

# *The Saskatchewan Insurance Regulations, 2003*

*being* 

Chapter S-26 Reg 8 (effective October 3, 2003) as amended by  
Saskatchewan Regulations 91/2006.

**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.

## Table of Contents

PART I		PART IV	
<b>Title, Interpretation and Fees</b>		<b>Exemptions from Act</b>	
1	Title	9	Medical Services Incorporated
2	Interpretation	9.1	Exemption re Canadian Blood Services
3	Fees	10	Designated provincial insurers
PART II		11	Exemption re Saskatchewan Teachers' Federation
<b>Reciprocal Insurance Exchanges</b>		12	Exemption re BCAA Insurance Corporation
4	Fire insurance	13	Subsection 431(2) of Act
5	Automobile insurance	14	Sections 416 to 439 of Act
6	Reserve Fund	15	Section 447 of Act
7	Guarantee fund	PART V	
PART III		<b>Repeal and Coming into Force</b>	
<b>Insurance with Unlicensed Insurers</b>		16	R.R.S. c.S-26 Reg 1 repealed
8	Document to be submitted	17	R.R.S. c.S-26 Reg 3 repealed
		18	R.R.S. c.S-26 Reg 6 repealed
		19	R.R.S. c.S-26 Reg 7 repealed
		20	Sask. Reg. 574/68 repealed
		21	Coming into force
<b>Appendix</b>			
FEES			

**CHAPTER S-26 REG 8**  
*The Saskatchewan Insurance Act*

**PART I**  
**Title, Interpretation and Fees**

**Title**

**1** These regulations may be cited as *The Saskatchewan Insurance Regulations, 2003*.

**Interpretation**

**2** In these regulations, “**Act**” means *The Saskatchewan Insurance Act*.

17 Oct 2003 cS-26 Reg 8 s2.

**Fees**

**3** The fees payable pursuant to the Act are set out in the Appendix.

17 Oct 2003 cS-26 Reg 8 s3.

**PART II**  
**Reciprocal Insurance Exchanges**

**Fire insurance**

**4(1)** For the purposes of clause 380(a) of the Act, the prescribed number of separate fire risks in Saskatchewan or elsewhere is 75.

**(2)** For the purposes of clause 380(b) of the Act, the prescribed amount is \$1,500,000.

17 Oct 2003 cS-26 Reg 8 s4.

**Automobile insurance**

**5(1)** For the purposes of clause 380.1(a) of the Act, the prescribed number of automobiles is 500.

**(2)** For the purposes of clause 380.1(b) of the Act, the prescribed limit is \$1,000,000.

17 Oct 2003 cS-26 Reg 8 s5.

**Reserve Fund**

**6** Every reciprocal insurance exchange must maintain, with its attorney, a reserve fund in cash or approved securities in the amount A calculated in accordance with the following formula:

$$A = [0.50 \times (B - C)] + [(D - E) - (F - G)]$$

where:

B is the amount of premiums collected or credited to the accounts of subscribers on reciprocal contracts that are in force but have one year or less until expiration;

C is the amount paid to licensed insurers to reinsure the reciprocal contracts mentioned in item B;

D is the amount of premiums collected or credited to the accounts of subscribers on reciprocal contracts that are in force but have more than one year until expiration;

E is the amount of premiums mentioned in item D that are attributable to the expired portions of the reciprocal contracts mentioned in item D;

F is the amount paid to licensed insurers to reinsure the reciprocal contracts mentioned in item D; and

G is the amount paid to licensed insurers mentioned in item F that is attributable to the expired portions of the reciprocal contracts mentioned in item D.

17 Oct 2003 cS-26 Reg 8 s6.

**Guarantee fund**

7(1) In this section, “**unearned premiums**” means the portion of premiums collected or credited to the accounts of subscribers on reciprocal contracts that are attributable to the unexpired portion of those reciprocal contracts.

(2) A reciprocal insurance exchange shall maintain a guarantee fund in cash or approved securities in the amount A calculated in accordance with the following formula:

$$A = B - C + D$$

where:

B is all liabilities, other than unearned premiums, associated with the operation of the reciprocal insurance exchange, including liabilities under reciprocal contracts undertaken by the reciprocal insurance exchange;

C is the amount that is recoverable from licensed insurers that have reinsured the reciprocal contracts mentioned in item B; and

D is \$50,000.

17 Oct 2003 cS-26 Reg 8 s7.

**PART III**  
**Insurance with Unlicensed Insurers**

**Document to be submitted**

8 For the purposes of clause 465(a) of the Act, a licensed agent must submit a document that contains the following information respecting each person the licensed agent acted for pursuant to section 464.1 of the Act:

- (a) the name of the insured;
- (b) a description of the nature of the insurance;
- (c) the name of any licensed insurer who refused to provide coverage to the insured;
- (d) the name of the unlicensed insurer who is providing coverage to the insured;

- (e) the amount of insurance obtained from the unlicensed insurer;
- (f) the premium paid to the unlicensed insurer;
- (g) the particulars of the calculation used to determine the amount of tax payable pursuant to section 463 of the Act;
- (h) a declaration by the licensed agent that, to the best of his or her knowledge:
  - (i) sufficient insurance was not obtainable at reasonable rates from an insurer licensed pursuant to the Act; or
  - (ii) sufficient insurance was not obtainable on the terms stipulated by the insured from an insurer licensed pursuant to the Act.

17 Oct 2003 cS-26 Reg 8 s8.

#### PART IV Exemptions from Act

##### Medical Services Incorporated

**9** The Act does not apply to Medical Services Incorporated.

17 Oct 2003 cS-26 Reg 8 s9.

##### Exemption re Canadian Blood Services

**9.1** The Act does not apply to:

- (a) CBS Insurance Company Limited; or
- (b) Canadian Blood Services Captive Insurance Company Limited.

6 Oct 2006 SR 91/2006 s2.

##### Designated provincial insurers

**10(1)** In this section, “**designated provincial insurer**” means:

- (a) Additional Municipal Hail Limited;
- (b) Co-operative Hail Insurance Company Limited;
- (c) Germania Mutual Insurance Company;
- (d) Industrial-Alliance Pacific General Insurance Company;
- (e) Palliser Insurance Company Limited;
- (f) Rain and Hail Insurance Corporation;
- (g) Robin Hood Employees’ Mutual Insurance Association;
- (h) Saskatchewan Motor Club Insurance Company Limited;
- (i) SGI Canada Insurance Services Ltd.;
- (j) Western Agricultural Insurance Corporation.

(2) Subject to subsection (3), subsections 81(1) and (2) of the Act do not apply to a designated provincial insurer to the extent that those subsections restrict the designated provincial insurer from investing in the shares of another corporation.

(3) A designated provincial insurer may invest in the shares of another corporation only if the investment:

- (a) is not prohibited by subsections 81(3) to (12) of the Act; and
- (b) is an investment that a reasonable and prudent person would make with respect to a portfolio of investments and loans with a view to avoiding undue risk and of obtaining a reasonable return.

17 Oct 2003 cS-26 Reg 8 s10.

**Exemption re Saskatchewan Teachers' Federation**

11(1) In this section:

- (a) **“annual return”** means the annual return required by subsection 86(2) of the Act;
- (b) **“Federation”** means the Saskatchewan Teachers' Federation.

(2) Subject to subsections (3) and (4), sections 81 and 85.1, and clause 86(3)(b) of the Act do not apply to the Federation.

(3) As a condition of being exempted from complying with section 81 of the Act, the Federation may only invest in accordance with the *Pension Benefits Standards Regulations*, 1985 (Canada), S.O.R./87-19.

(4) As a condition of being exempted from complying with section 85.1 and clause 86(3)(b) of the Act, the Federation shall:

- (a) designate in its bylaws the period commencing on July 1 in one year and ending on June 30 in the following year as its financial year; and
- (b) file the annual return within 120 days after the end of the financial year with respect to which the return relates.

17 Oct 2003 cS-26 Reg 8 s11.

**Exemption re BCAA Insurance Corporation**

12(1) In this section **“corporation”** means BCAA Insurance Corporation.

(2) Subject to subsection (3), section 85.1 of the Act does not apply to the corporation.

(3) As a condition of being exempted from complying with section 85.1 of the Act, the corporation shall designate in its bylaws the period commencing on October 1 in one year and ending on September 30 in the following year as its financial year.

17 Oct 2003 cS-26 Reg 8 s12.

**Subsection 431(2) of Act**

**13(1)** Subsection 431(2) of the Act does not apply to the holder of a licence as an agent for life insurance if the holder is:

- (a) an individual who has been licensed as an agent for life insurance for at least two years; or
- (b) a firm or corporation having a member, agent or employee who is an individual mentioned in clause (a).

(2) The holder of a licence mentioned in subsection (1) may act as an agent for the following but only if the holder does not represent himself or herself to the public by advertisement or otherwise as the agent of any insurer for whom the holder of the licence has not been authorized to act:

- (a) the insurer whose name is stated in the licence;
- (b) without a separate licence, any other insurer for life insurance.

17 Oct 2003 cS-26 Reg 8 s13.

**Sections 416 to 439 of Act**

**14** Sections 416 to 439 of the Act do not apply to the Saskatchewan Association of Rural Municipalities, or to a salaried employee of that Association while that person is acting on behalf of the Association, in connection with fidelity bonds, insurance on registered mail or burglary insurance provided to municipalities or for the benefit of municipalities.

17 Oct 2003 cS-26 Reg 8 s14.

**Section 447 of Act**

**15** Section 447 of the Act does not apply to a licensed general agent, or to a salaried employee of a licensed general agent while acting on behalf of that licensed general agent, in the adjustment of losses.

17 Oct 2003 cS-26 Reg 8 s15.

**PART V**  
**Repeal and Coming into Force**

**R.R.S. c.S-26 Reg 1 repealed**

**16** *The Saskatchewan Insurance Regulations* are repealed.

17 Oct 2003 cS-26 Reg 8 s16.

**R.R.S. c.S-26 Reg 3 repealed**

**17** *The Medical Services Incorporated Exemption Regulations* are repealed.

17 Oct 2003 cS-26 Reg 8 s17.

**R.R.S. c.S-26 Reg 6 repealed**

**18** *The Saskatchewan Insurance Exemption (Teachers' Federation) Regulations* are repealed.

17 Oct 2003 cS-26 Reg 8 s18.

**R.R.S. c.S-26 Reg 7 repealed**

**19** *The Designated Provincial Insurers Investment Exemption Regulations* are repealed.

17 Oct 2003 cS-26 Reg 8 s19.

**Sask. Reg. 574/68 repealed**

**20** Saskatchewan Regulations 574/68 are repealed.

17 Oct 2003 cS-26 Reg 8 s20.

**Coming into force**

**21(1)** Subject to subsection (2), these regulations come into force on the day on which section 1 of *The Saskatchewan Insurance Amendment Act, 2003* comes into force.

(2) If section 1 of *The Saskatchewan Insurance Amendment Act, 2003* comes into force before the day on which these regulations are filed with the Registrar of Regulations, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

17 Oct 2003 cS-26 Reg 8 s21.

## Appendix

### FEES

- 1 The fee for a licence is:
  - (a) for a fraternal society ..... \$ 500
  - (b) for a mutual or co-operative insurance company,  
not registered under the *Insurance Companies Act (Canada)* ..... 500
  - (c) for a reciprocal insurance exchange ..... 1,500
  - (d) for an underwriters agency ..... 1,500
  - (e) for an insurer to undertake reinsurance exclusively ..... 1,500.
  
- 2 The fee for a licence as any insurer, other than one mentioned in section 1, is an amount that is equal to the sum of:
  - (a) a basic fee of \$2,000; and
  - (b) an additional fee of \$2,000 to a maximum of \$6,000 for each of the following classes of insurance that the insurer applies to be to be licensed under:
    - (i) life insurance;
    - (ii) fire insurance;
    - (iii) accident insurance;
    - (iv) any other class of insurance not mentioned in subclauses (i) to (iii).
  
- 3 An applicant who is applying for a licence as any insurer for the first time shall pay, in addition to any other fees, a review fee of \$1,000.
  
- 4 The fee for renewal of the licence of an insurer who has discontinued undertaking contracts of insurance in Saskatchewan is \$500.
  
- 5 The following fees apply for:
  - (a) a five-year permit for a vending machine..... \$ 200
  - (b) a certificate under seal of the superintendent ..... 50
  - (c) issuing a new licence if there has been a change in the membership of a partnership ..... 25
  - (d) reviewing an application to amalgamate ..... 100
  - (e) filing an annual statement of the condition of affairs of the insurer ... 100.

17 Oct 2003 cS-26 Reg 8 Appendix.

