

Bill No. 7 of 1949 (2nd Session)

A BILL TO AMEND THE LIFE INSURANCE COMPANY
OF ALBERTA ACT.

NOTE.

This Bill amends *The Life Insurance Company of Alberta Act*, being chapter 10 of the Statutes of Alberta, 1948.

Sections 3(1) and 6(2) are each amended to make it clear that the directors appointed by the Lieutenant Governor in Council are members of the Company for the duration of their appointments.

Section 11(4) is amended to make it clear that the provision relates only to policy-holders who are members, namely, those who hold participating policies for two thousand dollars or more.

Section 19 is amended. The section as amended clarifies the purpose and nature of the payment made to the Company under the authority of the section, which is to provide the Company with the capital required to enable it to establish and carry on the business of insurance. The reference to the terms and conditions determined by the Lieutenant Governor in Council is no longer necessary as this is being incorporated in the Act by the amendments to section 22.

Section 22 is struck out and a new section is substituted. The section provides that after payment of all expenses, claims and costs, proper reserves must be provided for. After provision has been made for reserves the Board of the Company may determine and declare a sum which is deemed safe and proper for distribution. The Company is required to pay, as a dividend to participating policy-holders, ninety per cent of the sum declared available for distribution and ten per cent of the sum distributed will be paid to the Provincial Treasurer. After the aggregate of the payments to the Provincial Treasurer totals five hundred thousand dollars the Company is required to pay, as a dividend to participating policy-holders, one hundred per cent of the sum declared available for distribution.

Section 26 (2) (a) is struck out and a new paragraph (a) is substituted. The paragraph as amended enables the Lieutenant Governor in Council to prescribe such just and reasonable conditions as he deems necessary or advisable.

The Bill is made retroactive to the thirty-first day of December, 1948, which is the date on which the moneys were paid by the Provincial Treasurer to the Company under the authority of section 19.

KENNETH A. MCKENZIE,
Acting Legislative Counsel.

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

BILL

No. 7 of 1949 (2nd Session)

An Act to amend The Life Insurance Company of
Alberta Act.

(Assented to _____, 1949.)

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

1. *The Life Insurance Company of Alberta Act*, being chapter 10 of the Statutes of Alberta, 1948, is hereby amended as to section 3 by striking out the words "There is", where they occur in subsection (1), and by substituting the words "The persons who from time to time are members of the Board are".

2. The said Act is further amended as to section 6 by adding at the end of subsection (2) the following words "and shall be members of the Company for the duration of their appointments".

3. The said Act is further amended as to section 11 by striking out the word "policy-holder", wherever it occurs in subsection (4), and by substituting the word "member".

- 4.** The said Act is further amended as to section 19,—
- (a) by striking out the word "advance" and by substituting the word "pay";
 - (b) by striking out the words "on such terms and conditions as to repayment or otherwise as may be determined by the Lieutenant Governor in Council" and by substituting the words "to provide the Company with the capital required to enable it to establish and carry on the business of life insurance".

5. The said Act is further amended by striking out section 22 and by substituting the following:

"**22.**—(1) The Board, after payment of all expenses, claims and costs, shall set aside such sums as it thinks proper as a reserve or reserves for meeting contingencies, equalizing dividends or for any other purposes.

"(2) The Board, after provision has been made for reserves, may from time to time determine and declare a sum which the Board deems safe and proper for distribution.

“(3) The Company shall pay, as a dividend to participating policy-holders, ninety per cent of the sum declared available for distribution.

“(4) The Company shall pay to the Provincial Treasurer ten per cent of the sum declared available for distribution until the aggregate of the payments so made to the Provincial Treasurer totals the sum of five hundred thousand dollars.

“(5) After the aggregate of the payments made by the Company to the Provincial Treasurer totals the sum of five hundred thousand dollars the Company shall pay as dividends to participating policy-holders one hundred per cent of the sums from time to time declared available for distribution.”

6. The said Act is further amended as to section 26 by striking out paragraph (a) of subsection 2 and by substituting the following:

“(a) prescribe such just and reasonable terms and conditions, if any, as may be deemed necessary or advisable by the Lieutenant Governor in Council; and”.

7. This Act shall come into force on the day upon which it is assented to, and upon so coming into force shall be deemed to have been in force at all times on and after the thirty-first day of December, 1948.

SECOND SESSION
ELEVENTH LEGISLATURE
13 GEORGE VI
1949

BILL

An Act to amend The Life Insurance
Company of Alberta Act.

Received and read the

First time

Second time.....

Third time.....

HON. MR. MANNING.
