and the minister shall be the absolute and final judge as to whether or not such claimants have been properly or fairly satisfied or paid. All costs in connection with advertising and in connection with proving that all such claimants have been paid or satisfied shall be borne by the company and if necessary deducted from the deposit in the hands of the minister.

(3) The minister may at his option pay any claimants who file claims after the expiration of the time mentioned in the above mentioned advertised notice in *The Saskatchewan Gazette*.

(4) Before the release of securities as hereinbefore mentioned, the company must prove to the satisfaction of the minister that all fees or taxes payable to the Government of the province have been fully paid, such fees or taxes to be a first lien on all such deposits.

1915, c.15, s.47; R.S.S. 1920, c.84, s.47.

INVESTMENTS

Surplus and reserve funds

48(1) A provincial company, whensoever incorporated, may invest its surplus funds and reserve in the following securities and no other:

(a) the stock funds or Government securities of Canada or of any province of Canada, or guaranteed thereby respectively, or the public stock funds or Government securities of, or securities guaranteed by, the United Kingdom or the United States of America, the bonds or debentures of any municipality or school district in Canada, or bonds or debentures secured by rates or taxes levied under the authority of the Government of any province of Canada on property situated in such province, and collectible by the municipalities in which such property is situated;

(b) first mortgages on improved farm lands in Canada up to sixty per cent., of their cash value, provided that the total amount so invested shall not exceed twenty per cent. of the total amount of the company's investment;

(c) subject to the approval of the Lieutenant Governor in Council, terminating debentures of incorporated companies which have, in Canada, for the last preceding five consecutive years, been actually supplying gas, water, heat, light, power or electricity to the public or to any municipal corporation; or of steam, electric or street railway or telegraph or telephone companies in actual operation in Canada, but, loans on the security of, or the investment in debentures of any of the companies mentioned in this clause shall not in the aggregate exceed one-fifth of the paid up capital of the company;

(d) in the case of a life company, life or endowment policies or contracts issued by the company, but not in excess of the loan value of such policy or contract.

(2) Uninvested funds of the company shall be kept on deposit in the name of the company in a post office savings bank or in a chartered bank of Canada.

1918-19, c.33, s.27; R.S.S. 1920, c.84, s.48.

CHANGE OF NAME

Change of name

49(1) Where a company incorporated under the provisions of a special or general Act is desirous of adopting a name differing from that by which it was incorporated; or where, in the opinion of the Lieutenant Governor in Council, the name by which such company was incorporated may be easily confounded with that of any other existing company, the Lieutenant Governor in Council upon being satisfied that a change of name will not work or effect any improper purpose, may by order in council change the name of the company to some other name to be set forth in the order in council; but no such change of name shall affect the rights or obligations of the company; and all proceedings which might have been commenced or continued by or against the company by its former name may be commenced and continued by or against the company by its new name.

(2) A certificate by the registrar showing the former name of the company and the new name may be filed in the land titles office of any land registration district in which there are lands owned by the company or lands in which it has a registered interest, and thereafter the registrar of land titles shall accept for registration any transfer, mortgage, lease, assignment of mortgage or other instrument executed by the company in its new name, and shall deal with the lands affected thereby in all respects as if the title or interest of the company had always been registered in its new name.

1915, c.15, s.48 (redrawn); R.S.S. 1920, c.84, s.49.

Notice of application that change be made

50 The Lieutenant Governor in Council may require the same notice to be given upon any application for such that change of name as is required on an application for change of name under *The Companies Act*.

1915, c.15, s.49; R.S.S. 1920, c.84, s.50.

Notice of change

51 Notice of any change of name shall be forthwith inserted by the company in at least one issue of *The Saskatchewan Gazette*.

1915, c.15, s.50; R.S.S. 1920, c.84, s.51.

BOOKS TO BE KEPT BY COMPANIES

Books kept by companies

52 Each company shall keep such a classification of its contracts and such registers and book of account as may from time to time be directed or authorised by the minister; and if it appears at any time to the minister that such books are not kept in such businesslike way as to make at any time a proper showing of the affairs and standing of the company he shall thereupon nominate a competent accountant to proceed under his directions to audit such books and to give such instructions as will enable the officers of the company to keep them correctly thereafter, the expense of the accountant to be borne by the company to which he is sent and not to exceed \$10 per day and necessary travelling expenses; the account for such audit and instructions shall be certified and approved by the minister and thereupon shall be payable forthwith by the company.

1915, c.15, s.51; R.S.S. 1920, c.84, s.52.

Stock register

53(1) Where the company has a share or stock capital, the company shall keep a stock register in which register all the transfers of the stock shall be accurately kept, and it shall at all reasonable times be open to the examination of any shareholder and the minister or superintendent; the entries in such register shall include the following particulars:

- (a) the register number of the shares transferred;
- (b) the amount of subscribed stock transferred;
- (c) the amount heretofore paid up on said stock;

- (d) the names and addresses of the transferor and transferee;
- (e) the date of transfer and date of confirmation or disallowance by the board of directors.

Lien on shares for unpaid calls or debts

(2) The company shall have a lien on the shares of any shareholder for unpaid calls or other debts due by him to the company and for any obligation held by the company against him.

Sale of shares to pay calls or debts

(3) After any call, debt or obligation becomes due the company may, upon one month's notice to the shareholder, his executors, or administrators, sell his shares, or a sufficient number of them, to pay the call, debt or obligation, and may transfer the shares so sold to the purchaser.

1915, c.15, s.52; R.S.S. 1920, c.84, s.53.

Application of two preceding sections

54 The books and records required to be kept by sections 52 and 53 shall include only contracts within section 39.

1915, c.15, s.53; R.S.S. 1920, c.84, s.54.

ANNUAL STATEMENT

Annual statement

55(1) It shall be the duty of the president, vice president, managing director, secretary or manager of the company and the treasurer when the secretary is not also the treasurer of the company to furnish annually within sixty days after the first day of January a statement of the condition and affairs of the company on the thirty-first day of December next preceding, exhibiting the assets, liabilities, receipts and expenditure in such form and with such items and details as shall be required by the superintendent and to cause such statement to be deposited in the office of the superintendent; such statement to be verified in such manner as may be prescribed by the superintendent.

Changes in statement

(2) The superintendent may from time to time make such changes in the form of the statements as seem to him best adapted to elicit from the companies a true exhibit of their condition in respect to the several points enumerated in subsection (1).

Answers to inquiries of superintendent

(3) Every company shall when required by the superintendent make prompt and explicit answer in reply to any inquiries in relation to its transactions.

Unearned premium a liability

(4) In case of fire insurance companies other than those transacting a purely nonhazardous mutual business, the statement shall show as a liability the unearned premiums on all cash business in force on the thirty-first day of December then last past, and shall not show as assets unpaid balances owing by agents or by other companies which are over three months due or bills receivable on account of the same.

Statements of guarantee companies

(5) In the case of a company transacting any form of guarantee insurance the statement shall show as a liability the unearned premiums on unexpired contracts computed *pro rata* as at the date of the statement.

1915, c.15, s.54; R.S.S. 1920, c.84, s.55.

Advertised statement

56 No statement purporting to show the financial condition of any company which differs from the statement filed with the superintendent shall be published or circulated.

1915, c.15, s.55; R.S.S. 1920, c.84, s.56.

Statement to show amount of liability upon unearned premiums

57 Every company licensed under this Act transacting fire or inland marine insurance or both shall, in addition to the information required to be given in the statement in section 55 referred to, include therein a statement showing the total liability of the company, if a Saskatchewan company, in respect of unearned premiums upon all its outstanding unmatured policies, and if not a Saskatchewan company, in respect of unearned premiums upon all its outstanding unmatured policies of insurance upon property in Saskatchewan.

1915, c.15, s.56; R.S.S. 1920, c.84, s.57.

AMALGAMATION AND TRANSFER

Powers of companies as to amalgamation, transfer, and reinsurance

58(1) Any company incorporated by an Act of the Legislature of Saskatchewan and licensed under this Act may amalgamate its property and business with those of any other company, or may transfer its contracts of insurance to reinsure the same in any other company, and may transfer its property and business or any part thereof to any other company, and such companies are hereby authorised to enter into all contracts and agreements necessary to amalgamation, transfer or reinsurance upon compliance with the conditions hereinafter set forth.

Reinsurance

(2) Any such company may reinsure the contracts of insurance of any other company, or may purchase and take over the business and property or any portion thereof of any other company.

Petition to minister

(3) When an agreement for such amalgamation, transfer, reinsurance or purchase has been entered into, the companies which are parties to such agreement may apply by petition to the minister to sanction and confirm same.

Notice given

(4) Notice of the company's intention to apply for sanction and confirmation of such amalgamation, transfer, reinsurance or purchase shall be given in *The Saskatchewan Gazette* at least thirty days before the application is made.

Documents filed

(5) When such application is made, the companies which are parties to the agreement shall file with the minister the following documents:

- (a) certified copies of the statement of the assets and liabilities of the companies concerned in such amalgamation, transfer, reinsurance or purchase;

- (b) a statement of the nature and terms of the amalgamation, transfer, reinsurance or purchase;
- (c) a certified copy of the agreement under which such amalgamation, transfer, reinsurance or purchase is effected;
- (d) certified copies of the actuarial or other reports upon which such agreement is founded;
- (e) a declaration under the hands of the president and manager of each company that to the best of their knowledge and belief every payment made or to be made to any person whomsoever on account of the said amalgamation, transfer, reinsurance or purchase is therein fully set forth and that no other payments beyond those set forth have been made or are to be made either in money, contracts of insurance, bonds, valuable securities or other property, by or with the knowledge of any of the parties to the amalgamation, transfer, reinsurance or purchase.

(6) Before such amalgamation, transfer, reinsurance or purchase is sanctioned by the minister, he may instruct the superintendent of insurance to examine into and report to him with reference to the general affairs of the interested companies and the certificate of the superintendent approved of by the minister shall be conclusive as to the expenses to be paid by the companies in respect thereof.

Capital not impaired

(7) No company shall be permitted to amalgamate its business with, transfer its business to, reinsure its business in, or purchase and take over the business and property, or any portion thereof, of any other company if the capital of the combined companies after such amalgamation or of the continuing company after such transfer, reinsurance or purchase shall be impaired.

Sanction of minister

(8) No company shall amalgamate with another company, transfer its business to, reinsure its business in or purchase and take over the business and property, or any part thereof, of another company unless such amalgamation, transfer, reinsurance or purchase is sanctioned by the minister in accordance with the provisions of this Act.

(9) Nothing in this section shall affect the force of sections 34 and 73.

Extra-provincial companies

(10) The effect of this section in so far as regards extra-provincial companies licensed under this Act, shall be limited to contracts of insurance in force in this province, as determined by section 196.

FORFEITURE OF CORPORATE POWERS

Forfeiture of corporate powers by nonuser

59 The corporate powers of any company, whether incorporated under a special or a general Act, shall be forfeited by nonuser during any continuous period of four years; or if, after a company has undertaken contracts within the intent of this Act, such company discontinues business for one year, or if its license remains suspended for one year, or if its license is cancelled otherwise than by mere effluxion of time and is not renewed within the period limited by this Act; and thereupon the company's corporate powers shall *ipso facto* cease and determine, except for the sole purpose of winding up its affairs; and a judge of the Court of King's Bench upon the petition of the Attorney General or of any person interested, may by judgment or order limit the time within which the company shall settle and close its accounts and may for this specific purpose or for the purposes of liquidation generally appoint a receiver.

1915, c.15, s.57; R.S.S. 1920, c.84, s.59.

LIQUIDATION

Notice of liquidation

60(1) When a company purposes to go into voluntary liquidation, at least one month's notice in advance shall be given to the minister; the like notice shall also be published by the company in two consecutive issues of *The Saskatchewan Gazette* and in some newspaper should the minister so require; and the notice shall state the date at which contracts shall cease to be taken by the company, also the name and address of the company's liquidator or the intention of the company to apply on a stated date for the appointment of a liquidator.

Provisional liquidator

(2) The minister may, at any time before a permanent liquidator is appointed, appoint a provisional liquidator who shall forthwith take charge of the company's affairs, and the provisional liquidator so appointed shall act until a permanent liquidator is appointed.

Payment of expenses of provisional liquidator

(3) All expenses and outlay in connection with the appointment of the provisional liquidator and all expenses and outlay of the provisional liquidator while he acts in such capacity shall be borne and paid by the company, and all such expenses and outlay shall form a first lien or charge on the assets of the company and the minister may pay same out of the securities deposited with him by the Company.

1915, c.15, s.58; R.S.S. 1920, c.84, s.60.

Reinsurance at winding up of mutual or cash mutual companies

61 At the winding up of a mutual or cash mutual fire insurance company after notice has been given as required by section 45 it shall be lawful for the directors of such company to reinsure out of the reserve fund the unexpired contracts for which premiums or premium notes have been taken but such reinsurance shall be effected with some company licensed to transact business in the province, and approved by the minister.

1915, c.15, s.59; R.S.S. 1920, c.84, s.61.

Refunds

62 When any company is wound up each person contracted with on the cash plan shall be entitled to a refund from the company of the unearned proportion of the cash premium calculated from the date at which the company according to the notice as provided for by this Act ceased to undertake contracts; but this shall not destroy or defeat any other remedy such person may have against the company in respect thereof or for any other cause.

1915, c.15, s.60; R.S.S. 1920, c.84, s.62.

Statements of receipts and expenditures filed by receiver

63 Every receiver, assignee or liquidator of a company shall, until the affairs of a company are wound up and the accounts are finally closed, within seven days after the close of each month file with the court or other authority appointing him and also with the minister detailed schedules showing in such forms as may be required receipts and expenditures and also assets and liabilities, and he shall, whenever by the authority appointing him or by the minister required so to do, exhibit the office books and vouchers and furnish such other information respecting the company's affairs as may be required; and any receiver, assignee or liquidator refusing or neglecting to furnish such information shall for each offence be subject to a penalty of not less than \$50 nor more than \$200, to be recovered on behalf of His Majesty for the use of the province; and he shall in addition render himself liable to be dismissed or removed.

1915, c.15, s.61; R.S.S. 1920, c.84, s.63.

RESIDENT AGENT**Resident agent approves contracts and policies**

64(1) No fire insurance company, licensed under this Act, shall make, write, place or cause to be made, written or placed, any policy, duplicate policy or contract of insurance upon property, real or personal, situate in Saskatchewan or described in any policy, duplicate policy or contract of insurance as situate in Saskatchewan except after the said risk has been approved by an agent of that company who is resident in this province and holds a certificate of authority from the superintendent and who shall sign or countersign all policies so issued and make a record of the same on books provided for that purpose and receive the commission (or any part thereof) when the premium stipulated in such policy, duplicate policy or contract of insurance is paid.

(2) Nothing herein shall be construed to prevent any fire insurance company, not incorporated under the laws of this province but licensed under this Act, from issuing policies at its principal or branch office covering property situate in this province, provided that such policies are issued either upon application procured and submitted to such company by resident authorised agents or else after being signed or countersigned by a resident authorised agent.

Rolling stock excepted

(3) No provision of this section is intended to or shall apply to direct insurance covering the rolling stock of railroad corporations or property in transit which is in the possession and custody of railroad corporations or other common carriers nor to movable property of such common carrier used or employed by them in their business as common carriers.

No blank policies

(4) No resident agent holding a certificate of authority shall sign any blank policy or contract of insurance.

Certain powers of attorney to countersign forbidden

(5) No resident agent holding a certificate of authority shall give any power of attorney to persons residing outside the province of Saskatchewan for the purpose of countersigning contracts as required by this section.

Penalty

(6) Any fire insurance company which issues a contract of insurance save as hereinbefore mentioned in this section shall be liable to a penalty of not less than \$100 and not more than \$300 for each contract of insurance so issued; and failing payment of the said penalty upon request of the minister, its license shall be cancelled.

1915, c.15, s.62; 1918-19, c.33, s.11; R.S.S. 1920, c.84, s.64.

CERTIFICATE OF AUTHORITY

Meaning of “agent”

65(1) The term “agent” shall include an acknowledged agent or any other person who shall in any manner aid g in transacting the insurance business of any insurance corporation or company, and shall also include any broker whose business in whole or in part is to negotiate for and place risks either on property situate and located in the province and to deliver policies covering the same and collect premiums therefore, or to negotiate for or place other contracts of insurance.

Certificate of authority

(2) No person or firm shall act as agent for any insurance company in the transaction of insurance business in this province or as a general agency of the kind mentioned in section 97, or negotiate for or place contracts of insurance for any such company or in any way or manner aid such company in effecting insurance in this province, unless he shall have obtained from the Superintendent of Insurance a certificate of authority to negotiate in the business of insurance:

Provided that nothing in this subsection shall be construed as preventing any person or firm from acting as an agent pending the application for a certificate of authority and the consideration of such application by the superintendent.

Application to be made

(3) A certificate of authority may be issued to any authorised agent of a licensed company or to a recognised broker, upon application filed with the superintendent, when such application has been approved by the superintendent and the prescribed fee paid.

Expiration of certificate

(4) Every certificate shall expire on the fifteenth, day of February in each year, but may be renewed on due application to the superintendent and payment of the prescribed fee.

Agency

(5) The holder of a certificate of authority may, during the term of his certificate, act as agent for any number of licensed companies in Saskatchewan, except as hereinafter provided.

Agency for life companies

(6) In case such holder transfers his services from one life insurance company to another, he shall immediately notify the superintendent and at the same time obtain from both companies and furnish him with evidence of the change. Such change, if satisfactory, shall be indorsed on his certificate by the superintendent.

Certificate may be suspended

(7) A certificate of issued in accordance with authority this section may be revoked or suspended by the superintendent if, after due investigation by him or his duly accredited representative, he determines that the holder of such certificate:

- (a) has been guilty of misrepresentation, fraud, deceit or dishonesty; or
- (b) has violated any of the provisions of *The Insurance Act 1917* (Canada), or of this Act or any rule or regulation made for the purposes of this Act; or
- (c) has unreasonably failed to pay over to the company or agent entitled thereto any moneys collected by him and retained beyond the term stipulated in his agency contract or agreement; or
- (d) has placed insurance with companies other than those licensed in Saskatchewan under this Act, without complying with the provisions herein contained relating to unlicensed insurance.

Appeal when certificate is revoked

(8) The holder of a certificate of authority which has been revoked may appeal against such revocation to the minister, who shall thereupon either confirm or cancel such revocation.

Duration of revocation or suspension

(9) No person whose certificate of authority has been revoked shall be entitled to a new certificate under this section for one year after such revocation, unless in the meantime such revocation has been cancelled by the minister on appeal.

From whom business may be accepted

(10) No company, and no officer, agent or employee of a company, shall accept from any person other than the assured or a duly authorised agent holding a certificate of authority, an application or proposal for a contract of insurance.

Exemption from municipal license

(11) The holder of a certificate of authority shall be exempt from payment of any license fee imposed by a municipal corporation within Saskatchewan for the transaction of the business of insurance.

List of agents to be published

(12) A list of all agents to whom certificates of authority have been issued shall be published once in year either in *The Saskatchewan Gazette* or in the report of the superintendent, or as the minister may direct.

Reciprocal certificates

(13) When, by virtue of reciprocal legislation, any other province in Canada accepts as valid within its jurisdiction certificates of authority issued to agents in Saskatchewan, the superintendent may indorse as valid for Saskatchewan for the solicitation of insurance the like certificates issued under the authority of such province.

Penalties

(14) Any person who contravenes any of the provisions of this section shall be guilty of an offence, and liable, on summary conviction, to a penalty not exceeding \$100 and not less than \$20, and, in case of subsequent conviction, to imprisonment for any term not exceeding six months.

1915, c.15, s.63; 1917, c.22, s.5; 1918-19, c.33, s.12; R.S.S. 1920, c.84, s.65.

List of licensed companies furnished in certain cases

66(1) Where a contract of fire insurance is to be given as collateral security to a mortgage on property, or where any such contract so given is about to expire, the mortgagee, or certain cases proposed mortgagee, upon demand in writing made by the mortgagor, and either delivered to the mortgagee personally or to the solicitor or agent who acted or is acting for him in the matter, or enclosed in a registered letter addressed to him, postage prepaid, which in case of an existing mortgage may be addressed to him at his address as given in the mortgage, or if the mortgagee be a corporate body then delivered at the chief place of business in Saskatchewan of such mortgagee, shall deliver or send by registered mail to the mortgagor at his address given in such demand a list of at least ten licensed fire insurance companies acceptable to the mortgagee, and the mortgagor may effect insurance to the amount agreed upon with any of such companies through its duly authorised agent, or one of its duly authorised agents in Saskatchewan.

(2) If the mortgagee fails or refuses to furnish such list as required the mortgagor may insure the property in any licensed company, and shall not be liable to pay or reimburse the premium on any insurance placed upon the property by the mortgagee.

(3) In case the mortgagor has not placed the insurance agreed upon on the property and filed same, duly assigned if necessary, with the mortgagee at least ten days before the mortgage period is to begin running, or, where there is an existing contract, has not renewed and filed the same, duly assigned if necessary, with the mortgagee at least ten days before the expiry thereof, the mortgagee may insure the property to the amount agreed upon with any licensed company, and may recover the amount of the premium from the mortgagor or charge it against the property if such is the contract contained in the mortgage instrument.

(4) Where the contract of insurance has been placed by the mortgagee in accordance with the provisions of subsection (3), a copy of the description of the property insured given in the contract together with the amount of insurance placed upon each item shall forthwith be given the mortgagor.

(5) This section shall have effect notwithstanding any agreement, condition or stipulation to the contrary.

1915, c.15, s.64; R.S.S. 1920, c.84, s.66.

BROKER'S LICENSE FOR BUSINESS WITH UNLICENSED
EXTRA-PROVINCIAL COMPANIES

Broker's license

67(1) The superintendent upon the annual payment of \$25 may issue a broker's license for business with unlicensed extraprovincial companies to any person resident in Saskatchewan, hereinafter in this section called the licensee, subject to revocation at any time, permitting the person named therein to act as agent to procure policies of fire insurance from corporations, persons, partnerships, underwriters or associations approved by the minister, which are not registered or licensed to carry on business in the province.

Licensee to furnish security

(2) The licensee before transacting business under the license shall furnish to the superintendent security to his satisfaction in the sum of not less than \$2,000 that he will faithfully comply with all the requirements of this Act.

(3) The license shall in respect of insurance effected thereunder exempt the licensee, the insurers and such insurance from the operation of section 206.

Affidavit by licensee

(4) Before any insurance shall be procured under and by virtue of the said license there shall be made by the licensee and the person desiring such insurance an affidavit which shall be filed in the office of the superintendent within ten days after the procuring of such insurance; such affidavit shall have force and effect for one year only from the date thereof and shall describe the property to be insured, its location and the amount of insurance and the premium thereon. It shall set forth that the person desiring insurance is, after diligent effort unable to procure the amount required to protect the property to be insured from companies duly licensed in Saskatchewan at reasonable rates, but such licensee shall not be required to file such affidavit if one relative to the same property has been filed within the preceding twelve months by any other licensee.

Licensee to keep books

(5) Every licensee shall keep a separate account of all insurance effected by him under his license in a book or books in the form prescribed by the superintendent; such books and accounts shall at all times be open to the inspection of the superintendent and shall show the exact amount of such insurance placed for any person, firm or corporation, the cross premium charged thereon, the name of the company in which the same is placed, the date of the policy and the term thereof and a description of the property insured.

Returns

(6) Within ten days after the end of each calendar month every licensee shall make to the superintendent a return in the form and manner by him prescribed of the particulars of RH insurance effected under this section by the licensee during such month; and such return shall be verified by the oath of the licensee.

Licensee to hand over percentage of gross premiums

(7) In respect of all premiums on insurance effected under a broker's license, the licensee shall pay to the superintendent a sum equal to one per cent., upon the amount of such gross premiums charged to policy holders upon all policies procured by him under this section; and, in addition, the same percentage of premium as is required under the provisions of *The Fire Prevention Act*; such additional percentage to be deposited and dealt with as directed by that Act.

Liability in case of failure

(8) Such licensee shall also be liable in an action brought by or on behalf of the minister for the amount of the said failure percentage, and shall also be liable upon summary conviction to a penalty for neglecting to file the said affidavit or the said sworn statement, or for making a false statement, of not less than \$25, nor more than \$100, for each offence besides forfeiture of his license.

Cancellation of security

(9) On it being shown to the satisfaction of the minister that all insurances effected under this section are no longer in force or have been reinsured, the licensee shall be entitled to a release or cancellation of his security.

1915, c.15, s.65; 1916, c.16, s.4; R.S.S. 1920,
c.84, s.67.

INSURANCE IN UNLICENSED COMPANIES

Cases in which unlicensed companies may effect insurance

68 Notwithstanding anything in this Act contained, any person may insure his property or any property in which he has an insurable interest, situated in Saskatchewan with any British or foreign unlicensed insurance company or underwriters, and may also insure with persons who reciprocally insure for protection only and not for profit; and any property insured or to be insured under the provisions of this section may be inspected and any loss incurred in respect thereof adjusted:

(a) provided such insurance is effected outside of Canada and without any solicitation whatsoever directly or indirectly on the part of such company, underwriters or persons by which or whom the insurance is made; and provided further that no such company, underwriters or persons shall within Saskatchewan advertise their business in any newspaper or other publication or by circular mailed in Saskatchewan or elsewhere, or maintain an office or agency therein for the receipt of applications or the transaction of any act, matter or thing relating in any way to their said business;

(b) provided any person, firm or corporation and every officer of or agent or employee of any such person, firm or corporation having any actual knowledge of the facts, procuring any insurance against fire on any property, real or personal, in Saskatchewan or described in any policy, interim receipt or insuring document as situate in any part of Saskatchewan in any company not licensed under *The Saskatchewan Insurance Act*, except by, from or through a broker for unlicensed insurance referred to hereinbefore, shall forthwith and not later than one month from the effecting of any such insurance or of the receipt of any such policy, interim receipt or insuring document issued by or on behalf of such insurance company, which ever shall be first in point of time, notify the minister in writing under oath of the terms of such insurance, the company with which such insurance is placed and the amount of premium paid or payable or premium notes given or to be given or mutual liability assumed in connection therewith, and shall pay to such minister for the benefit of the province of Saskatchewan with such notice a sum equal to fifty per cent. of the premium paid or payable or premium note given or to be given or mutual liability assumed in connection with such insurance, and shall be liable in an action brought by or in behalf of the minister for the amount of the said fifty per cent. of any such premium;

(c) provided it shall be competent for the minister or the Lieutenant Governor in Council, on application made by or on behalf of any person, firm or corporation, to permit contracts of insurance to be made or entered into outside of Saskatchewan with insurance companies not licensed under this Act, under such regulations and restrictions as may be deemed expedient and necessary;

(d) any person, firm or corporation, officer, agent or employee violating clause (7) shall for each offence be liable to a fine of \$25 and for every offence committed after a conviction hereunder to a fine of not less than \$50 and not more than \$100, provided that it shall be an answer to any proceedings for any fine or penalty under this section that the insured or his officer, employee or agent as aforesaid, as the case may be, acted in good faith in respect to such insurance and believed the insuring company to be licensed under *The Saskatchewan Insurance Act*, and that the policy, interim receipt or insuring contract stated on its face that the insuring company was licensed under this Act;

(e) in order to carry out the provisions of clause (b) in its true intent, the superintendent shall have power, when so instructed by the minister, to examine the records and books of the assured in order to determine where his insurance is carried and the amount of premium paid or payable or of the premium note given or to be given or mutual liability assumed in connection with such insurance, and on the refusal of the assured to allow such examination or give such information the assured shall be liable on summary conviction to a fine of \$25 for each offence;

(f) the provisions of clauses (b), (c), (d) and (e) shall apply *mutatis mutandis* to all classes of insurance except life insurance.

1915, c.15, s.66; R.S.S. 1920, c.84, s.68.

ADJUSTER'S CERTIFICATES

Adjuster's certificate

69(1) No person, firm or corporation other than an agent holding a certificate of authority under section 65, shall make any adjustment of loss or damage under any contract of insurance covering property described as being situated in Saskatchewan unless he shall hold an adjuster's certificate from the superintendent under this section or shall make application for such certificate within two days after making a first adjustment.

(2) An adjuster's certificate may be issued to any person, firm or corporation making application therefor on a form prescribed by the Superintendent of Insurance. Every application shall be approved by a company duly licensed under this Act and by the superintendent.

(3) Each certificate shall expire on the first of June in each year but may be renewed on due application to the superintendent.

(4) An adjuster's certificate issued in accordance with this section shall be revoked or suspended by the superintendent if, after due investigation and hearing had either before himself or his duly accredited agent, whose report he may adopt, he determines that the holder of such certificate (1) has violated any provision of this Act, (2) has been guilty of fraudulent practices or (3) is untrustworthy or incompetent. No person whose certificate has been revoked shall be granted any other certificate under this section until the lapse of a period of one year thereafter, nor shall he until again duly authorised, act as an employee, or participant in the profits, of any insurance adjuster.

(5) Upon the completion of each adjustment of loss or damage by fire, a report of such adjustment shall be entered upon a form prescribed by the superintendent.

(6) Every adjuster shall file with the superintendent within seven days after the end of each calendar month the said form containing particulars of all adjustments made by him during said month.

(7) Where loss or damage by fire has been adjusted by the holder of a certificate of authority under section 65 he shall forthwith report such adjustment.

1915, c.15, s.67; R.S.S. 1920, c.84, s.69.

UNDERWRITERS' AGENCIES

Licenses required

70(1) No policy of insurance covering loss by fire on property situated in the province shall be issued through any underwriters' agency or underwriters' company which issues policies in its own name for another principal or guaranteeing or managing company unless such principal or guaranteeing or managing company is licensed to transact business in this province and unless such agency or underwriters shall have obtained from the superintendent a license to issue contracts of insurance. Policies of insurance issued by any such underwriters' agency or underwriters must bear the name of the principal, guaranteeing or managing company in a prominent and conspicuous manner, such policy form to be approved by the superintendent.

Returns

(2) Every company licensed under this Act which carries on any of its business or issues any policy of insurance through an underwriters' agency, company or corporation shall, in addition to the information required to be given, file a return of the business transacted by the said underwriters' agency, company or corporation up to the thirty-first day of December in each and every year on a form to be prescribed by the Superintendent of Insurance.

Form of license

(3) The license referred to in this section shall be in such form as may be from time to time determined by the superintendent, and it shall specify the business to be carried on by the company and shall expire on the thirty-first day of December in each year, but shall be renewable from year to year.

1915, c.15, s.68; R.S.S. 1920, c.84, s.70.

Where capital published particulars given

71 Where any advertisement, letterhead, account or other document issued, published or circulated by a licensed corporation or company or by any of its officers, agents or employees, purports to state the capital of the company it shall state separately:

- (a) the authorised capital;
- (b) the capital actually and in good faith subscribed;
- (c) the capital actually and *bona fide* paid up.

1915, c.15, s.69; R.S.S. 1920, c.84, s.71.

Representation of government guarantee unlawful

72 It shall be unlawful for any person to represent orally or in writing that the registration of an insurance company with the Registrar of Joint Stock Companies, or the licensing of such company or the printing or publication of its annual statement in the report of the superintendent or in any other government publication is a warranty or guarantee of the financial standing of the corporation or of its actual actuarial solvency.

1915, c.15, s.70; R.S.S. 1920, c.84, s.72.

Reinsurance in certain cases

73 Nothing in this Act shall prevent a licensed company which has lawfully effected a contract of insurance upon property in Saskatchewan from reinsuring the risk or any portion thereof with any insurer transacting business out of Saskatchewan and not licensed under this Act.

1915, c.15, s.71; R.S.S. 1920, c.84, s.73.

Reserve maintained

74(1) Every company incorporated by the Legislature of Saskatchewan, except friendly societies, or licensed under *The Saskatchewan Insurance Act*, shall maintain a reserve for the protection of its policy holders computed, except as hereinafter provided, on the basis of the reserve required under the provisions of *The Insurance Act, 1917* (Canada).

(2) All companies, licensed to transact any business of insurance in Saskatchewan, shall deposit with the minister such percentage of the reserve or surplus fund required by this section on all its Saskatchewan policies as the Lieutenant Governor in Council may from time to time direct.

(3) Every company, licensed under this Act, transacting any business of life insurance in this province, shall annually, on or before the first day of April, furnish to the superintendent a statement of the value of all its policies in force at the thirty-first day of December of the preceding year, certified to by a duly qualified actuary, such valuation to be computed on the basis of the reserve required. under the provisions of *The Insurance Act, 1917* (Canada); and, once in every five years, or oftener (at the discretion of the minister) the superintendent shall have a valuation made of all said policies then in force by a duly qualified actuary, who shall be appointed by the minister.

(4) Every company licensed to transact the business of hail insurance in Saskatchewan shall, in the year 1919, set aside as a hail insurance surplus fund at least 50 per cent., of the profit realised from such business during the said year, and shall in each year thereafter continue so to do until the amount of said fund in any given year is equal to at least 50 per cent. of the net hail premiums received during the preceding calendar year, at which proportion the said fund shall be maintained.

1915, c.15, s.72; 1916, c.16, s.5; 1918-19, c.33, s.13; R.S.S. 1920, c.84, s.74.

Special examination by superintendent

75(1) The minister, whenever he shall deem it expedient may instruct the superintendent to make a special examination into the affairs of any provincial company licensed under this Act.

Appointment of receiver

(2) Whenever it shall appear from such examination that the assets and financial position of such company are such as not to justify the continuance in business of any such company, the Attorney General may apply in a summary manner, on motion to the court or to any judge thereof, for an order requiring such company to show cause why the business of the company should not be closed; and the court or judge may thereupon proceed to hear the allegations and proofs of the respective parties, and in case it shall appear to the satisfaction of the court or judge that the assets and funds of the company are not sufficient as aforesaid, or that the interests of the public so require, the court or judge may decree a dissolution of said company and may appoint a receiver to take possession of, collect and get in the assets and effects of the said company, and may order and direct that the affairs of the said company shall be wound up under the order and direction of the court, and do all other matters and things necessary or requisite in the premises.

1915, c.15, s.73; 1918-19, c.33, s.14; R.S.S. 1920, c.84, s.75.

Powers of receiver

76 Such receiver shall have full power, under the authority of the court or any judge thereof appointing him, to make all such assessments on the premium notes or undertakings held by the said company as may be necessary to pay its debts and claims against it, as the directors would have authority to make, and the notice of assessment may be given in the same manner as is hereinbefore provided; and the said receiver shall have the like rights and remedies upon and in consequence of the nonpayment of such assessments as are given to the company or the directors thereof, and such receiver may receive a surrender of any policy of said company or cancel any policy in all cases where the directors are authorised to receive the surrender of or cancel policies.

1915, c.15, s.74; R.S.S. 1920, c.84, s.76.

Court may make inquiry

77 The court or any judge by which or whom such receiver is appointed may also, upon his application, examine by a reference or otherwise, as it or he may deem proper, into the proceedings and acts of said company in sections 75 and 76 referred to; and if it shall appear upon such examination that the directors or officers of such company, or any of them, have in any manner misapplied or improperly disposed of the funds, property or effects of such company, it shall be lawful for the court or judge to order and decree that such persons as may be found guilty of such misapplication or improper disposition shall pay the amount thereof to such receiver, and to enforce such order or decree by execution or by attachment, or by such process of the court as shall seem expedient.

1915, c.15, s.75; R.S.S. 1920, c.84, s.77.

Standard of assets to be maintained

78(1) Every company licensed to carry on any class of insurance business shall at all times maintain assets in Saskatchewan at least equal in value to the total of the unearned premiums upon all outstanding contracts which fall within section 2 of this Act and which further have for their subject some property in Saskatchewan, or the life, health, safety, fidelity or insurable interest of some resident of the province, or under which the amounts payable are by the terms of the contracts themselves primarily payable to some resident in Saskatchewan calculated *pro rata* for the times unexpired, together with the matured claims for losses in Saskatchewan and all its other liabilities of every kind in Saskatchewan.

(2) No dividend shall be paid by any such company while its paid up capital is impaired or while its assets are less than the amount required by subsection (1) nor shall any dividend be paid which would reduce its assets below the said amount or impair its capital.

(3) If it appears to the Superintendent of Insurance at any time that the assets of any such company fall below the requirements of subsection (1), he shall report the fact to the minister, and state whether or not the company appears to him to have paid any dividend in contravention of subsection (2) and the minister, after a full consideration of the matter and after giving the company a reasonable opportunity to be heard, may either recommend the cancellation of the company's license by the Lieutenant Governor in Council, who may upon such recommendation order the cancellation of the same, or the minister may, upon such terms and conditions as he may deem proper, limit a time within which such company shall make good the deficiency, and, upon the company's failure to make good such deficiency within the time so limited, such license shall be cancelled by the Lieutenant Governor in Council upon the report of the minister recommending the same.

(4) If at any time it be found that the assets of any such company are less than the amount required by subsection (1), by an amount equal to twenty per cent., or more of the total amount of the said unearned premiums, calculated as aforesaid, or that the company has paid any dividends, in contravention of subsection (2), it shall be the duty of the minister to report the same to the Lieutenant Governor in Council, whereupon the company's license shall be cancelled by order of the Lieutenant Governor in Council.

(5) If it should at any time appear, from the annual statement or from the superintendent's examination of the affairs and conditions of any company carrying on the business of fire or inland marine insurance, or both, that the unearned premiums on all its outstanding policies of insurance upon property in Saskatchewan, together with its other liabilities in Saskatchewan exceed its assets in Saskatchewan, including the deposit in the hands of the minister, the company shall be notified by the minister to make good the deficiency, and on its failure to make the same good (up to the date of making good) within sixty days of being so notified, the minister shall recommend the cancellation of the license of the company under this Act, and the same shall be cancelled accordingly by order of the Lieutenant Governor in Council.

1915, c.15, s.76; R.S.S. 1920, c.84, s.78.

CONTRACTS OF FIRE INSURANCE

Property which may be insured and how

79(1) Every company licensed under the provisions of this Act for the transaction of fire insurance may, within the limits and subject to the restrictions prescribed by its license, insure or reinsure any property in which the assured has an insurable interest against damage or loss by fire, lightning or explosion, whether the same happens by accident or any other means, except that of design on the part of the assured.

(2) A company licensed under this Act for the transaction of fire insurance, and insuring any mercantile or manufacturing risk, may either by the same or by a separate contract insure the same risk against loss or damage arising from defects in, or injuries to sprinklers or other fire extinguishing appliances.

(3) Every company which insures property in Saskatchewan, or property which is described in any contract of insurance as being situate in Saskatchewan, by means of a schedule or blanket policy, which also covers property situate elsewhere, shall file with the superintendent notice of the issuance of such policy, specifying in such notice the property insured, the amount of insurance, the premium rate, the amount of the premium and the date of expiry and in such notice shall apportion the amount of premium that is to be included in the return to be made to the Registrar of Joint Stock Companies under the provisions of *The Corporations Taxation Act*.

1915, c.15, s.77; R.S.S. 1920, c.84, s.79.

Terms of contracts

80(1) Contracts shall not exceed the term of three years; and the insurance of mercantile and manufacturing risks shall, if on the cash system, be for a term not exceeding one year; but contracts of mutual fire insurance by any mutual or cash mutual fire insurance company may be for any term not exceeding four years.

(2) Any contract made for one year or any shorter period on the premium note system, or for three years or any other shorter period on the cash system, may be renewed at the discretion of the company by renewal receipt instead of by policy, on the insured paying the required premium, or in the case of a contract on the premium note system by giving a new premium note; and any payment by cash or premium note for renewal shall be made at or before the end of the period for which the policy was granted or renewed, otherwise the policy shall be void.

1915, c.15, s.78; R.S.S. 1920, c.84, s.80.

What appears on face of fire policy

81(1) On the face of a policy of fire insurance there shall appear the name of the insurer, the name of the assured, face of fire policy the name of the person or persons to whom the insurance money is payable, the premium or other consideration, for the insurance, the subject matter of the insurance, the maximum amount or amounts which the insurer contracts to pay, the event on the happening of which payment is to be made and the term of the insurance.

Policy issued on application of agent to principal office

(2) In accordance with section 64, on every contract of insurance issued by a licensed fire insurance company at its principal or branch office on application procured and submitted to it by an authorised agent, shall be printed, stamped or written the words: "Issued on application submitted by but if the authorised resident agent at contract is countersigned, or is to be countersigned before delivery, by an authorised resident agent, the provisions of the Act shall be deemed to have been complied with.

Coinsurance

(3) A policy may contain a coinsurance clause, but any such policy shall have printed or stamped across its face in large type and in red ink the words: "This policy contains a coinsurance clause," and if these words are not so printed or stamped such clause shall not be binding on the assured.

Stipulations and terms held not just and reasonable

(4) Any stipulation or term of the contract, other than those above stated, if held by a court or a judge before whom a question relating thereto is tried to be not just and reasonable, shall not be binding on the assured.

1915, c.15, s.79; R.S.S. 1920, c.84, s.81.

STATUTORY CONDITIONS AND PROVISIONS RELATING THERETO**Statutory conditions part of every policy unless varied**

82 The conditions set forth in this section shall, as against the insurer be deemed to be part of every contract, in force in Saskatchewan with respect to any property therein or in transit therefrom or thereto, and shall be printed on every policy with the heading "Statutory Conditions," and no stipulation to the contrary, or providing for any variation, addition or omission, shall be binding on the assured unless evidenced in the manner prescribed by sections 83 and 84.

*Statutory Conditions***Misrepresentation or omission**

1. If any person insures property and causes the same to be described otherwise than as it really is to the prejudice omission of the company, or misrepresents or omits to communicate any circumstance which is material to be made known to the company, in order to enable it to judge of the risk it undertakes, such insurance shall be of no force in respect to the property in regard to which the misrepresentation or omission is made.

When a change as to risk shall avoid a policy

2. Any change, material to the risk and within the control or knowledge of the assured, shall avoid the policy as to the part affected thereby, unless the change is promptly notified in writing to the company or its local agent; and the company when so notified may return the unearned portion, if any, of the premium which has been paid for the unexpired period and cancel the policy, or may demand in writing, by registered letter addressed to the assured at his last post office address notified to the company, and where no address notified then to the post office of the agency from which the application was received, an additional premium, which the assured shall, if he desires the continuance of the policy, within fifteen days pay to the company, and if he neglects to make such payment within fifteen days after receiving such demand the policy shall be no longer in force.

Prior or subsequent insurance

3. If the assured now has any other insurance on any property covered by this policy which is not disclosed to the company or hereafter effects any other insurance thereon without the written assent of the company, he shall not be entitled to recover in excess of sixty per cent. of the loss or damage in respect of such property; but if for any fraudulent purpose the assured does not disclose such other insurance to the company this policy shall be void.

If within two weeks after written notice of such other insurance or of any intended insurance, or after that time and before such other insurance is effected, the company does not dissent by notice in writing to the assured, it shall be deemed to have assented thereto.

Apportionment of loss among insurers

4. In the event of there being any other insurance on property herein described at the time of the happening of any loss or damage in respect thereof, then this company shall be liable only for the payment of a rateable proportion of such loss or damage or of such amount as the assured shall be entitled to recover as provided by condition No. 3.

Policy sent deemed as applied for unless variance pointed out

5. After application for insurance, if the same is in writing signed by the assured, it shall be deemed that any policy sent or delivered to the assured is intended to be in accordance with the terms of the application, unless the company points out in writing, the particulars wherein the policy differs from the application. If the policy has been issued on verbal application or instructions of the assured it shall be deemed to be in accordance with such application or instructions, unless the assured points out to the company in writing the particulars wherein the policy differs from such application or instructions.

Waiver of condition

6. No condition of the policy, either in whole or in part, shall be deemed to have been waived by the company, unless the waiver is clearly expressed in writing, signed by an agent of the company.

Officers assuming to agree in writing deemed agents

7. Any officer or agent of the company who assumes on behalf of the company to enter into any written agreement relating to any matter connected with the insurance shall be deemed *prima facie* to be the agent of the company for the purpose.

Written notice to assured, how sent

8. Any written notice to the assured may be by letter delivered to the assured or by registered letter addressed to him at his last post office address notified to the company or where no address is notified and the address is not known, addressed to him at the post office of the agency, if any, from which the application was received.

What constitutes written notice to the company

9. Any written notice to the company may be delivered at the head office or chief agency of the company in the province in which the property is situate, or sent by registered post addressed to the company, its manager or agent, at such head office or chief agency or may be delivered or sent by registered post to an authorised agent of the company.

Insurance terminated by company on notice

10. The insurance may be terminated by the company by giving to the assured fifteen days' notice in writing or five days' personal notice to that effect, and if on the cash plan by tendering therewith a rateable proportion of the premium paid, for the unexpired term, calculated from the termination of the notice, and the policy shall cease after such notice or notice and tender, as the case may be, and the expiration of the fifteen days or five days, as the case may be.

Insurance terminated by assured on notice

11. The insurance, if on the cash plan, may also be terminated by the assured by giving written notice to that effect to the company or its authorised agent, in which case the company may retain the customary short rate for the time the insurance has been in force, and shall repay to the assured the balance of the premium paid.

Change of property

12. If the property insured is assigned without a written permission indorsed hereon by an agent of the company duly authorised for such purpose, the policy shall thereby become void; but this condition does not apply to change of title by succession or by operation of the law, or by reason of death.

Money, securities, etc.

13. Money, books of account, securities for money, and evidences of debt or title, are not insured.

When company not to be liable

14. The company is not liable for the losses following, that is to say:

Liability in case of nonownership and conditions imposed by ordinances

(a) for the loss of property owned by any other person than the assured, unless the interest of the assured is stated in or upon the policy; nor for loss beyond the actual value destroyed by fire nor for loss occasioned by ordinance or law regulating construction or repair of buildings;

Riot, invasion

(b) for loss caused by invasion, insurrection, riot, civil commotion, military or usurped power;

Chimneys, ashes, stoves

(c) where the insurance is upon buildings or their contents for loss caused by the want of good and substantial brick or stone or cement chimneys; or by ashes or embers being deposited, with the knowledge and consent of the assured, in wooden vessels; or by stoves or stovepipes being, to the knowledge of the assured, in an unsafe condition or improperly secured;

Goods to which fire heat is being applied

(d) for loss or damage to goods destroyed or damaged while undergoing any process in or by which the application of fire heat is necessary;

Repairs by workmen

(e) for loss or damage occurring to buildings or to their contents while the buildings are being altered or repaired by carpenters, joiners, plasterers, or other workmen, and in consequence thereof, unless permission to execute such repairs or alterations has been previously granted in writing, signed by a duly authorised agent of the company, but fifteen days are allowed in each year for incidental alterations or repairs without such permission;

Gasoline, coal oil, gunpowder

(f) for loss or damage occurring while petroleum, rock, earth or coal oil, camphene, gasoline, burning fluid, benzine, naphtha or any liquid products thereof, or any of their constituent parts (refined coal oil for lighting purposes only, not exceeding five gallons in quantity, or lubricating oil not being crude petroleum nor oil of less specific gravity than required by law for illuminating purposes, not exceeding five gallons in quantity. excepted or more than twenty-five pounds weight of gunpowder is or are stored, kept or used by the assured or to his knowledge by any other person under his control, in the building insured or containing the property insured unless permission is given in writing by the company. In the case of gasoline not more than a quart shall be stored, kept, or used upon the premises without a permit;

When property becomes vacant

(g) where the building insured or containing the property insured be, or becomes vacant and unoccupied for period of thirty days to the knowledge of the assured without the consent of the company in writing.

Explosion, lightning

15. The company shall make good loss or damage caused by the explosion of coal or natural gas in a building not forming part of gas works, and loss or damage by fire caused by any other explosion or loss or damage caused by lightning, whether fire ensues therefrom or not, but if dynamos, excitors, lamps, switches, motors, or other electrical appliances or devices are insured any loss or damage to them caused by lightning or other electrical currents, artificial or natural, is expressly excluded and the company is liable only for such loss or damage to them as may occur from resultant fire originating outside the machines themselves.

Partial damage, salvage

16. Where property insured is only partially damaged no abandonment of the same will be allowed unless by the salvage consent of the company or its agent; and in case of removal of property to prevent damage thereto, the company will contribute to the loss and expenses attending such act of salvage proportionately to the respective interest of the company or companies and the assured; and that part of this policy in excess of its proportion of any loss and of the value of the property remaining in the original location, shall for the ensuing seven days only or for the unexpired term of the policy if less than seven days, cover the property so removed in the new location or locations in the proportion that the value in any one such new location bears to the value in all such new locations.

Company may replace instead of paying

17. The company instead of making payment, may repair, rebuild or replace, within a reasonable time, the property damaged or lost, giving notice of their intention within fifteen days after receipt of the proofs herein required.

Proof of loss when paying to other than assured

18. Subject to condition 19 proof of loss must be made by the assured, although the loss is payable to a third person.

Proof of loss may be made by agent

19. Proofs of loss may be made by the agent of the assured, in case of the absence or inability of the assured himself to make the same, such absence or inability being satisfactorily accounted for, or in the like case or if the assured refuses to do so by a person to whom any part of the insurance money is payable.

Directions to be observed on making claim

20. Any person entitled to make a claim under this policy shall:

- (a) forthwith after loss give notice in writing to the company;
- (b) deliver, as soon after as practicable, as particular an account of the loss as the nature of the case permits;
- (c) furnish therewith a statutory declaration declaring:

That the account is just and true;

When and how the loss occurred, and if caused by fire how the fire originated, so far as the declarant knows or believes;

That the loss did not occur, or if caused by fire that the fire was not caused through any wilful act or neglect or the procurement means or contrivance of the assured;

The amount of other insurances, and names of other insuring companies;

All liens and incumbrances on the subject of insurance;

The place where the property insured, if movable, was deposited at the time of the fire;

(d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers, verified by a statutory declaration in support of his claim, and furnish copies of the written portion of all policies, separate as far as reasonably may be the damaged from the undamaged property and exhibit for examination all that remains of the property which was covered by the policy. The evidence furnished under this clause shall not be considered proofs of loss within the meaning of condition 23.

Fraud or false statement vitiate claim

21. Any fraud or false statement in any declaration, in relation to any of the above particulars shall vitiate the claim of the person making the declaration.

Arbitration in case of difference

22. If any difference arises as to the value of the property insured, the property saved, or the amount of the loss, such value and amount and the proportion thereof (if any) to be paid by the company shall, whether the right to recover on the policy is disputed or not, and independently of all other questions, be submitted to the arbitration of some person to be chosen by both parties, or if they cannot agree on one person, then to two persons one to be chosen by the party assured and the other by the company, and a third to be appointed by the persons so chosen, or in their failing to agree, then by a judge of the district court of the district in which the loss has happened; and such reference shall be subject to the provisions of *The Arbitration Act*; and the award shall, if the company is in other respects liable, be conclusive as to the amount of the loss and the proportion to be paid by the company; where the full amount of the claim is awarded the costs shall follow the event; and in other cases all questions of costs shall be in the discretion of the arbitrators.

Loss when payable

23. The loss shall be payable in sixty days after the completion of the proofs of loss, unless a shorter period is provided for by the contract of insurance.

Actions to be brought within one year

24. Every action or proceeding against the company for year the recovery of any claim under or by virtue of this policy shall be absolutely barred, unless commenced within one next after the loss or damage occurs.

1915, c.15, s.80; R.S.S. 1920, c.84, s.82.

Variations how indicated

83 If the insurer desires to vary the statutory conditions or to omit any of them, or to add any new condition, there shall be added immediately after such conditions words to the following effect, which with any such variation, addition or reference to omissions, shall be printed in conspicuous type and in red ink:

Variations in Conditions

“This policy is issued on the above statutory conditions with the following variations, omissions and additions, which are, by virtue of *The Saskatchewan Insurance Act*, in force so far only as they shall be held to be just and reasonable to be exacted by the company.”

1915, c.15, s.81; R.S.S. 1920, c.84, s.83.

Variations not binding unless clearly indicated

84 No such variation, omission or addition, unless the same is distinctly indicated and set forth in the manner above prescribed, shall be binding on the assured; but on the contrary the policy shall, as against the insurer, be subject to the statutory conditions only.

1915, c.15, s.82; R.S.S. 1920, c.84, s.84.

To be just and reasonable

85 Any such variation, omission or addition, unless held to be just and reasonable, shall be null and void.

1915, c.15, s.83; R.S.S. 1920, c.84, s.85.

Optional with insurers to pay claims void under statutory conditions

86 It shall be optional with the insurer to pay or allow claims, wholly or in part, which are void under any statutory condition.

1915, c.15, s.84; R.S.S. 1920, c.84, s.86.

When loss payable to person other than assured, notice of cancellation must be given such person

87 Where the loss, if any, under any policy has with the consent of the company been made payable to some person or persons or company other than the assured as mortgagee or mortgagees said policy shall not be cancelled, by the company upon the application of the assured nor in any case without reasonable notice to the said mortgagee or mortgagees.

1915, c.15, s.85; R.S.S. 1920, c.84, s.87.

Where failure to make proof is caused by accident, etc.

88 Where, by reason of necessity, accident or mistake, any condition of a contract of insurance on property in Saskatchewan as to the proof to be given to the insurer after the occurrence of the event insured against, has not been strictly complied with; or where after a statement of proof of loss has been given in good faith by or on behalf of the assured, in pursuance of any condition of such contract of insurance, the insurer, through its agent or otherwise, objects to the loss upon other grounds than for imperfect compliance with such condition or does not within a reasonable time after receiving such statement of proof notify the assured in writing that it is objected to, stating the particulars in which the same is alleged to be defective, and so from time to time, or where, for any other reason, it is held to be inequitable that the insurance should be deemed void or forfeited by reason of imperfect compliance with such condition, no objection to the sufficiency of such statement of proof or amended or supplemental statement of proof, as the case may be, shall be allowed, as a defence by the insurer or a discharge of his liability on such contract of insurance wherever entered into.

1915, c.15, s.86; R.S.S. 1920, c.84, s.88.

Insurer's right of entry after loss

89(1) After any loss or damage to insured property the insurer by a duly accredited agent, shall have an immediate right of entry and access sufficient to enable him to survey and examine the property, and to make an estimate of the loss or damage, but the insurer shall not be entitled to the disposition, control, occupation or possession of the insured property, or of the remains or salvage thereof, unless the insurer, undertakes reinstatement, or accepts abandonment of the property.

Duty of assured after loss

(2) After any loss or damage to insured property, it shall be the duty of the assured when, and as soon as it is practicable, to secure the insured property from damage, or from further damage, and to separate as far as reasonably may be, the damaged from the undamaged property, and to notify the insurer when such separation has been made, and thereupon the insurer shall be entitled to entry and access sufficient to enable him to make an appraisal or particular estimate of the loss or damage.

(3) The insurer and the assured instead of proceeding by arbitration under statutory condition 22, may at any time after the loss or damage make a joint survey, examination, estimate or appraisal of the loss or damage, in which case the insurer shall be deemed to have waived all right to make a separate survey, examination, estimate or appraisal thereof.

1915, c.15, s.87; R.S.S. 1920, c.84, s.89.

Inquiries into proofs of loss, when and how made

90 Where proofs of loss are made by any person other than the assured, the insurer shall be entitled to have the assured examined under oath touching the loss or damage before the judge of the district in which the assured resides, and the procedure shall be the same as that upon an examination for discovery in an action.

1915, c.15, s.88; R.S.S. 1920, c.84, s.90.

FRIENDLY SOCIETIES

Documents filed before issue of license

91 Before the issue of a license to a friendly society as prescribed in section 12, such society shall file in the office of the superintendent the following documents:

- (a) a certified copy of the Act of incorporation or other instrument of association of the society, which shall include its charter and regulations verified in manner satisfactory to the superintendent;
- (b) an affidavit or statutory declaration that the society is still in existence and legally authorised to transact business under its charter;
- (c) a certified copy of the last balance sheet and auditors' report thereon;
- (d) notice of the place where the head office of the society without Saskatchewan is situate;
- (e) notice of the place where, the head office of the society in Saskatchewan is to be situate;
- (f) a certified statement of the society's membership in Saskatchewan;
- (g) schedule of rates adopted by society.

1915, c.15, s.89; R.S.S. 1920, c.84, s.91.

Companies Act, application of

92(1) A friendly society shall not, if licensed under this Act, be required to comply with the provisions of *The Companies Act* respecting registration and licensing, but shall, nevertheless, be capable of contracting and being contracted with, of suing and being sued, of pleading and being impleaded in any court.

(2) This section shall apply retrospectively to all contracts, acts, suits and proceedings entered into, done, commenced or carried on by or on behalf of or against any such society since the twenty-first day of June, 1915.

1917, c.22, s.6; R.S.S. 1920, c.84, s.92.

Form of license

93 The license shall be in such form as may be from time to time determined by the superintendent, and it shall specify the business to be carried on by the society and shall expire on the thirty-first day of December in each year but shall be renewable from year to year.

1915, c.15, s.90; R.S.S. 1920, c.84, s.93.

Cases where license will not be granted

94(1) No license shall be granted to a friendly society unless it provides for its contracts upon lives at least to the not be granted extent of collecting from its members premiums or assessments not less than those set out in schedule A, and such further sum as is sufficient to provide for the expenses of management.

Exceptions

(2) This section shall not apply to societies operating in Saskatchewan on or before the first day of January, 1915.

1915, c.15, s.91; R.S.S. 1920, c.84, s.94.

Fees payable by society

95 Each society shall pay to the superintendent the following fees:

- (a) for recording and filing in the office of the superintendent the documents required by section 91, \$5.00;
- (b) for initial license to do business or renewal thereof;
- (c) transacting life insurance including sickness and funeral benefit:

under 200 members in Saskatchewan.....	\$ 25.00
over 200 and under 500 members in Saskatchewan	50.00
over 500 members in Saskatchewan	100.00
- (d) transacting only sickness and funeral benefit:

when head office is in Canada	\$ 25.00
when head office is outside Canada.....	50.00

1915, c.15, s.92; R.S.S. 1920, c.84, s.95.

CONTRACTS OF HAIL INSURANCE**Property which may be insured**

96(1) Every company licensed under the provisions of this Act for the transaction of hail insurance may, within the limits and subject to the restrictions prescribed by its license, insure or reinsure any property in which the assured has an insurable interest against damage or loss by hail.

Commence of liability

(2) The liability of a company issuing a contract of hail insurance shall commence at noon, standard time, of the day on which the application shall have been accepted by the head or branch office of the company or its general agent in the province, and shall expire at noon on the 15th day of September of the same year.

When grain cut before September 15

(3) Should the crop insured be cut before the date of expiry mentioned in subsection (2), the liability of the company under the contract shall cease at the time the grain is cut.

Applications

(4) Upon receipt of an application for a contract of hail insurance at the head office of a company, or at its branch office or general agency in this province from which contracts of hail insurance are issued, the application shall immediately be stamped with the date of its receipt, and on the same day with either the word "accepted" or the word "declined." If declined, the applicant shall be so notified on the day on which the application is received and at his address as given in the application. Where there is a telegraph office at such address the notice shall be given by telegram prepaid, otherwise it shall be forwarded, in writing by registered mail.

(5) Every agent who takes an application for hail insurance on behalf of a company shall forward same to the company by registered mail not later than the day following the date on which it is taken.

Limitation of amount of liability to be made known to agents

(6) When a company underwriting hail insurance limits the gross amount of liability which it will accept on any parcel of land, or limits the amount of liability which the head office or general agency in this province is authorised to accept without reference to its head office situated without the province, notice of such limitation shall be given to every agent of the company in the province before the commencement of the hail underwriting season or at the time of the appointment of the agent if appointed at a subsequent date.

1915, c.15, s.93; 1917, c.22, s.7; R.S.S. 1920, c.84, s.96.

Special certificate of authority

97 Every general agency whose head office is situate outside of Saskatchewan transacting agency business in Saskatchewan for the purpose of soliciting applications for hail insurance, and which does not maintain within Saskatchewan an office where such applications may be accepted or declined, shall obtain from the superintendent a special certificate of authority under section (35) authorising it to transact such business within the province. Such certificate may be issued upon application filed with the superintendent, when such application has been approved by him and the prescribed fee paid.

1918-19, c.33, s.15; R.S.S. 1920, c.84, s.97.

What to appear on face of hail policy

98(1) On the face of the policy of hail insurance there shall appear the name of the insurer, the name of the of hail policy assured, the name of the person or persons to whom the insurance money is payable, the premium or other consideration for the insurance, the subject matter of the insurance, the maximum amount or amounts which the insurer contracts to pay, the event on the happening of which payment is to be made, and the term of the insurance.

(2) There shall also appear on every application for a contract of hail insurance and on every policy or contract in a prominent position and in prominent type the name and address of the company's head or branch office or general agency from which the policy is to be or was issued.

1915, c.15, s.94; 1918-19, c.33, s.16; R.S.S. 1920, c.84, s.98.

Words written, stamped or printed on face of every insuring document

99 Every company licensed under this Act to transact hail insurance in Saskatchewan shall cause to be printed, stamped or written in plain letters across the face of every face of every policy, or other insuring document, covering hail loss, issued by or on behalf of such company on crops in Saskatchewan, or which on the face of such policy or other insuring document are stated to be in Saskatchewan the words, "Licensed under *The Saskatchewan Insurance Act*."

1915, c.15, s.95; R.S.S. 1920, c.84, s.99.

Stipulations and terms held not just and reasonable

100 Any stipulation or term of the contract, other than those mentioned above, if held by a court or a judge before whom a question relating thereto is tried, to be not just and reasonable, shall not be binding on the assured.

1915, c.15, s.96; R.S.S. 1920, c.84, s.100.

Statutory conditions part of every policy unless varied

101 From and after the first day of May, 1917, the conditions set forth in this section shall as against the insurer be deemed to be part of every contract in force in Saskatchewan with respect to any crop therein, and shall be printed on every policy with the heading "Hail Insurance Conditions," and no stipulations to the contrary, or providing for a variation, addition or omission, shall be binding on the assured unless evidenced in the manner prescribed by sections 83 and 84.

*Hail Insurance Conditions***Misdescription, misrepresentation or omission**

1. If any person insures his crop and causes the same to be described as to location and acreage otherwise than as it really is, to the prejudice of the company, or misrepresents or omits to communicate any circumstance which is material to be made known to the company in order to enable it to judge of the risk it undertakes, such insurance shall be of no force with respect to the item of the application in regard to which there has been such misdescription, misrepresentation or omission.

Policy sent deemed as applied for unless variance notified

2. A policy sent or delivered to an insured upon an application in writing shall be deemed to be intended to be in accordance therewith, unless the company forthwith gives notice to the insured in writing of the particulars wherein such policy and application differ. A policy issued on a verbal application or verbal instructions shall be deemed to be intended to be in accordance therewith unless the insured notifies the company in writing, before any loss is incurred under the policy, of the particulars wherein the said policy and application or instructions differ.

Waiver of condition

3. No condition of the policy, either in whole or in part, shall be deemed to have been waived by the company, unless the waiver is clearly expressed in writing, signed by or on behalf of the company at its head office or general agency from which the policy was issued.

Officer assuming to agree in writing deemed agent of company

4. Any authorised officer or general agent of the company who, on behalf of the company, enters into a written agreement relating to any matter connected with an insurance shall be deemed *prima facie* to be the agent of the company for the purpose.

When company not liable

5. The company shall not be liable for the losses following, that is to say:

Minimum amount of damage

(a) loss from hail on any part of the acreage insured which is found to be less than 5 per cent. of the amount of insurance per acre, and in no case for any loss less than ten dollars except where the acreage insured is forty acres or less;

Other causes than hail

(b) loss occasioned to the crops insured, by causes other than hail; and where other causes than hail have contributed to the damage the company shall be liable only for so much of the loss as is directly attributable to hail;

Damage by hail not considered

(c) loss from hail to any portion of the insured crops which have been so injured by causes other than hail, or by being over-ripe, that such portion would not yield profit over and above the actual cost of cutting, threshing and marketing;

Over-ripe grain

(d) loss arising from the neglect of the assured to cut, after it has been damaged by hail, any portion of the insured crop which is fully matured.

Notice of loss given

6. In the event of damage to the crops insured, the assured or his agent shall notify the company of the loss by registered letter mailed within three days of the occurrence of such damage and addressed to the company at its head office or general agency from which the policy was issued, stating the number of the policy, the day and hour of the storm and the estimated damage to each plot or item of the crop insured:

Provided that such notification may be delivered at such head office or general agency by the assured or his agent within such specified time.

Proof of loss made

7. A person claiming under a policy shall within thirty days after the occurrence of the loss, unless such time is extended in writing by the company, furnish a statutory declaration, hereinafter called proof of loss, setting forth the date and number of the policy, a description of the land upon which the grain was damaged, the date of the damage and the estimated percentage of damage sustained by each portion of the crop insured. If the assured fails to furnish proof of loss he shall forfeit any claim under the policy. No denial of liability or other act on the part of the company, save as hereunder mentioned, shall be deemed to waive or dispense with proof of loss:

Proof of loss may be waived

Provided that if the company within the said thirty days, loss may be adjusted the loss acceptably to the claimant and such adjustment has been duly signed by him, or if the amount of the loss has been determined by appraisal as hereinafter provided, the company shall be deemed to have waived proof of loss, unless the same is requested by the company in writing.

Fraud or false statement vitiates claim

8. Any fraud or false statement in a statutory declaration in relation to any of the above particulars shall vitiate the claim of the person making the declaration.

Proof of loss made by assured

9. Subject to condition 10 proof of loss must be made by the assured, although the loss is payable to a third person.

Proof of loss may be made by agent of the assured

10. Proof of loss may be made by the agent of the assured, in case of the absence or inability of the assured himself to make the same, such absence or inability being satisfactorily accounted for, or in the like case or if the assured refuses to do so, by a person to whom any part of the insurance money is payable.

Partial damage

11. In case of partial damage by hail the company shall pay the same percentage of the amount insured per acre as the portion of the crop destroyed or damaged bears to what would have been the amount of the whole crop had no damage by hail occurred, no account to be taken of the cost of cutting or threshing the portion not destroyed or damaged. On the remaining portion of the insured crop the residue of the insurance shall remain in force.

When assured pays expense of adjustment

12. If the assured in his notice of loss calls for an adjustment and it is found that the company is not liable for any loss according to the conditions of his policy, the assured shall pay the expenses incurred in the investigation of his claim.

Return of portion of premium under certain conditions

13. The insurance, if on the cash plan, may be terminated by the insured by giving written notice to that effect to the company by registered letter at its head or branch office or at the general agency from which the policy was issued and upon surrender of the policy, in which case the company may retain the customary short rate applicable to hail insurance for the time the insurance has been in force, and shall repay to the insured the balance of the premium paid; if on the note plan, the insured shall pay the company the earned portion of the premium, and on payment or tender of such amount the company shall return the premium note,

Appraisal in case of differences

14. In the event of a disagreement as to the percentage of damage by hail to any of the crops insured, whether the right to recover on the policy is disputed or not, such percentage shall, when so required by either party, be ascertained by an appraisal which shall be conducted as follows:

- (i) the party desiring appraisal shall within three days of such disagreement deliver or cause to be delivered by mail or otherwise to the other party a notice in writing requiring an appraisal to be made and appointing a competent and disinterested appraiser who is a taxpayer in the province, who shall act either alone or with an appraiser chosen by the other party to estimate the percentage of the damage;
- (ii) not later than three days after receipt of such notice the other party shall, if he so desires, appoint an appraiser to represent him and, within the said period, shall notify the first party of such appointment by notice in writing so delivered as aforesaid
- (iii) in the latter case the appraisers shall together estimate the percentage of damage, and failing to agree shall submit their differences to an umpire, and the award in writing of any two shall determine the percentage of such damage. Such umpire shall be chosen by the appraisers, or in case they cannot agree, then on the application of either appraiser, by the Superintendent of Insurance;

(iv) if one appraiser has been chosen, both parties shall share equally his expenses, if two, each party shall pay the expense of the appraiser chosen by him; both parties shall bear equally the expense of the umpire if an umpire is required;

(v) should either party after receipt of written notice from the other, neglect or refuse to choose an appraiser within the time above specified the percentage of damage shall be estimated and determined by the appraiser chosen by the party giving notice;

(vi) the actual appraisal of such damage shall be commenced within two days after both appraisers have been chosen, or after the expiration of the time herein allowed for such choice;

(vii) the periods of time specified in this condition may on application be extended at the discretion of the Superintendent of Insurance.

Loss when payable

15. The loss shall be payable within sixty days after completion of proof of loss, unless a shorter period is provided for by the contract of insurance.

Action brought within twelve months

16. Every action or proceeding against the company for the recovery of any claim under or by virtue of this policy shall be absolutely barred, unless commenced within twelve months next after the loss or damage occurs.

Assignment or change of property

17. If the crop insured or the interest of the assured in such crop is assigned without the written permission of the head office or general agency of the company from which the policy was issued, such assignment shall not be binding on the company; but this condition does not apply to change of title by succession or by operation of the law, or by reason of death.

1917, c.22, s.8; 1918-19, c.33, s.17; R.S.S. 1920, c.84, s.101.

Sections 86, 88 and 90 apply

102 Sections 86, 88 and 90 of this Act shall apply to contracts of hail insurance.

1915, c.15, s.98; R.S.S. 1920, c.84, s.102.

Adjustment of loss

103 When an adjustment of loss under any contract of hail insurance has been made, a copy of such adjustment, duly signed by the adjuster and the assured or his agent, shall be given the assured or his agent.

1915, c.15, s.99; R.S.S. 1920, c.84, s.103.

MUTUAL FIRE INSURANCE COMPANIES

Meeting to establish company, how called

104 Where it appears to the minister that there is in any district no adequate provision for insurance of farm and nonhazardous property on the mutual plan against fire, the minister may certify that fact, and thereupon any ten persons having an insurable interest in property real or personal exposed to damage by fire may call a meeting of freeholders to consider whether it is expedient to establish a fire insurance company upon the mutual plan.

1915, c.15, s.100; R.S.S. 1920, c.84, s.104.

Advertisement calling meeting

105 The meeting shall be called by advertisement stating the time, place and object of the meeting; and the advertisement shall be published once a week for three successive weeks in a newspaper published in the district, the freeholders of which are considering the formation of a mutual company.

1915, c.15, s.101; R.S.S. 1920, c.84, s.105.

Subscription book

106(1) If thirty persons, each having an insurable interest in property, are present and a majority of them determine that it is expedient to establish a mutual fire insurance company, they may elect from amongst themselves three persons to open and keep a subscription book in which owners of real or personal property within Saskatchewan may sign their names and enter the sum for which they shall respectively bind themselves to effect insurance with the company.

Additional subscription book

(2) In such subscription book shall also appear the name of the person and his address, the description and location of the property to be insured, and a statement that the applicant shall not be individually liable for the debts of the proposed company beyond the amounts due under the premium note to be given by him to the company.

1915, c.15, s.102; R.S.S. 1920, c.84, s.106.

When meeting may be called

107 When the aggregate amount as subscribed in section 106 is not less than \$50,000, a meeting shall be called as hereinafter provided.

1915, c.15, s.103; R.S.S. 1920, c.84, s.107.

How meeting called

108(1) When the subscription has been completed, any ten of the subscribers may call the first meeting of the proposed company at such time and place as they may determine by sending a printed notice by mail, addressed to every subscriber at his post office address, at least ten days before the day of meeting and by advertisement in a newspaper published or circulated in the district.

(2) The notice and advertisement shall state the object of the meeting, and the time and place at which it is to be held.

1915, c.15, s.104; R.S.S. 1920, c.84, s.108.

Election of officers

109(1) At such meeting or any adjournment of it, the name and style of the company, which shall contain the words "fire" and "mutual," shall be adopted, a secretary *ad interim* appointed, a board of directors elected as hereinafter provided, and some central and generally accessible place within the province named, at which the head office of the company shall be located.

(2) The presence of at least twenty-five of the subscribers shall be necessary to constitute a valid meeting.

(3) As soon as convenient after the meeting, the secretary *ad interim* shall call a meeting of the board of directors for the election from among themselves of a president and vice president, for the appointment of a secretary and a treasurer or a secretary treasurer or a manager, and the transaction of such other business as may be brought before the meeting.

1915, c.15, s.105; R.S.S. 1920, c.84, s.109.

Certain documents delivered

110(1) Thereupon there shall be delivered to the superintendent, certified as correct under the hands of the chairman and secretary:

- (a) a copy of the minutes of the meetings, including all resolutions respecting the object of the proposed company, its name or style, and the location of its head office;
- (b) a copy of the subscription book;
- (c) a list showing the names and addresses of the directors elected and of the officers appointed.

(2) There shall also, for verification, be produced to the superintendent, the originals of such documents.

1915, c.15, s.106; R.S.S. 1920, c.84, s.110.

Superintendent ascertains correctness of proceedings

111 Upon the receipt by the superintendent of the documents mentioned in section 110, he shall ascertain and determine whether the proceedings for the incorporation of the company have been taken in accordance with the provisions of the Act, and whether the subscriptions are *bona fide*, and by persons possessing property to insure, and whether the proposed name is the same as that of any existing company, or may easily be confounded therewith, or is other-wise objectionable.

1915, c.15, s.107; R.S.S. 1920, c.84, s.111.

His report

112(1) If the superintendent determines that the provisions of this Act have been complied with and that there is no reason why the company should not be incorporated, he shall so report to the minister.

(2) Upon receipt of such report, and on the presentation certificate of the documents mentioned in section 110 and the payment of such fees as are prescribed by the regulations of the Lieutenant Governor in Council under *The Companies Act*, the minister may authorise the registrar under his hand and seal of office to issue a certificate of registration.

Effect of certificate of incorporation

(3) From the time of the issuing of such certificate, the proposed company shall become a corporation and the members of the corporation shall be the persons who for the time being are insured therein on the premium note plan, and as long as the company remains duly registered it shall be capable of undertaking within Saskatchewan fire insurance on the mutual plan in the terms of its license and er this Act.

1915, c.15, s.108; 1918-19, c.33, s.18; R.S.S. 1920, c.84, s.112.

License obtained

113 After registration the superintendent may issue a license to the company in the form provided for by section 18.

1915, c.15, s.109; R.S.S. 1920, c.84, s.113.

Powers of mutual company

114(1) A mutual company so incorporated may sue or be sued in any court under the corporate name; it may purchase, lease, hold, sell, convey or mortgage any real or personal property required for the business of the company or for the investment of any reserve fund or other moneys belonging to the company; it may also invest funds belonging to the company in mortgages on real estate; or in the purchase of Dominion, provincial, municipal or school bonds or debentures; and it may appoint such officers or agents as the business of the company shall require and define their powers and duties and fix their remuneration and the amount of the security to be required of them; and it may make bylaws not inconsistent with this Act for the management of its business, the regulation of the tariff of rates, the levying of assessments and the terms and conditions of its insurance policies.

(2) The company may insure dwelling houses, stores, shops and other buildings, household furniture, merchandise, machinery, live stock, farm produce and other commodities against damage or loss by fire or lightning, whether the same happen by accident or any other means, except that of design on the part of the insured, or by the invasion of an enemy, or by insurrection.

(3) A company may effect any insurance upon the cash premium principle, for a period not exceeding three years, on farm and other nonhazardous property, and for one year or less on any other class of property; but the amount of cash insurance in any one year shall be limited, so that the cash premiums received thereon during any one year shall not be in excess of one-half of the amount still payable in respect of premium notes or undertakings on hand on the thirty-first day of December of the previous year, according to the statement made under section 55.

1915, c.15, s.110; R.S.S. 1920, c.84, s.114.

Forfeiture of corporate powers

115 Subject to section 59, the corporate powers of the company shall be forfeited and cease except for the purpose of winding up, provided:

- (a) that there are not before the lapse of one year from the date of issuing the certificate of incorporation mutual insurance policies of the company in force to a total amount of \$100,000; or
- (b) that at any time thereafter the total amount of such insurance policies shall have diminished and become less than \$100,000.

1915, c.15, s.111; R.S.S. 1920, c.84, s.115.

ELECTION OF DIRECTORS

116(1) The affairs of the company shall be managed by a board of directors which shall consist of six, nine, twelve or fifteen directors, as shall be determined by resolution passed at the meeting held under section 108 all of whom shall be members of the company and insured therein for at least \$1,000 each.

(2) The number of directors may from time to time be increased or decreased if so determined at a special general meeting of the company called for the purpose, or at an annual general meeting, if notice in writing of the intention to propose a bylaw for that purpose at such annual general meeting is given to the secretary of the company at least one month before the holding of the meeting; but the increased or decreased number of directors shall in any such case be six, nine, twelve or fifteen.

1915, c.15, s.112; R.S.S. 1920, c.84, s.116.

Power of directors elected at first meeting

117 The directors elected at the meeting held under section 108 shall hold office and enjoy all the powers exercised by the directors elected as hereinafter provided until replaced or re-elected at the first annual meeting of the company.

1915, c.15, s.113; R.S.S. 1920, c.84, s.117.

Retirement of directors in rotation

118 One-third of the directors shall retire annually in rotation, and at the first meeting of the directors, or as soon thereafter as possible, it shall be determined by lot which of them shall hold office for one, two or three years respectively, and the determination shall be entered in the minutes of the meeting.

1915, c.15, s.114; R.S.S. 1920, c.84, s.118.

Annual election to fill vacancies

119 At every annual general meeting thereafter one-third of the total number of directors shall be elected for a period of three years, to fill the places of the retiring directors, who shall be eligible for re-election.

1915, c.15, s.115; R.S.S. 1920, c.84, s.119.

Manager may be a director/His salary

120 The manager of the company although he has not the qualification required by section 116, may be a director of the company and may be paid an annual salary under a me salary bylaw passed as provided by section 134.

1915, c.15, s.116; R.S.S. 1920, c.84, s.120.

Certain persons not eligible as directors

121(1) No paid officer, or officer of the bankers of the company, or person in the employment of the company, other than the manager, shall be eligible to be elected as a director or shall interfere in the election of directors.

(2) Nothing herein shall apply to a person receiving applications for insurance, or taking to his own use the customary application, survey or policy fee, not exceeding \$2 in respect of any one policy, or prevent a director from so doing.

1915, c.15, s.117; 1918-19, c.33, s.19; R.S.S. 1920, c.84, s.121.

Election of directors

122(1) The election of directors shall be held and made by such members as attend for that purpose in their proper persons, or in the case of a corporation or partnership by a person authorised in writing to represent it.

(2) The election shall be by ballot.

(3) If two or more members have an equal number of votes, so that less than the whole number to be elected appear to have been chosen directors by a majority of votes, the members present shall proceed to ballot until it is determined which of the persons so having an equal number of votes shall be the director or directors.

(4) The directors shall at their first meeting after any such election elect by ballot from among themselves a president and vice president, and the secretary shall preside at such election.

1915, c.15, s.118; R.S.S. 1920, c.84, s.122.

Interim vacancies in office

123 If a vacancy occurs among the directors during the term for which they have been elected by death, resignation, ceasing to have the prescribed qualification, insolvency, or by absence without previous leave of the directors, from three successive regular meetings which shall, *ipso facto*, create such vacancy, the vacancy, in the case of a board limited to six directors, shall be filled, and in the case of a board limited to a number of directors exceeding six, may be filled, until the next annual general meeting, by any person duly qualified chosen by a majority of the remaining directors as soon as may be after the vacancy occurs, and at the next annual general meeting the vacancy shall be filled for the portion of the term still unexpired.

1915, c.15, s.119; R.S.S. 1920, c.84, s.123.

Representations of partnerships

124 Where a partnership has the qualification which would qualify an individual to be a director of the company one member of the partnership shall be eligible to be a director of the company.

1915, c.15, s.120; R.S.S. 1920, c.84, s.124.

Provision in case of failure to elect directors on proper day

125 In case an election of directors is not made on the day on which it ought to have been made the company shall not for this cause be dissolved but the election may be held on any subsequent day at a meeting to be called by the directors for that purpose or as is otherwise provided for by the bylaw of the company and in such case the directors shall continue to hold office until their successors are elected.

1915, c.15, s.121; R.S.S. 1920, c.84, s.125.

GENERAL POWERS OF THE BOARD OF DIRECTORS

Appointment of officers

126 The directors may from time to time appoint a manager, a secretary, a treasurer and such other officers, agents or assistants as to them may seem necessary, prescribe their duties, fix their compensations or allowances, take such security from them as may be required for the faithful performance of their respective duties and remove them and appoint others instead.

1915, c.15, s.122; R.S.S. 1920, c.84, s.126.

Directors fix rates

127(1) The directors may also, subject to the provisions of this Act, adopt a table of rates, premiums or premium notes, as the case may be, and vary such tables from time to time, and may also prescribe the maximum amount of any risk to be undertaken.

Regular meetings

(2) A regular meeting of the directors shall be held at least once in every three months, and oftener if necessary, for transacting the business of the company, and a special meeting may at any time be held on the call of the president or acting president, upon at least three days' notice in writing, stating the business for which the special meeting is called.

Minute book

(3) The directors shall keep a record of their proceedings in a book to be known as the minute book of the company in which also shall be entered the proceedings of all general meetings of the members.

1915, c.15, s.123; R.S.S. 1920, c.84, s.127.

Directors may pass bylaws

128(1) The directors may pass bylaws respecting the funds and property of the company, the duties of the officers, agents and assistants thereof, the effectual carrying out of the objects contemplated by this Act, the holding of the annual and other meetings, and all such other matters, as appertain to the business of the company and are not contrary to law, and may from time to time alter and amend such bylaws, except where the repeal would affect the rights of others than the members of the corporation or is prohibited by this Act.

(2) Every bylaw shall be in writing and under the corporate seal, and shall be entered in a book called the bylaw book, and unless and until amended or repealed by the directors or amended or annulled by a general meeting of the members or disallowed by the superintendent shall be deemed to be a bylaw of the company.

(3) A copy of every bylaw certified by the manager or secretary to be a true copy shall be filed with the superintendent within seven days after the passing thereof.

(4) A bylaw may be disallowed by the superintendent within one month after it is filed.

(5) Notice of such disallowance shall be forthwith given to the company.

1915, c.15, s.124; R.S.S. 1920, c.84, s.128.

General powers of directors

129 The directors shall superintend and have the management of the funds and property of the company, and of all matters relating thereto and not otherwise provided for.

1915, c.15, s.125; R.S.S. 1920, c.84, s.129.

Reinsurance

130 The directors may make arrangements with any other licensed company for the reinsurance of risks on such conditions with respect to the payment of premiums thereon as may be agreed upon.

1915, c.15, s.126; R.S.S. 1920, c.84, s.130.

Issue of debenture notes

131(1) The directors may issue debentures or promissory notes for the loan of money, and may borrow money thereon for any term not exceeding twelve months, and on such conditions as they may deem -proper, and may renew the same from time to time for any such term, and the whole of the assets of the company, including premium notes, shall be liable, for the payment of the same at maturity, but no such debenture or promissory note shall be for a less sum than \$100.

(2) The amount of all the debentures and promissory notes at any time outstanding shall not exceed one-half of the amount remaining unpaid upon its premium notes.

1915, c.15, s.127; R.S.S. 1920, c.84, s.131.

Money not loaned to or borrowed from directors

132 The board shall not loan money to or borrow money from any director of the company or enter into any contract with any director other than the issue of a policy of insurance in the ordinary course of business.

1915, c.15, s.128; R.S.S. 1920, c.84, s.132.

Travelling expenses

133 The directors may be paid a reasonable allowance for travelling expenses to attend meetings of the board or to attend to the business of the company.

1915, c.15, s.129; R.S.S. 1920, c.84, s.133.

Remuneration a matter of bylaw

134 At any general meeting of the company or at any special meeting thereof, if such purpose was clearly expressed in the notice of the special general meeting, it shall be lawful to enact bylaws for the remuneration of the directors of the preceding year and a certified copy of every such bylaw shall, within seven days after its passing, be filed with the superintendent.

1915, c.15, s.130; R.S.S. 1920, c.84, s.134.

MEMBERS

How member is admitted

135 The company through its board of directors may is admitted admit as a member thereof the owner of any property real or personal by the issuance to such owner of a policy of mutual insurance insuring such owner against loss in respect thereof as hereinafter provided, and every person so admitted shall be entitled to like rights and be subjected to like liabilities as other members of the company.

1915, c.15, s.131; R.S.S. 1920, c.84, s.135.

Not a member until policy is issued

136 No applicant for insurance shall be deemed a member of the company or be entitled to be elected as a director of the company or be entitled to take part in any of the company's meetings until his policy of insurance has been issued to him.

1915, c.15, s.132; R.S.S. 1920, c.84, s.136.

Withdrawal of member

137 Any member may with the consent of the directors withdraw from the company upon such terms as the directors may lawfully prescribe; and upon such withdrawal his policy shall be cancelled, but he shall nevertheless be liable to be assessed for and to pay his proportion of the losses, expense and reserve to the time of cancelling the policy, and on payment of the amount then payable he shall be entitled to a return of his premium note.

1915, c.15, s.133; R.S.S. 1920, c.84, s.137.

Liability of member

138 Subject to section 137 every member shall be liable in respect of any loss or other claim or demand against the company to the extent of the amount unpaid upon his premium note and other undertaking and no more.

1915, c.15, s.134; R.S.S. 1920, c.84, s.138.

MEETINGS OF THE COMPANY

Annual general meetings

139(1) The annual general meeting of the members of a mutual company shall be held in every year within two meetings months after the thirty-first day of December at such time and place as may be prescribed by the directors or by the bylaws of the company. At such meetings in addition to the election of directors there shall be submitted and considered a report of the transactions of the company for the preceding year, together with a full statement of its affairs, exhibiting in detail its receipts and expenditures and its assets and liabilities, and a report by the auditors of the company thereon.

(2) With the consent of the minister the annual general meeting may be held at a different date from that prescribed above.

1915, c.15, s.135; 1918-19, c.33, s.20; R.S.S. 1920, c.84, s.139.

Special meetings

140 A special meeting of the members shall be convened by the directors at the written request of ten members of the company and the directors may themselves convene such a meeting when occasion requires; notice in either case shall be given in the manner hereinafter provided.

1915, c.15, s.136; R.S.S. 1920, c.84, s.140.

Notices of general meetings

141(1) Notice of an annual general meeting of the company shall be published in one or more daily or weekly newspapers published and circulating in the district embraced in its operations and duly approved by the superintendent, the last publication to be not less than fourteen days before the date of the meeting.

(2) Notice of a special general meeting of the company shall be published in one or more daily or weekly newspapers published and circulating in such district and duly approved by the superintendent, and shall be given by circular letter mailed by the secretary to the last known postal address of the members at least fourteen days previous to the date of the meeting.

1918-19, c.33, s.21; R.S.S. 1920, c.84, s.141.

Votes of members

142(1) Each member of the company shall be entitled to one vote, but no member shall be entitled to vote while in arrear for any assessment due by him to the company.

Where policy is payable to partnership

(2) Where a policy on the premium note plan is made to two or more persons one only shall be entitled to vote, and the right of voting shall belong to the one first named on the register of policy holders if he is present, and if not present to the one who stands second and so on.

1915, c.15, s.138; 1918-19, c.33, s.22; R.S.S.
1920, c.84, s.142.

Quorum at meetings of company

143 At all meetings of the company, except that referred to in section 108, fifteen members actually present in their proper person for that purpose shall form a quorum.

1915, c.15, s.139; R.S.S. 1920, c.84, s.143.

Quorum at meeting of directors

144(1) Five directors shall constitute a quorum for the transaction of business, and in case of an equality of votes at any meeting the question shall pass in the negative.

(2) A director disagreeing with the majority at a meeting may have his dissent recorded with the reason therefor.

1915, c.15, s.140; R.S.S. 1920, c.84, s.144.

OFFICERS AND RECORDS

Security furnished by officers

145(1) Every officer or person appointed or elected to any office concerning the receipt, safe keeping or proper application of money shall furnish security for the just and faithful execution of the duties of his office according to the bylaws or rules of the company, and any person intrusted with the performance of any other service may be required to furnish similar security, and the securities so furnished and then subsisting shall be produced to the auditors at the annual audit.

(2) The security given by the treasurer or other officer having charge of the money of the company shall not be less than \$2,000.

1915, c.15, s.141; R.S.S. 1920, c.84, s.145.

Records kept

146 Every mutual company shall keep full and distinct records of all its business and transactions, including registers of all policies issued and premium notes and cash payments received in respect thereof; books of account showing all cash transactions; minute books, bylaw book and letter book and such other records as are usual and necessary to give a full and clear idea of the operations of the company; and these records shall be at all times accessible to any director or auditor of the company or to any one having authority from a general meeting on their behalf to examine and report upon the same.

1915, c.15, s.142; R.S.S. 1920, c.84, s.146.

Appointment of auditors

147(1) At the annual general meeting, or at a special meeting of which due notice has been given, one or more auditors of the company may be appointed who shall make periodical or special examination of the books of the company and report to the directors thereon, and who shall receive such remuneration as may be fixed by that or any other meeting of the directors of the company.

(2) Except as herein otherwise provided, the provisions of sections 127 and 128 of *The Companies Act* shall apply to the appointment of auditors of mutual insurance companies and their duties.

1915, c.15, s.143; 1918-19, c.33, s.23; R.S.S.
1920, c.84, s.147.

CONTRACTS OF MUTUAL INSURANCE

Application of sections 79 to 90

148 Sections 79 to 90 shall apply to all mutual companies.

1915, c.15, s.144; R.S.S. 1920, c.84, s.148.

Minimum rate for premium notes

149 The rate to be charged or taken by way of premium note for insuring first class isolated nonhazardous property notes shall not be less than thirty-three and one-third cents per one hundred dollars per annum; and the minimum rate of insurance upon other property shall be increased relatively with the increased risk according to the nature of such property.

1915, c.15, s.145; R.S.S. 1920, c.84, s.149.

Liability when policy is cancelled

150 If the policy be cancelled or avoided by the company, the liability of the insured on his premium note or undertaking shall cease from the date of such cancellation or avoidance on account of any loss that may occur to the company thereafter, but the party insured shall nevertheless be liable to pay his proportion of the losses and expenses of the company to the time of cancelling or avoiding the policy, and, on payment of his proportion of all assessments then payable and to become payable in respect of losses and expenses sustained up to such period, shall be entitled to a return of his premium note or undertaking and such proportion of the premium paid by him as shall not have been absorbed by the losses and expenses of the company up to such period, and a condition to this effect shall be indorsed on the policy.

1915, c.15, s.146; R.S.S. 1920, c.84, s.150.

Assignment of property insured

151 If the company becomes entitled to avoid a policy for alienation or partial alienation of the insured property or of any interest therein, upon the return of the policy to the company to be cancelled, unless the directors elect to continue the same, the assured shall be entitled to receive his premium note or notes upon payment of his proportion of all losses and expenses which had accrued prior to such surrender; but the assignee may have the policy transferred to him, and upon application of the directors such assignee, on giving proper security to their satisfaction for such proportion of the premium note or undertaking as remains unpaid and with their consent within thirty days next after such alienation, may have the policy ratified and confirmed to him; and by such ratification and confirmation the said assignee shall be entitled to all the rights and privileges, and be subject to all the liabilities and conditions to which the original party insured was entitled and subject:

Provided however that, in cases where the assignee is a mortgagee, the directors may permit the policy to remain in force and to be transferred to him by winy of additional security without requiring any premium note or undertaking from such assignee or without his becoming in any manner personally liable for premiums or otherwise; but in such cases the premium note or undertaking and liability of the mortgagor in respect thereof shall continue and be in no wise affected.

1915, c.15, s.147; R.S.S. 1920, c.84, s.151.

PREMIUM NOTES AND ASSESSMENTS**Company may accept premium notes**

152 The company may accept the premium note of the assured for insurance, and may undertake contracts in consideration thereof, and such notes shall be assessable for the losses, expenses and reserve of the company in the manner hereinafter provided.

1915, c.15, s.148; R.S.S. 1920, c.84, s.152.

First payment may be demanded at the time of application for insurance

153 The directors may demand a part of, or first payment on, the premium note or undertaking at the time the application for insurance is made; and such first payment may be in cash or by promissory note, and may be credited upon the premium note or undertaking or against future assessments, but not more than sixty per cent. of any premium note shall be paid in cash at the time of the application or of effecting the insurance.

1915, c.15, s.149; R.S.S. 1920, c.84, s.153.

Part of premium may be in cash

154 The directors may collect a portion of the premium in cash and take a premium note for the remainder thereof; and, in case the amount so collected is more than sufficient to pay all losses and expenses during the continuance of the policy, then any such surplus shall become part of the reserve fund.

1915, c.15, s.150; R.S.S. 1920, c.84, s.154.

Assessments on premium notes

155 The directors may make assessments upon premium notes before losses have happened or expenses have been incurred, and any surplus from such assessment shall become part of the reserve fund.

1915, c.15, s.151; R.S.S. 1920, c.84, s.155.

Assessment of premium notes

156(1) All premium notes shall be assessed by the directors at such intervals and for such sums as they may determine, and for such further sums as they may deem necessary and as are authorised by this Act, for losses, expenses and reserve during the currency of the policies for which such notes were given, and in respect of which they are liable to assessment; and every member of the comp any who has given a premium note shall pay the sums from time to time payable by him to the company during the continuance of his policy in accordance with the assessment, and the assessment shall become payable within thirty days after notice thereof has been mailed to the member who has given the premium note, directed to his post office address, given in the original application or otherwise given in writing to the company.

Assessment notifies to mortgagee

(2) If the property insured has been mortgaged by the member and the company has assented to the mortgage, it shall be necessary that the notices of assessments be also mailed to the mortgagee if his post office is known to the company.

1915, c.15, s.152; 1918-19, c.33, s.24; R.S.S. 1920, c.84, s.156.

Policy void if assessment is not paid within thirty days/Revivor by subsequent payment

157(1) If an assessment is not paid within thirty days after notice mailed as provided by section 156, the contract of insurance in respect of which the assessment has been made shall be null and void as to all claim for loss occurring during the time of nonpayment; but the contract shall be revived when the assessment has been paid unless the secretary gives notice to the contrary to the person assessed in the manner in this Act provided.

Assured's liability

(2) Nothing herein contained shall relieve the assured from his liability to pay the assessment or any subsequent assessments, nor shall he be entitled to recover the amount of any loss or damage which happens to property insured under the contract while the assessment remains due and unpaid, unless the directors determine otherwise.

Requisites of notice assessment

(3) A notice of assessment so mailed shall be sufficient if it states the register number of the contract, the period over which the assessment extends, the amount of the assessment, the time when and the place where it is payable.

1915, c.15, s.153; R.S.S. 1920, c.84, s.157.

Assessment, how proportioned

158 The assessment shall always be in proportion to the amount of the premium notes, but where a company alters its premium note rate and still holds in respect of subsisting contracts premium notes at the prior rate, the company, as between the respective premium notes so differing in rate. may make and levy such differential assessments as will in risks of the same amount and of the same class of hazard equalise the cost of insurance to the makers of the respective premium notes.

1915, c.15, s.154; R.S.S. 1920, c.84, s.158.

Company may sue for assessments on premium notes

159 If, for thirty days after notice of an assessment so mailed, a member who has given a premium note refuses or neglects to pay the assessment, the company may sue for and recover the same with costs of suit, and such proceeding shall not be a waiver of any forfeiture incurred by such nonpayment.

1915, c.15, s.155; R.S.S. 1920, c.84, s.159.

Evidence of amount due to the company

160 Where an action is brought to recover the assessment the certificate of the secretary of the company, specifying the assessment and the amount due on the note in respect of such assessment, shall be *prima facie* evidence thereof in any court.

1915, c.15, s.156; R.S.S. 1920, c.84, s.160.

Return of premium note after insurance ended

161 Forty days after the expiration of the term of insurance the premium note given for the insurance policy shall on application therefor be given up to the grantor thereof, provided all assessments levied and all losses and expenses with which the note is chargeable have been paid.

1915, c.15, s.157; R.S.S. 1920, c.84, s.161.

Directors may retain amount of premium notes

162 If there is a loss on property insured the directors may retain the amount of the premium note until the time has expired for which insurance has been made, and at the expiration of such time the assured shall have the right to demand and receive such part of the retained sum as has not been assessed for.

1915, c.15, s.158; R.S.S. 1920, c.84, s.162.

Premium notes not to create lien on land

163 No premium note shall create a lien upon the land on which the insured property is situate.

1915, c.15, s.159; R.S.S. 1920, c.84, s.163.

Actions, in what judicial district brought

164 Any action upon a premium note or for an assessment thereon may be entered, tried and determined in the judicial district wherein the head office or any agency of the company is situate.

1915, c.15, s.160; R.S.S. 1920, c.84, s.164.

When execution upon a judgment against company

165 No execution shall issue against a mutual company upon judgment until after the expiration of sixty days from the recovery thereof, but this section shall not apply to a judgment recovered on a contract of insurance where more than sixty per centum of the premium, or premium note, was paid in cash at the time of the insurance or the application therefor.

1915, c.15, s.161; R.S.S. 1920, c.84, s.165.

When order may be made for issue

166 A judge of the Court of King's Bench or the master in chambers after the recovery of a judgment against the company, upon the application of the judgment creditor and upon notice to the company, may inquire into the facts, and if he finds that more than sixty per centum of the premium note was paid in cash at the time of the insurance, or upon the application therefor, he may direct that execution be issued forthwith upon such judgment.

1915, c.15, s.162; R.S.S. 1920, c.84, s.166.

Reserve fund

167 The company may form a reserve fund to consist of all moneys which shall remain on hand at the end of each year after payment of the ordinary expenses and losses of the company; and for that purpose the board of directors may levy an annual assessment not exceeding twenty-five per centum on the premium notes or undertakings held by said company and such annual assessment may be made in advance ; and such reserve fund may from time to time be applied by the directors to pay off such liabilities of the company as may not be provided for out of the ordinary receipts for the same or any succeeding year.

1915, c.15, s.163; 1918-19, c.33, s.25; R.S.S. 1920, c.84, s.167.

Reserve fund the property of company

168 The reserve fund shall be the property of the company as a whole and no member shall have any right to of claim any share or interest therein in respect of any payment contributed by him towards it but in the event of the company being wound up possessed of an existing reserve fund the then members shall be entitled to divide the same among themselves *pro rata* according to the amount of their premium notes with the company.

1915, c.15, s.164; R.S.S. 1920, c.84, s.168.

PROVISIONS RELATING TO LIVE STOCK INSURANCE CONTRACTS

Meetings to establish

169(1) Ten owners of live stock in any district may call a meeting of the owners of live stock to consult whether it is expedient to establish therein a live stock insurance company upon the mutual plan.

Organisation

(2) The mode of calling such meeting, the proceedings for the formation of the company and the operation of the company shall be the same *mutatis mutandis* as in the case of the formation of a mutual fire insurance company, except that the determination to establish the company shall be by twenty-five residents of the district who are owners of live stock in Saskatchewan and that the meeting for the organisation of the company shall not be held unless and until fifty such owners have signed their names to the subscription book and bound themselves to effect insurance in the company which in the aggregate shall amount to \$40,000 at least.

1915, c.15, s.165; R.S.S. 1920, c.84, s.169.

Property which may be insured

170 The company may within the limits prescribed by the license insure against loss of live stock by fire, lightning, accident, disease or any other means, except that of design on the part of the assured or by the invasion of an enemy or by insurrection.

1915, c.15, s.166; R.S.S. 1920, c.84, s.170.

171 The following provisions of this Act relating to fire insurance contracts shall apply to live stock insurance contracts:

- (a) the provisions as to the form and contents of the policy;
- (b) the provisions as to the conditions including the statutory conditions numbered 1, 3, 4, 5, 6, 7, 8, 9, 12, 14(a), (b), 16, 18, 19, 20 (a), (b), (c), 21, 22, 23 and 24.

1915, c.15, s.167; R.S.S. 1920, c.84, s.171.

Termination of contract

172 The following additional condition shall form part of every livestock insurance contract:

The insurance may be terminated by the company by giving seven days' notice to that effect.

1915, c.15, s.168; R.S.S. 1920, c.84, s.172.

Term of contract

173(1) Contracts of insurance shall not in any case exceed the term of two years.

Renewing policies

(2) A contract made for one year or any shorter period may be renewed from time to time at the discretion of the directors by renewal receipt instead of by policy, on the assured paying the required premium or giving his premium note; and all payments for renewal by cash or premium notes shall be made at or before the end of the period for which the policy was evanted or renewed, otherwise the policy shall be void.

Premium note, limitation of amount

(3) No premium note taken under any contract of insurance shall exceed forty per centum or he less than ten per centum per annum of the sum insured, and no renewal receipt shall extend the contract beyond two years from the date of the policy.

1915, c.15, s.169; R.S.S. 1920, c.84, s.173.

OTHER MUTUAL COMPANIES

Other mutuals may be formed

174(1) The minister may sanction the formation of other mutual insurance companies, the mode of calling meetings, the proceedings for formation, and the rules for the operation of all such companies being the same *mutatis mutandis* as in the case of a mutual fire insurance company.

Regulations prescribed

(2) Such companies shall in addition be subject to such regulations as may be prescribed by the Lieutenant Governor in Council.

1915, c.15, s.170; R.S.S. 1920, c.84, s.174.

INSURANCE OF THE PERSON—GENERAL PROVISIONS APPLICABLE TO ALL INSURERS

Application of sections 176 to 194

175 Sections 176 to 194 shall apply to insurance of the person.

1915, c.15, s.171; R.S.S. 1920, c.84, s.175.

Meaning of “heirs,” “legal heirs” or “lawful heirs”

176 In insurance of the person, “heirs,” “legal heirs” or “lawful heirs” shall in a contract of insurance mean and or include all the lawful surviving children of the assured and also the wife or husband if surviving the assured, or where the assured died without lawful surviving children and unmarried it shall mean those persons entitled to take according to *The Devolution of Estates Act*.

1915, c.15, s.172; R.S.S. 1920, c.84, s.176.

Days of grace for payment of premium

177(1) Where the money payable by way of premiums, dues or assessments not being the initial premiums, dues or assessments under a contract, is unpaid, the assured or any beneficiary under the contract, or the executors, administrators or assigns of the assured or of any beneficiary may, within thirty days from and including the first day on which the money is due, pay, deliver or tender to the company at its head office, or at its chief agency in Saskatchewan, or to the company’s collector or authorised agent, the sum in default.

Premium sent by registered post

(2) The payment, delivery or tender may be made by sending the money in a registered letter, and it shall be deemed to have been paid, delivered or tendered upon delivery and registration of the letter at a post office in Saskatchewan.

Payment of premium during days of grace revives contract

(3) On such payment, delivery or tender, the contract shall be *ipso facto* revived notwithstanding any agreement or stipulation to the contrary.

Statutory period concurrent with days of grace

(4) Such thirty days shall run concurrently with the period of grace or credit, if any, allowed by the insurer for the payment of a premium or an instalment of premium.

1915, c.15, s.173; R.S.S. 1920, c.84, s.177.

Limitations of actions

178(1) Subject to the provisions of section 199 and subsections (2) to (9) of this section notwithstanding any agreement, condition or stipulation to the contrary, any action or proceeding against the insurer for the recovery of any claim under the contract of insurance may be commenced at any time within one year next after the cause of action arose and not afterwards.

Where death is presumed

(2) Where death is presumed, from the person on whose life the insurance is effected not having been heard of for seven years, any action or proceeding may be commenced within one year and six months from the expiration of such period of seven years, but not afterwards.

Where death is presumed

(3) Where the death of the person on whose life the insurance is effected is unknown to the person entitled to claim under the contract, an action or proceeding may be brought within one year and six months after the death becomes known to him but not afterwards, but where the death is presumed as mentioned in subsection (2) this subsection shall not entitle the claimant to bring an action or proceeding after the time mentioned in that subsection.

Where action prematurely brought

(4) Where an action or proceeding brought within the prescribed period fails because of its having been prematurely brought, and on that ground only, the plaintiff shall be entitled to bring a new action or proceeding at any time within the prescribed period or within six months after the final determination of the first action or proceeding.

Obtaining declaration of presumption of death

(5) Where a claim is made against an insurer on the ground that the person on whose life the insurance is effected is presumed to be dead by reason of his not having been heard of for seven years, and his death is the sole issue between the parties other than disputes as to the persons entitled, such insurer may, before or after action brought upon at least ten clear days' notice served on the claimant or his solicitor, apply to a judge of the Court of King's Bench in chambers for a declaration as to the presumption of the death.

Finding of judge

(6) If the judge is satisfied that a presumption of death has been established he shall so find and his finding shall, subject to appeal, be binding and conclusive upon all parties interested as establishing the presumption of death, and he may make such order as to the payment of insurance money as he may deem just.

Effect of payment

(7) The payment by the insurer as so ordered shall discharge him from all liability under the contract of insurance.

Powers of judge

(8) Where the judge declares that the presumption of death has not been established, he may make such other order as he may deem just.

Stay of proceedings

(9) Unless otherwise ordered by the judge, the application shall operate as a stay of any pending action based upon such presumption.

Error in age not to avoid contract, by benefit to abate

179(1) Where the age of a person is material to a contract of insurance and was given erroneously in any statement or warranty made for the purpose of the contract, such contract shall not be avoided by reason only of the age being other than as stated or warranted if it appears that such statement or warranty was made in good faith and without any intention to deceive, but the person entitled to recover on such contract shall not be entitled to recover more than an amount which bears the same ratio to the sum that such person would otherwise be entitled to recover as the premium proper to the stated age bears to the premium proper to the actual age, both being taken as at the date of the contract, but in no case shall the amount recoverable exceed the amount stated or indicated in the contract.

(2) Where the application for and the contract of insurance expressly limit the insurable age, and the actual age at the date of the application exceeds the age so limited, the contract shall, during the lifetime of the person on whose life the insurance was effected and not later than five years from the date of the contract, be voidable at the option of the insurer within thirty days after the error comes to his knowledge.

(3) Where by the terms and for the purposes of the contract, the age was taken to be greater than the actual age the number of years added to such age shall, for the purposes of the calculation, be added to the actual age.

Right to adjust error at any time before maturity of contract

(4) Where an error is discovered in respect of a contract of insurance, or of any premium paid or to be paid upon such contract, nothing herein contained shall at any time maturity of the contract prevent an adjustment between the insurer and the assured of the amount of the insurance effected or of any premium paid or to be paid.

“Premium”

(5) For the purposes of this section “**premium**” shall mean the net annual premium as shown in or deduced from the mortality tables used in the valuation of policies under the provisions of *The Insurance Act, 1917* (Canada), for the time being in force.

Retrospective application

(6) This section shall apply not only to any future application for, or contract of insurance, but also to any application heretofore taken and to any contract heretofore made.

1915, c.15, s.175; R.S.S. 1920, c.84, s.179.

Suicide shall not render contestable an incontestable policy unless so stated

180 Where a contract of insurance provides in terms or in effect that the contract shall be indisputable or incontestable after a certain date it shall not be disputable or contestable on the ground that the assured committed suicide unless in express terms it is so stipulated by the contract and is so stated in the application on which the contract is founded.

1915, c.15, s.176; R.S.S. 1920, c.84, s.180.

Insurance interest necessary to support contract

181(1) It shall be necessary for the validity of a contract of insurance that the beneficiary under it, if he is not the person on whose life the insurance is effected, or the parent, or *bona fide* donee, grantee or assignee, or a person entitled under the will of such person, or by operation of law, shall have at the date of the contract a pecuniary interest in the duration of the life or other subject insured, but any otherwise lawful contract of annuity upon life shall not require for its validity that the annuitant has or at any time had an insurable interest in the life of the nominee.

Extent of liability

(2) Where a pecuniary interest is necessary the insurer shall not be liable under the contract for more than the amount or value of the pecuniary interest.

Sums insurable at ages less than ten

(3) Subject to subsection (4) no company shall insure the life of a child whose age at the time of insurance is not at least one year, or insure or pay on the death of a child under ten years of age any sum which alone or together with any sum payable on the death of such child by any other company exceeds respectively:

\$ 32	if the child dies under the age of 2 years.
40	“ “ “ 3 “
48	“ “ “ 4 “
56	“ “ “ 5 “
83	“ “ “ 6 “
120	“ “ “ 7 “
160	“ “ “ 8 “
200	“ “ “ 9 “
260	“ “ “ 10 “

(4) Nothing in subsection (3) shall apply to such insurances as were in force prior to the twenty-fourth day of June, 1915, or to an insurance on the life of a child of any age where the person effecting the insurance has a pecuniary interest in the life, or to an insurance effected on the life of a child under ten years of age which limits the payment on the death of the child to the premiums that have been paid, with interest.

Where insurance excessive

(5) Where the age of the child at the date of the contract is less than ten years, and the insurer has knowingly or without sufficient inquiry entered into any contract prohibited by this section, the premiums paid thereunder shall be recoverable from the insurer by the person paying the same together with interest thereon.

Subsections (1) to (5) to appear on circular, etc

(6) Every company which undertakes or effects insurances on the lives of children under ten years of age shall print subsections (1) to (5) in conspicuous type upon every circular soliciting and upon every application for, and upon every contract of such insurance and any contravention of this subsection shall be punishable in the manner provided by section 206.

Notice in lieu of printing subsections

(7) Instead of printing the matter mentioned in subsection (6) the company may with the consent in writing of the superintendent print or stamp the following words in lieu thereof:

“Any insurance undertaken or offered to be undertaken in Saskatchewan in respect of the lives of children under ten years of age is subject to the restrictions prescribed by section 181 of *The Saskatchewan Insurance Act.*”

Insurance of minors effected by parents

(8) An insurance heretofore or hereafter effected by a parent upon the life of his child under twenty-one years of age shall not be invalid by reason only of the parent's want of pecuniary interest in the life of the child.

Capacity of minors of fifteen years and upwards to insure

(9) A person not of the full age of twenty-one years, but of the age of fifteen years or upwards may effect insurance on his own life for his own benefit, or for the benefit of a preferred beneficiary or of a father, brother or sister, which, if he had been of full age he might have lawfully effected. and notwithstanding his minority he may surrender such insurance or give a valid discharge for any benefit accruing or for money payable under the contract.

1915, c.15, s.177; R.S.S. 1920, c.84, s.181.

Application of sections 183 to 194

182 Except in so far as the same are inconsistent with the provisions of this Act relating to contracts made or declared to be for the benefit of a preferred beneficiary or preferred beneficiaries, sections 183 to 194 shall apply to all contracts of insurance of the person and declarations whether made before or after the passing of this Act.

1915, c.15, s.178; R.S.S. 1920, c.84, s.182.

Insurable interest of adult in own life

183(1) Every person of the full age of twenty-one years shall have an unlimited insurable interest in his own life and may effect *bona fide* at his own charge insurance of his own person for the whole term of life, or any shorter term for the sole or partial benefit of himself, or of his estate, or of any other person, whether the beneficiary has or has not an insurable interest in the life of the assured, and the insurance money may be made payable to any person for his own use or as trustee for another person.

Right of creditors

(2) If the premiums on such insurance were paid by the assured with intent to defraud his creditors they shall be entitled to receive out of the insurance money an amount not exceeding the premiums so paid and interest thereon.

Beneficiary, how designated

(3) The assured may designate the beneficiary by the contract of insurance or by an instrument in writing attached to or indorsed on it or by an instrument in writing, including a will, otherwise in any way identifying the contract, and may by the contract or any such instrument, and whether the insurance money has or has not been already appointed or apportioned, from time to time appoint or apportion the same, or alter or revoke the benefits, or add or substitute new beneficiaries, or divert the insurance money wholly or in part to himself or his estate, but not so as to alter or divert the benefit of any person who is a beneficiary for value, nor so as to alter or divert the benefit of a person who is of the class of preferred beneficiaries to a person not of that class or to the assured himself or to his estate.

Effect of declaration by will

(4) Where the instrument by which a declaration is made is a will such declaration as against a subsequent declaration shall be deemed to have been made at the date of the will and not at the death of the testator.

Operation of general declaration

(5) Where the declaration describes the subject of it as the insurance or the policy or policies of insurance or the insurance fund of the assured, or uses language of like import in describing it, the declaration, although there exists a declaration in favour of a member or members of the preferred class of beneficiaries, shall operate upon such policy or policies to the extent to which the assured has the right to alter or revoke such last mentioned declaration.

Appointment of trustees

(6) The assured may, by the contract or by a declaration or by any writing under his hand, appoint a trustee or trustees of the insurance money and may from time to time revoke such appointment in like manner and appoint a new trustee or trustees, and make provision for the appointment of a new trustee or trustees, and for the investment of the insurance money, and payment made to such trustee or trustees shall discharge the insurer.

Beneficiary for value

(7) A beneficiary shall be deemed to be a beneficiary for value only when he is expressly stated to be so in the contract or in an indorsement thereon signed by the assured.

Other methods of assignment not affected

(8) Nothing in this Act shall restrict or interfere with the right to effect or assign a policy in any other manner allowed by law.

Provision in case of death of persons entitled where no appointment

(9) Where there are several beneficiaries, if one or more of them die in the lifetime of the assured and no apportionment or other disposition is subsequently made by him, the apportionment insurance shall be for the benefit of the surviving beneficiary or beneficiaries, in equal shares if more than one; and if all the beneficiaries, or the sole beneficiary, die in the lifetime of the assured and no other disposition is made by him the insurance shall form part of the estate of the assured.

Protection of insurer in paying insurance before notice of declaration

(10) Until the insurer has received the original or a copy of an instrument in writing affecting the insurance money or any part thereof, or of any appointment or revocation of an appointment of a trustee, the insurer may deal with and obtain a valid discharge from the assured or with and from his beneficiaries, or with and from his trustees, executors, administrators or assigns in the same manner and with the like effect as if such instrument in writing, appointment, or revocation had not been made, but nothing in this subsection shall affect the right of any person entitled by virtue of such instrument, appointment or revocation, to recover insurance money from the person to whom it has been paid by the insurer.

1915, c.15, s.179; R.S.S. 1920, c.84, s.183.

What accident includes

184(1) In every contract of insurance against accident or casualty or disability, total or partial, the event insured against shall include any bodily injury occasioned by external force or agency, and happening without the direct intent of the person injured, or as the indirect result of his intentional act, such act not amounting to voluntary or negligent exposure to unnecessary danger and no term, condition, stipulation, warranty or proviso of the contract varying the obligation or liability of the assurer shall as against the assured have any force or validity.

Right to terminate insurance against accident or sickness

(2) In any such contract and in any contract of insurance against sickness, if the insurer reserves the right to terminate it during its currency, the assured shall have the right to terminate it by giving seven days' notice to the insurer, in which case the insurer may retain the customary short rate for the time the insurance has been in force, and shall repay to the assured the residue of the premium paid by him notwithstanding any stipulation or agreement to the contrary.

1915, c.15, s.180; R.S.S. 1920, c.84, s.184.

Maximum named in contract shall *prima facie* be payable

185(1) Where the event on the occurrence of which any benefit or insurance money is payable under the contract has happened, but the amount payable is in dispute, it shall *prima facie* be the maximum amount stated or indicated in the contract.

Where maximum disputed claimant entitled to inspect insurer's books

(2) If, when a claim accrues under a contract, the insurer offers the claimant a less sum than the maximum named or indicated in the contract, and either offers no explanation or entitled to alleges as a reason for not paying the maximum that the insurer's general contract fund or some other fund is hoolts insufficient, the claimant, on written notice to the insurer, shall be entitled, as of right, to inspect personally or by agent all books and documents relating to the contract funds generally or the fund alleged to be insufficient.

Claimant may have order from superintendent to inspect

(3) If the insurer refuses or neglects to afford the claimant a reasonable opportunity of inspection, the claimant may file with the superintendent an affidavit to the effect that he rightfully claims under a contract of the insurer, giving particulars sufficient to identify the contract, and that the insurer has not afforded him such opportunity of inspection, and the superintendent may, under his hand and seal, give the claimant or his agent, an order to inspect on a day named; and neglect or refusal thereafter to afford him an opportunity of inspection shall be an offence punishable in the manner provided by section 206.

1915, c.15, s.181; R.S.S. 1920, c.84, s.185.

Insurance money, how payable

186 When the insurance money becomes payable it shall be paid within the time mentioned in section 199; and where the insurance money or part thereof is for the benefit, in whole or in part, of infants, before paying the money to which they are entitled the insurer may require reasonable proof of the number, names and ages of such infants.

1915, c.15, s.182; R.S.S. 1920, c.84, s.186.

Notice in case of infants and lunatics

187 Where an infant or a lunatic or a person whose place of abode is unknown is entitled to insurance money or any share or part of it, it shall be the duty of the insurer within thirty days after notice of the death of the insured, in the case of an infant or a person whose place of abode is unknown, to notify the Official Guardian and in the case of a lunatic to notify the guardian of the lunatic or the person with whom the lunatic resides or under whose care he is of the facts, and if the insurer fails to do so he shall incur a penalty not exceeding \$100 to be recoverable on summary conviction.

1915, c.15, s.183; R.S.S. 1920, c.84, s.187.

Those deemed competent to receive insurance money

188(1) A person authorised by the contract, or whom the insured by an instrument in writing, or by his will expressly authorises to receive the insurance money or any share or part of it shall be deemed to be a person competent to receive the insurance money or the share or part of it within the meaning of this Act.

Payment into court by insurer

(2) If there is no person who is at the time of the maturity of the contract competent to receive the share of an infant or a lunatic or a person whose place of -abode is unknown and the insurer admits the claim or any part of it, he shall pay such share into the Court of King's Bench to the credit of such infant, lunatic or person, and such payment shall be a sufficient discharge of the insurer for the money paid and the money shall he dealt with as the court may direct.

(3) An order allowing the payment into court shall not be necessary.

(4) In the case of an infant the insurer shall at the time of the payment into court, unless there is on file- in the office of the local registrar proof thereof, file with the local registrar an affidavit showing the name and date of the birth of the infant.

(5) Notice of the payment into court shall be forthwith given by the insurer to the Official Guardian.

(6) The insurer may deduct from the insurance money to be paid into court if the amount does not exceed \$1,500, \$5, and if it exceeds \$1,500, \$10, for the cost of making the payment into court.

Order where claim admitted and not paid

(7) If the insurer does not within sixty days after the claim has been admitted either pay the insurance money to some persons competent to receive it or pay it into court, the court or a judge thereof may, upon the application of the infant or his guardian, or of the guardian of the. lunatic, or of the Official Guardian, order the insurance money, or any part of it, to be paid to the person competent to receive the same or to be paid intocourt to be dealt with as the court may direct, and any such payment shall be a discharge to the insurer.

Costs of application for order

(8) If the insurer does not comply with the provisions of subsection (2), the costs of the application provided for by subsection (7) shall be borne by the insurer unless the court or judge otherwise directs.

1915, c.15, s.184; R.S.S. 1920, c.84, s.188.

Death of assured abroad, payment to foreign representative

189(1) Where under a contract made or by law deemed to be made in Saskatchewan, or a contract made by a company having its head office or chief agency in Saskatchewan, the insurance money is payable to the representatives of a person who at his death was domiciled or resident in a foreign jurisdiction, if no person has become his personal representative in Saskatchewan, the money may on the expiration of two months after such death be paid to the personal representative appointed by the proper court of the foreign jurisdiction.

Where contract direct payments to foreign representatives

(2) Where such a contract provides that the insurance money may be paid to the personal representative appointed by the court of the jurisdiction in which the deceased may be resident or domiciled at the time of his death, the money may be paid to such representative or according to the terms of the contract at any time after the death.

Intestacy (without representation) payment according to foreign law

(3) Where under such a contract the insurance money is payable to the representatives of a person who at the time of his death was domiciled or resident in a foreign jurisdiction and died intestate, the money may after the expiration of three months after such death, if no person has become his personal representative in Saskatchewan, be paid to the person entitled according to the law of the foreign jurisdiction to receive the money and give a discharge for the same as if such money were by the terms of the contract payable in such foreign jurisdiction.

Testacy payment according to foreign law

(4) Where a testator domiciled or resident in a foreign jurisdiction disposes of the insurance money by a will valid according to the law of that jurisdiction, such money may be paid according to the terms of the contract at any time after the death of the person entitled under such will to receive and give a valid discharge for the money payable in such foreign jurisdiction.

Where guardian appointed by foreign court

(5) Where it appears by letters of guardianship, or other like document, relating to persons under disability, issued by foreign court by a court in a foreign jurisdiction, or by a certificate of the judge under the seal of such court, that it has been shown to the satisfaction of such court that the assured at the maturity of the contract was domiciled or resident within its jurisdiction, and it also appears that security to the satisfaction of such court in respect of and for the due application and account of the money payable under the contract has been given by the guardian or other like officer appointed by such letters or document, the Court of King's Bench or a judge thereof, upon application for the appointment of such guardian or like officer as trustee under this section, may dispense with the giving of security if it is also shown that the infants or other beneficiaries under disability reside within the jurisdiction of the foreign court, and that the trustee is a fit and proper person.

Application of section

(6) This section shall apply whether the death has or has not occurred before the passing of this Act.

1915, c.15, s.185; R.S.S. 1920, c.84, s.189.

PROVISIONS APPLICABLE TO PREFERRED BENEFICIARIES

190(1) Preferred beneficiaries shall constitute a class and shall include the husband, wife, children, grandchildren and mother of the assured, and the provisions of this and sections 191 to 194 shall apply to contracts of insurance for the benefit of preferred beneficiaries.

Where trust created by the provisions of the contract for benefit of preferred beneficiaries

(2) Where the contract of insurance or declaration provides that the insurance money, or part thereof, or the interest thereof, shall be for the benefit of a preferred beneficiary, or preferred beneficiaries, such contract or declaration shall, subject to the right of the assured to apportion or alter as hereinafter provided, create a trust in favour of such beneficiary or beneficiaries, and so long as any object of the trust remains the money payable under the contract shall not be subject to the control of the assured, or of his creditors, or form part of his estate, but this shall not interfere with any transfer or pledge of the contract to any person prior to such declaration.

Shares of beneficiaries

(3) Where two or more beneficiaries are designated but no appointment is made, all of them shall share equally.

Insurance for benefit of wife only or wife and children/Meaning of “wife” “children”

(4) Where it is stated in the contract or declaration that the insurance money or any part of it is for the benefit of the wife of the assured only, or of his wife and children generally, or of his children generally, the word “**wife**” shall mean the wife living at the maturity of the contract, and the word “**children**” shall include all the children of the assured living at the maturity of the contract, whether by his then or any former wife, and also the children living at the maturity of the contract of any child of the assured who predeceased him, such last mentioned children taking the share their parent would have taken if living, and the like construction shall prevail where the insurance is effected by a man while unmarried or by a widower for the benefit of his future wife or of his future wife and children or of his children.

Where wife designated by name

(5) Where it is stated in the contract or declaration that the insurance money or any part of it is for the benefit of the wife only and she is designated by name, and the wife so designated by name is not the wife living at the maturity of the contract, such insurance money or such part of it shall be for the benefit in equal shares of the wife living at the maturity of the contract and the children of the assured, and also the children living at the maturity of the contract of any child of the assured who predeceased him, such last mentioned children taking the share their parent would have taken if living.

Where assured unmarried or widower without issue

(6) Where an unmarried man or a widower effects the contract or declares it to be for the benefit of his future wife, or of his future wife and children, or of his children, but at maturity of the contract the assured is still unmarried or is a widower without issue, the insurance money shall form part of his estate.

Where assured does not marry the specified beneficiary

(7) When an unmarried man or a widower effects or declares the contract to be for the benefit of his future wife, or future wife and children, and the intended wife is designated by name or is otherwise clearly ascertained in the contract, but the intended marriage does not take place, all questions arising on such contract shall be determined as in the case of a beneficiary not belonging to the preferred class.

When apportionment made but; beneficiary predeceases assured

(8) If one or more or all of the designated preferred beneficiaries, whether an apportionment has been made or not, die in the lifetime of the assured, or if a sole preferred designated beneficiary dies in his lifetime, he may by a declaration provide that the share or shares of the person or persons so dying shall be for the benefit of the assured or of his estate or of any other person, whether or not such person belongs to the preferred class; and in the absence of any such declaration the share or shares of the person or persons so dying shall be for the benefit, in equal shares, of the survivor or survivors of such designated preferred beneficiaries, except where the person so dying is a child of the assured, and leaves a child or children surviving him, in which case his share and any share to which he would have become entitled if he had survived shall be for the benefit of his child or children, in equal shares, and if there is no such surviving beneficiary and no such child entitled to take, the insurance shall be for the benefit in equal shares, if there is more than one person entitled, of the wife and children of the assured living at his death and the child or children of any deceased child who shall be entitled to the share which the parent if then living would have taken, and if there is no surviving wife, child or grandchild, the insurance money shall form part of the estate of the assured.

Assured may vary benefit of beneficiary

191(1) The assured may by a declaration vary a contract or declaration previously made so as to restrict, extend, transfer or limit the benefits of the insurance to any one or more persons of the class of preferred beneficiaries to the exclusion of any or all others of the class or wholly or partly to one or more for life, or any other term, with remainder to any other or others of the class, but the assured shall not except as provided by subsection (8) of section 190 revoke or alter any disposition made under the provisions of this Act in favour of any one or more of the preferred class except in favour of some one or more persons within the preferred class so long as any of the persons of the preferred class in whose favour the contract or declaration is made are living.

Where beneficiary under friendly society contract is leading a criminal or immoral life

(2) Where it is proved to the satisfaction of the executive officers of a friendly society that a preferred beneficiary is leading a criminal or an immoral life and there is no other person to whom the assured may under the provisions of this Act divert the benefit, the assured may, with the consent of such executive officers, by a declaration provide that all right, title and interest, of such beneficiary is forfeited and annulled; and thereupon such right, title and interest shall be forfeited and annulled accordingly; and the assured may then or thereafter make a new appointment in accordance with the provisions of this Act and the lawful rules of the society.

Case of other contracts

(3) Where the contract is made by an insurer other than contracts a friendly society, upon petition, and upon the like facts as in subsection (2) mentioned being proved to the satisfaction of the Court of King's Bench or a judge thereof, the court or judge may make an order annulling the benefit and granting such other relief as under the circumstances appears proper.

1915, c.15, s.187; R.S.S. 1920, c.84, s.191.

Power to convert into paid up policy

192(1) Where the assured finds himself unable to continue to meet the premiums he may surrender the contract to the insurer and accept in lieu thereof a paid up contract for such sums as the premiums paid would represent, payable as the money insured by the original contract, if not surrendered, would have been payable; and the insurer may accept the surrender and issue the paid up contract notwithstanding any declaration in favour of a preferred beneficiary.

Power to borrow on the policy in order to meet premiums

(2) Notwithstanding the designation of a preferred beneficiary the assured may, from time to time, borrow from the insurer or from any other person on the security of the contract such sums as may be necessary and shall be applied to keep it in force, and on such terms and conditions as may be agreed on; and the sums so borrowed, with such interest as may be agreed on, shall be a first lien on the contract and on all moneys payable thereunder.

Saving beneficiary for value

(3) Nothing in this section shall authorise anything to be done to the prejudice of a beneficiary for value.

1915, c.15, s.188; R.S.S. 1920, c.84, s.192.

Assured may direct application of bonuses and profits

193(1) Notwithstanding that the insurance money may be payable to preferred beneficiaries or to a trustee for preferred beneficiaries the assured, may, in writing, require the insurer to pay the bonuses or profits, or portions thereof, accruing under the contract to the assured, or to apply the same in reduction of the annual premiums payable by him in such way as he may direct or to add such bonuses or profits to the benefit; and the insurer shall pay or apply such bonuses or profits as the assured directs and according to the rates and rules established by the insurer; but the insurer shall not be obliged to pay or apply such bonuses or profits in any manner contrary to the stipulations in the contract or the application therefor.

Surrender of contract

(2) Where a contract of insurance is made or declared to be for the benefit of one or more preferred beneficiaries and of contract all of them are of full age, they and the assured may surrender the contract or may assign the same either absolutely or by way of security.

Power of assured and adults to deal with policy

(3) Where such preferred beneficiaries include children or grandchildren it shall be sufficient so far as their interests are concerned if all then living are of full age and join in the surrender or assignment.

Who deemed person entitled to benefit of policy

(4) Where a person is entitled to a benefit only in the event of the death of another person named as a beneficiary it shall be sufficient for the purposes of this section if such last mentioned person joins in the surrender or assignment.

1915, c.15, s.189; R.S.S. 1920, c.84, s.193.

Declaration changing beneficiaries not affected by previous trusts

194 A declaration changing the preferred beneficiaries or altering, apportioning or varying the benefits of the insurance, may be made notwithstanding that by the contract of insurance or a previous declaration the insurance money is payable to a trustee for preferred beneficiaries.

1915, c.15, s.190; R.S.S. 1920, c.84, s.194.

GENERAL PROVISIONS RELATING TO CONTRACT OF INSURANCE

Application of sections 196 to 201

195 Except where otherwise provided sections 196 to 201 shall apply to every contract of insurance.

1915, c.15, s.191; R.S.S. 1920, c.84, s.195.

Contracts deemed made in Saskatchewan

196(1) Where the subject matter of a contract of insurance is property or an insurable interest in property within Saskatchewan, or is a person domiciled or resident therein, the contract of insurance, if signed, countersigned, issued or delivered in Saskatchewan or committed to the post office or to any carrier, messenger or agent to be delivered or handed over to the assured, his assign or agent in Saskatchewan, shall be deemed to evidence a contract made therein, and the contract shall be construed according to the law thereof, and all moneys payable under the contract shall be paid at the office of the chief officer or agent in Saskatchewan of the insuring company in lawful money of Canada.

(2) This section shall have effect notwithstanding any agreement, condition or stipulation to the contrary.

1915, c.15, s.192; R.S.S. 1920, c.84, s.196.

Terms, etc., of contracts invalid unless set out in full

197(1) Subject to the provisions of sections 81 and 98 all the terms and conditions of the contract of insurance shall be set out in full in the policy or by writing securely attached to it when issued, and unless so set out no term of the contract or condition, stipulation, warranty, or proviso, modifying or impairing its effect shall be valid or admissible in evidence to the prejudice of the assured or beneficiary.

Renewal receipt

(2) Whether the contract does or does not provide for its renewal but it is renewed by a renewal receipt, it shall be a sufficient compliance with subsection (1) if the terms and conditions of the contract were set out as provided by that subsection and the renewal receipt refers to the contract by its number or date.

What regard given to proposal

(3) The proposal or application of the assured shall not as against him be deemed a part of or be considered with the contract of insurance except in so far as the court may determine that it contains a material misrepresentation by which the insurer was induced to enter into the contract.

Case of contract by a friendly society

(4) A licensed friendly society instead of setting out all the terms and conditions of the contract in the instrument of contract may indicate therein by particular references those articles or provisions of the constitution, bylaws or rules which contain the material terms of the contract not set out in the instrument of contract, and the society at or prior to its delivery, shall also deliver to the assured a copy of the constitution, bylaws and rules therein referred to.

Contract not invalidated by erroneous statement in application unless material

(5) No contract of insurance shall contain or have indorsed upon it, or be made subject to, any term, condition, stipulation, warranty or proviso, providing that such contract shall be avoided by reason of any statement in the application therefor, or inducing the entering into of the contract by the corporation, unless such term, condition, stipulation, warranty or proviso is limited to cases in which such statement is material to the contract, and no contract shall be avoided by reason of the inaccuracy of any such statement unless it is material to the contract.

Materiality, how decided

(6) The question of materiality in any contract of insurance shall be a question of fact for the jury, or for the court if there is no jury; and no admission, term, condition, stipulation, warranty or proviso to the contrary contained in the application or proposal for insurance, or in the instrument of contract, or in any agreement or document relating thereto shall have any force or validity.

(7) Nothing in this section shall impair the effect of the provisions of sections 82 to 90, sections 101 to 103 or sections 171 and 172.

1915, c.15, s.193; R.S.S. 1920, c.84, s.197.

Copy of proposal furnished assured

198 Every company shall furnish to the assured upon request a true copy of his application or proposal for insurance.

1915, c.15, s.194; R.S.S. 1920, c.84, s.198.

When action may be brought under contract

199(1) No action shall be brought for the recovery of money payable under a contract of insurance until the expiration of sixty days after proof, in accordance with the provisions of the contract, of the loss or of the happening of the event upon which the insurance money is to become payable or such shorter period as may be prescribed by any enactment regulating the contracts of the company or as may be fixed by the contract of insurance or otherwise provided in this Act.

Beneficiary of contract may sue in own name

(2) After such sixty days or shorter period any person entitled as beneficiary or by assignment or other derivative title to the insurance money, and having the right to receive the same and to give an effectual discharge therefor, may sue for the same in his own name, any rule, stipulation or condition to the contrary notwithstanding.

Notice of dispute

(3) If a company disputes a claim it shall give notice in writing to that effect to the claimant and to the superintendent within such period or within such sixty days.

1915, c.15, s.195; R.S.S. 1920, c.84, s.199.

Suspension of license for nonpayment, etc.

200(1) If notice of dispute is not given and the claim is not paid within such period, or if the claim is disputed and judgment is recovered thereon, and is not satisfied, the superintendent, upon proof of nonpayment, may suspend the license of the company.

Revival of license

(2) If within sixty days after notice of the suspension of the company shall have paid all undisputed claims and final judgments in full the superintendent, upon proof of such payment, may revive the license of the company and issue his certificate of such revivor, and unless such proof is furnished before the expiration of such period he shall esneel the license of the company.

1915, c.15, s.196; R.S.S. 1920, c.84, s.200.

Consolidation of actions for insurance money

201(1) Where several actions are brought for the recovery of money payable under a contract of insurance for insurance, the court may consolidate or otherwise deal therewith so that there shall, be but one action for and in respect of all the claims made in such actions.

Where infants are entitled to insurance money

(2) Where an action is brought to recover the share of one or more infants, all the other infants entitled, or the trustees, executors, or guardians entitled to receive payment of the shares of such other infants, shall be made parties to the action, and the rights of all the infants shall be determined in one action.

Apportionment of sums directed to be paid

(3) In all actions where several persons are interested in the insurance money the court may apportion among the persons entitled any sum directed to be paid, and may give all necessary directions and relief.

Action for annuity or recurring payment

(4) In an action commenced in a district court for any insurance or benefit alleged to be payable to the assured or any beneficiary, assignee, representative or guardian, when the insurance or benefit claimed is in the nature of an annuity, or other periodical or recurring payment, so that the present or capitalised value of the insurance or benefit amounts or may amount to a sum beyond the jurisdiction of the court, the action may upon the application of the defendant be removed into the Court of King's Bench upon such terms and conditions as to costs and otherwise as the court may direct.

When payee is domiciled or resident abroad

(5) Where the person entitled to receive money due and payable under any contract of insurance except insurance of the person, is domiciled or resides in a foreign jurisdiction and payment, valid according to the law of such jurisdiction, is made to such person, such payment shall be valid and effectual for all purposes.

1915, c.15, s.197; R.S.S. 1920, c.84, s.201.

Effect of delivery of policy or receipt for premium

202(1) Where a contract of insurance, other than life insurance, has been delivered, it shall be as binding on the insurer as if the premium had been paid, although it has not in fact been paid, and although delivered by an officer or agent of the insurer who had not authority to deliver it.

(2) This section shall have effect notwithstanding any agreement, condition or stipulation to the contrary.

Where note or cheque for premium not paid

(3) Where the premium is paid by a cheque or a promissory note and the cheque is not paid on presentation or the promissory note at maturity, the contract shall at the option of the insurer be void.

Right of insurer in respect of unpaid premium

(4) The insurer may deduct from any loss sustained by the assured under a contract of insurance any indebtedness of the assured on such contract for premium due or to become due, whether evidenced by note or otherwise given either to the insurer or its agent and held either by the insurer or other parties.

(5) In making the deduction mentioned in the preceding subsection the company shall allow to the assured the same discount upon any unpaid premium as he would be entitled to if such unpaid premium were paid in cash at the date of the loss.

(6) Subsections (3) and (4) shall apply to contracts of life insurance.

1915, c.15, s.198; 1916, c.16, s.6; R.S.S. 1920, c.84, s.202.

Notices, how given

203(1) Subject to statutory condition 8 of section any notice given by a company for any of the purposes of this Act, when the mode thereof is not otherwise expressly provided, may be given in the case of a member or person insured by mailing it to his post office address given in his original application for insurance or otherwise notified in writing to the company.

(2) Subject: to statutory condition 9 of section 82 and statutory condition 6 of section 101, delivery of any written notice to a company for any of the purposes of this Act, where the mode thereof is not otherwise expressly provided, may be by letter delivered at the chief office of the company in Saskatchewan, or sent by registered post addressed to the company, its manager or agent at such chief office or in any other manner to an authorised agent of the company.

1915, c.15, s.199; 1917, c.22, s.10; R.S.S. 1920, c.84, s.203.

FEES

Fees

204 Each company shall pay to the superintendent the following fees:

- (a) for recording and filing in the office of the superintendent the documents required by section 16..... \$ 10.00
- (b) for initial license to do business or renewal thereof:
- (1) Life insurance, group (a)200.00
- (2) Fire insurance, group (b):
- In case of underwriter's agencies100.00
- All other companies.....200.00
- (3) Hail insurance, group (c).....200.00
- (4) Transaction of insurance under group (d)100.00
- Except companies underwriting plate
glass insurance only which shall pay50.00
- (5) Transaction of insurance under group (e)50.00
- (c) for supplementary or additional license under section 15, one-half fee payable for additional group.
- (d) mutual companies:
- In case of provincial companies25.00
- In case of extraprovincial companies150.00

Note.—For fees payable by friendly societies see section 95

Certificates of authority:

Each agent shall pay for a certificate of authority the following fees:

In case of fire insurance:

- In cities\$25.00
- In towns7.00
- Elsewhere5.00
- In case of other classes of insurance.....3.00
- In case of mutual insurance companies3.00

Every general agent for hail insurance operating in Saskatchewan, whose head office is outside of Saskatchewan shall pay such fee as may be determined by the Lieutenant Governor in Council.

The holding of a certificate for underwriting fire insurance shall *ipso facto* include all other classes.

1917 (sess.2), c.54, s.4; 1918-19, c.33, s.26; R.S.S. 1920, c.84, s.204.

License fee may be abated

205 In the case of licenses taken out at a time in the calendar year later than first of July, abatement in the fees payable may be made to the companies, in such proportions) and according to such regulations as may be decided upon by the lieutenant Governor in Council. This shall not apply to companies applying for license to underwrite hail insurance.

1915, c.15, s.201; R.S.S. 1920, c.84, s.205.

PENALTIES

Penalties

206(1) Any person or company contravening or committing any breach of this Act or any rules or regulations made thereunder or refusing, omitting or neglecting to fulfil, observe, carry out or perform any duty or obligation by this Act created, prescribed or imposed shall be liable upon summary conviction before a justice of the peace to a penalty not exceeding \$200 for each such offence unless otherwise provided.

(2) Any director, officer, agent, employee or other person representing or purporting to represent any company who in contravention of section 12 undertakes or effects or agrees or offers to undertake or effect or solicit any contract or collect any premium on behalf of any company without the company being licensed under this Act, or if such license has been suspended or cancelled without revival thereof, shall be liable upon summary conviction before a justice of the peace to a penalty of \$200 for every such contravention of this Act.

(3) In any prosecution under this Act, whenever it appears that the defendant or accused has done any act or has been guilty of any act of omission in respect of which were he not duly licensed he would be liable to some penalty under this Act or the regulations made hereunder, it shall be incumbent upon the defendant or accused to prove that he or it is duly licensed.

(4) Any violation of section 55 shall subject the company violating the same to a penalty of \$200 for every violation and to an additional sum of \$100 for every month during which the company neglects to file such affidavit, statutory declarations and statements as are therein required; if such penalties are not paid the Lieutenant Governor in Council may order such company's license to be suspended or cancelled as may be deemed expedient.

(5) Any company or any officer or agent of any company causing any policy, interim receipt or other insuring document against fire loss to be printed, published or issued falsely bearing the words "Licensed under *The Saskatchewan Insurance Act*," or to like effect shall be liable to a penalty of \$200 for each such offence.

(6) Any person or firm who or corporation which solicits membership for, or in any manner assists in procuring membership in, any friendly society or friendly benefit society not licensed under this Act but which is required to be licensed, shall for each offence be liable on conviction to a fine of not less than \$50 or more than \$200.

(7) Any penalty imposed by this Act when recovered shall belong to the province.

1915, c.15, s.203; R.S.S. 1920, c.84, s.206.

REAL ESTATE OF THE COMPANY

Real estate

207 Any insurance company incorporated or licensed under this Act may hold absolutely for its own use and benefit such real estate as is necessary for the transaction of its business, and, when so authorised by the Lieutenant Governor in Council, may acquire or construct a building larger than is required for the transaction of its business, and may lease any part of such building not so required, and may hold such real estate as is acquired by it by foreclosure or in satisfaction of a debt, and may sell, mortgage, lease or otherwise dispose of the same; but the corporation shall sell any such last mentioned real estate within seven years after it has been so acquired, otherwise it shall be forfeited to His Majesty for the uses of Saskatchewan.

1918-19, c.33, s.27; R.S.S. 1920, c.84, s.207.

INVESTMENTS—ANNUAL REPORT

What investments allowed as assets

208(1) In his annual report prepared for the minister under the provisions of section 3, the superintendent shall allow as assets only such of the investments of the several companies as are authorised by this Act, or by their Acts of incorporation, or by the general Acts applicable to such investments.

(2) In his said report the superintendent shall make all necessary corrections in the annual statements made by the companies as herein provided and shall be at liberty to allow or disallow any asset other than an investment authorised by law or to increase or diminish the liabilities of such companies to the true and correct amounts thereof as ascertained by him in the examination of their affairs at the head office thereof in Canada, or otherwise.

(3) The superintendent may request any provincial pany to dispose of and realise any of its investments acquired after the passing of this Act and not authorised by this Act, and the company shall within sixty days after receiving such request absolutely dispose of and realise the said investments, and if the amount realised therefrom falls below the amount paid by the company for the said investments the directors of the company shall be jointly and severally liable for the payment to the company of the amount of the deficiency:

Provided that if any director present when any such investment is authorised does forthwith, or if any director then absent, does, within eight days after he becomes aware of such investment, give notice of his protest by registered letter to the superintendent, such director may thereby, and not otherwise, exonerate himself from such liability.

(4) An appeal shall lie in a summary manner from the ruling of the superintendent as to the admissibility of any asset not allowed by him, or as to any item or amount so added to liabilities, or as to any correction or alteration made in any statement, or as to any other matter arising in the carrying out of the provisions of this Act, to the Lieutenant Governor in Council, who shall have power to make all necessary rules for the conduct of appeals under this section.

(5) For the purpose of such appeal the superintendent shall at the request of the company interested give a certificate in writing setting forth the ruling appealed from and the reasons therefor, which ruling shall, however, be binding upon the company unless the company shall within fifteen days after notice of such ruling serve upon the superintendent notice of its intention to appeal therefrom, setting forth the grounds of appeal and within fifteen days thereafter file its appeal with the Lieutenant Governor in Council and with due diligence prosecute the same, in which case action on such ruling shall be suspended until the Lieutenant Governor in Council has rendered judgment thereon.

1918-19, c.33, s.27; R.S.S. 1920, c.84, s.208.

SCHEDULE A

(Section 94)

Age at entry	Net level premium for all-life insurance of \$1,000			
	Yearly in advance	Half-yearly in advance	Quarterly in advance	Monthly in advance
	\$	\$	\$	\$
18	9.86	5.00	2.51	.84
19	10.20	5.18	2.60	.87
20	10.55	5.36	2.69	.90
21	10.91	5.53	2.78	.93
22	11.28	5.71	2.87	.96
23	11.66	5.89	2.96	.99
24	12.03	6.07	3.05	1.02
25	12.42	6.25	3.14	1.05
26	12.76	6.43	3.23	1.08
27	13.12	6.60	3.32	1.11
28	13.49	6.78	3.41	1.14
29	13.87	7.02	3.53	1.18
30	14.31	7.20	3.62	1.21
31	14.76	7.44	3.74	1.25

INSURANCE

c. 84

Age at entry	Net level premium for all-life insurance of \$1,000			
	Yearly in advance	Half-yearly in advance	Quarterly in advance	Monthly in advance
	\$	\$	\$	\$
32	15.22	7.68	3.86	1.29
33	15.73	7.91	3.98	1.33
34	16.25	8.21	4.13	1.38
35	16.82	8.51	4.28	1.43
36	17.42	8.81	4.43	1.48
37	18.05	9.10	4.57	1.53
38	18.71	9.46	4.75	1.59
39	19.42	9.82	4.93	1.65
40	20.18	10.17	5.11	1.71
41	20.97	10.59	5.32	1.78
42	21.81	11.01	5.53	1.85
43	22.70	11.48	5.77	1.93
44	23.65	11.96	6.01	2.01
45	24.66	12.44	6.25	2.09
46	25.72	12.97	6.52	2.18
47	27.31	13.80	6.94	2.32
48	28.10	14.16	7.12	2.38
49	29.36	14.82	7.45	2.49
50	30.72	15.53	7.80	2.61
51	32.17	16.24	8.16	2.73
52	33.71	17.02	8.55	2.86
53	35.34	17.85	8.97	3.00
54	37.07	18.74	9.42	3.15
55	38.94	19.64	9.87	3.30

FOR HISTORICAL REFERENCE ONLY

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