

Bill No. 58 of 1947.

A BILL TO AMEND THE ALBERTA INSURANCE ACT

NOTE.

The amendment to section 82 introduced by section 1 of this Bill adds treasury branches to the institutions where uninvested funds of an insurance company are required to be deposited.

The amendments made by sections 2, 3 and 5 of the Bill were enacted by the Legislature at the 1946 session by chapter 51 which was enacted subject to proclamation and has not been proclaimed. That Act is not to be proclaimed as it contains a section which is to be reconsidered by the Superintendents of Insurance. Accordingly, the above mentioned sections 2, 3 and 5 are being included in this Bill and chapter 51 of 1946 is repealed by section 6.

Section 4 of the Bill adds a new subsection (3a) to section 278 of the Act. That section which is in the Part of the Act dealing with automobile insurance deals with the rights which a person who has recovered judgment against an insured person has against the money payable under the insurance policy. In a recent case in the Appeal Division of the Supreme Court of New Brunswick it was held that where a policy was void as between the immediate parties by reason of misrepresentation, etc., the person who had recovered a judgment against the insured lost his rights against the money otherwise payable under the policy. The purpose of this amendment, which has been approved by the Superintendents of Insurance of the Provinces, is to override the above judgment and enable the person recovering the judgment to have recourse to the insurance money even if the policy is not a valid motor vehicle liability policy as between the immediate parties.

W. S. GRAY,
Legislative Counsel.

(This note does not form any part of the Bill but is offered in explanation of its provisions.)

BILL

No. 58 of 1947.

An Act to amend The Alberta Insurance Act.

(Assented to _____, 1947.)

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. *The Alberta Insurance Act*, being chapter 201 of the Revised Statutes of Alberta, 1942, is hereby amended as to section 82 by striking out subsection (2) thereof and by substituting therefore the following:

"(2) Uninvested funds of the insurer shall be kept on deposit in the name of the insurer in a post office savings bank, in a chartered bank of Canada or a Provincial Treasury Branch."

2. The said Act is further amended as to section 274,—

- (a) by adding immediately after paragraph (b) thereof the words "unless the coverage is expressly extended under section 276,—";
- (b) by adding immediately at the end of paragraph (c) thereof the word "or";
- (c) by striking out the words "and, unless the coverage is expressly extended under section 276,—" where the same occur immediately after paragraph (c) thereof.

3. The said Act is further amended as to section 276 by striking out the words and letters "paragraphs (d), (e) and (f)", where the same occur in paragraph (a) thereof, and by substituting therefor the words and letters "paragraphs (c), (d), (e) and (f)".

4. The said Act is further amended as to section 278 by adding immediately after subsection (3) thereof the following subsection:

"(3a) It shall not be a defence to an action under this section that an instrument issued as a motor vehicle liability policy by a person engaged in the business of an insurer, and alleged by a party to the action to be such a policy, is not a motor vehicle liability policy; and the provisions of this section shall apply, *mutatis mutandis*, to the instrument."

5. The said Act is further amended as to section 421 by adding immediately after the word "railway", where the same occurs in the second line thereof, the words "or air line".

6. An Act to amend The Alberta Insurance Act, being chapter 51 of the Statutes of Alberta, 1946, is hereby repealed.

7. This Act shall come into force on the day upon which it is assented to.

FOURTH SESSION
TENTH LEGISLATURE

11 GEORGE VI

1947

BILL

A Bill to amend The Alberta
Insurance Act.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. HOOKE.

EDMONTON:
A. Shnitka, King's Printer
1947