

No. 51

1st Session, 14th Legislature, Alberta
8 Elizabeth II

BILL 51

A Bill to amend The Alberta Insurance Act

HON. MR. PATRICK

Explanatory Note

2 (a) This amendment results from the proposed revision of Part VI (Life Insurance) for which see clause 4 and the note thereto. The term "accidental death insurance" replaces the defined term "double indemnity insurance" in section 2, clause 18. It is a more apt term now since the principle of basing the limit of the additional insurance on the primary insurance is not retained. The present limitation to insurance of more than one year's duration has been deleted from this definition (cf. present section 2, clause 18 as noted in note to clause 2(c) hereunder).

(b) The limitation respecting the duration of the benefit is removed. Clause 17 presently reads:

"17. "disability insurance" means insurance undertaken by an insurer as part of a life insurance contract whereby the terms of the policy provide for the duration of the insurance for more than one year and for the payment of insurance money or the granting of benefits if the insured becomes disabled as a result of bodily injury or disease;".

(c) See note to clause 2(a). Clause 18 reads:

"18. "double indemnity insurance" means insurance undertaken by an insurer as part of a life insurance contract whereby the terms of the policy provide for the duration of the insurance for more than one year and for payment, only in the event of the death of the insured by accident, of an additional amount of insurance money not exceeding the amount payable in the event of death from other causes;".

(d) The restriction on the payment of benefits in the present definition is removed to permit a fraternal society to issue a type of insurance in which benefits may be paid to non-members, e.g., family insurance, for which see clause 4 (new section 218(f)). Clause 25 presently reads:

"25. "fraternal society" means a corporation, society, order or voluntary association incorporated or formed and carried on for the benefit of its members and their beneficiaries and not for profit, that makes provision by its constitution and laws for payment to beneficiaries of benefits on the death or disability of its members;".

(e) Present definition revised and subclause (iii) added to provide for endowments and annuities for a term of years. Clause 38 reads at present:

"38. "life insurance" means insurance whereby the insurer undertakes to pay insurance money on death, or on the happening of any contingency dependent on human life, or whereby the insurer undertakes to pay insurance money subject to the payment of premiums for a term depending on human life, but, except to the extent of double indemnity insurance, does not include insurance payable in the event of death by accident only;".

BILL

No. 51 of 1960

An Act to amend The Alberta Insurance Act

(Assented to _____, 1960)

HER 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 159 of the Revised Statutes, is hereby amended.

2. Section 2 is amended

(a) by adding immediately after clause 1 the following:

1a. "accidental death insurance" means insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay an additional amount of insurance money in the event of the death by accident of the person whose life is insured;

(b) by striking out clause 17 and by substituting the following:

17. "disability insurance" means insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay insurance money or to provide other benefits in the event that the person whose life is insured becomes disabled as a result of bodily injury or disease;

(c) by striking out clause 18,

(d) by striking out clause 25 and by substituting the following:

25. "fraternal society" means a society, order or association incorporated for the purpose of making with its members only and not for profit, contracts of life, accident or sickness insurance in accordance with its constitution, by-laws and rules and this Act;

(e) by striking out clause 38 and by substituting the following:

38. "life insurance" means insurance whereby an insurer undertakes to pay insurance money

(i) on death, or

(ii) on the happening of an event or contingency dependent on human life, or

3. Because of the redefinition of "life insurance", the classes of insurance, and the authorization to issue endowments and annuities, require revising, since endowments and annuities are to be "life insurance" as well as "accidental death insurance". See clauses 2(a) and (e) of this Bill. Section 33, subsection (5) reads:

"(5) Every insurer licensed for the transaction of life insurance may, under the authority of its licence, unless the licence expressly provides otherwise, issue annuities and endowments of all kinds and also include in any policy of life insurance in respect of the same life or lives insured thereby disability insurance and double indemnity insurance."

4. This clause repeals and replaces the Life Insurance Part of the Act, with the revised Part recommended by the Association of Superintendents of Insurance of the Provinces of Canada at the 1959 meeting of that body. It is the first general revision of the uniform Life Insurance Part that has been prepared since the enactment of the original Part in 1924-25 by eight common law provinces. Partial revisions occurred in 1935-36 and in 1948. A major change made by this revision is the substitution of irrevocable and revocable appointments of beneficiaries for the trust created by the present Act in favour of preferred beneficiaries. This change is not to affect the protection given to preferred beneficiaries against the creditors of the policyholders. The revision will permit any beneficiary, following the death of the policyholder, to take the proceeds free of creditors. This change permits simplification of the legislation in many respects.

For a summary of other significant changes in the new Part see the end of these notes.

(The following references in these notes to Part VI are to the sections in the present Life Insurance Part.)

218. (a) New.

(b) Present section 218 (c) but excludes insured and his personal representative as they are to be covered under the new section 237, subsection (1).

(c) Present section 218 (e) revised. See definition of "life insurance" in clause 2(e) of this Bill.

(d) Present section 218 (f).

(e) Present section 218 (g) redrafted. The added reference to personal representative is made because the personal representative has been excluded from the definition of "beneficiary". (See clause (b) above).

(f) New. This type of insurance will not be "group insurance" so that the provisions relating to individual insurance will apply to family insurance.

(g) Present section 218 (j) revised; altered to exclude "family insurance" specifically.

- (iii) at a fixed or determinable future time, or
 - (iv) for a term dependent on human life,
- and includes accidental death insurance but not accident insurance and in Part VI includes disability insurance;

3. Section 33 is amended by striking out subsection (5) and by substituting the following:

(5) Every insurer licensed for the transaction of life insurance may, under the authority of its licence, unless the licence expressly otherwise provides, include disability insurance in any policy of life insurance in respect of the same life or lives insured thereby.

4. Part VI (Life Insurance), except section 277, is repealed and the following new Part is substituted:

PART VI
LIFE INSURANCE
Interpretation

218. In this Part,

- (a) “application” means an application for insurance or for the reinstatement of insurance;
- (b) “beneficiary” means a person, other than the insured or his personal representative, to whom or for whose benefit insurance money is made payable in a contract or by a declaration;
- (c) “contract” means a contract of insurance;
- (d) “creditor’s group insurance” means insurance effected by a creditor in respect of the lives of his debtors whereby the lives of his debtors are insured severally under a single contract;
- (e) “declaration” means an instrument signed by the insured
 - (i) with respect to which an endorsement is made on the policy, or
 - (ii) that identifies the contract, or
 - (iii) that describes the insurance or insurance fund or a part thereof,
 - in which he designates, or alters or revokes the designation of, his personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable;
- (f) “family insurance” means insurance whereby the lives of the insured and one or more persons related to him by blood, marriage or adoption are insured under a single contract between an insurer and the insured;
- (g) “group insurance” means insurance, other than creditor’s group insurance and family insurance, whereby the lives of a number of persons are insured severally under a single contract between an insurer and an employer or other person;

(h) New. See clause (k) below and note to proposed section 224 following.

- (i) Present section 218 (k) revised.
- (j) Present section 218 (l).
- (k) Present sections 224 (2) and 218 (n) combined.

(l) Present section 218 (t).

219. (1) This section makes the revised Part applicable to existing as well as to new contracts, except for the preservation of rights of beneficiaries for value (subsection (2)) and preferred beneficiaries (subsection (3)) under existing contracts. Subsection (1) takes the place of the whole of present section 219. It enacts a single test for the application of the Part.

(3) The "but" clause at the end of subsection (3) provides that the force of the subsection is spent once the insurance money becomes payable to a person outside the present preferred class of beneficiaries.

220. This section replaces present section 220. The date of application of that section is dropped as unnecessary. The effect of this section is to make the Part applicable to a group life insured if he was resident in the Province when he became insured even though the group contract was made elsewhere—so long as the insurer is one licensed in the Province. Clause (a) of present section 220 is dropped as unnecessary because of subsection (1) of section 219, supra. Clause (b) is covered in this section.

- (h) "group life insured" means a person whose life is insured by a contract of group insurance but does not include a person whose life is insured under the contract as a person dependent upon, or related to, him;
- (i) "instrument" includes a will;
- (j) "insurance" means life insurance;
- (k) "insured"
 - (i) in the case of group insurance means, in the provisions of this Part relating to the designation of beneficiaries and the rights and status of beneficiaries, the group life insured, and
 - (ii) in all other cases means the person who makes a contract with an insurer;
- (l) "will" includes a codicil.

Application of Part

219. (1) Notwithstanding any agreement, condition or stipulation to the contrary, this Part applies to a contract made in the Province on or after the day on which this section comes into force, and, subject to subsections (2) and (3) applies to a contract made in the Province before that day.

(2) The rights and interests of a beneficiary for value under a contract that was in force immediately prior to the day on which this section comes into force are those provided in Part VI of the Insurance Act then in force.

(3) Where the person who would have been entitled to the payment of insurance money if the money had become payable immediately prior to the day on which this section comes into force was a preferred beneficiary within the meaning of Part VI of the Insurance Act then in force, the insured may not, except in accordance with that Part,

- (a) alter or revoke the designation of a beneficiary, or
- (b) assign, exercise rights under or in respect of, surrender or otherwise deal with, the contract,

but this subsection does not apply after a time at which the insurance money, if it were then payable, would be payable wholly to a person other than a preferred beneficiary within the meaning of that Part.

220. In the case of a contract of group insurance made with an insurer authorized to transact insurance in the Province at the time the contract was made, this Part applies in determining

- (a) the rights and status of beneficiaries if the group life insured was resident in the Province at the time he became insured, and
- (b) the rights and obligations of the group life insured if he was resident in the Province at the time he became insured.

221. (1) Present section 222, stating that every contract is to be evidenced by a policy, is replaced by a positive requirement that the insurer issue a policy. The last part of present section 222 is omitted because "policy" is defined to mean "the instrument evidencing a contract" in section 2, clause 48 of the present Act.

(2) Present section 225 (1) and (2). The principal change is that the new provision applies generally and not merely, as does present section 225 (1), to evidence that may be prejudicial to the insured or a beneficiary. Clause (a) is new but in actual practice the application is usually a "document . . . attached" within the meaning of present section 225 (1). The change made by the revision is to make the provisions of an application that is not attached to the policy part of the contract.

(3) This is similar to present section 225 (3).

(4) Present section 234 has been changed to enable a claimant, as well as the insured, to obtain a copy of the application.

222. (1) Cf. group insurance in present section 223 (1) and fraternal insurance in present section 223 (8). The exception for creditor's group insurance is new. The particulars to be shown in group insurance and creditor's group insurance policies are set forth in section 223, post.

(2) (a) to (c) Clauses (a), (b) and (c) are taken from present section 223 (1). The main changes are the deletion of the reference to beneficiaries in clause (a), the addition in clause (b) of a reference to the conditions under which the contract becomes payable to replace the present reference to maturity of the contract, and the addition of a reference to grace period, now in present section 223 (4), in clause (c). Also, references to "the method of determining the amount" have been added in clauses (b) and (c) to cover the case of renewable term insurance.

(d) This clause is similar to present section 223 (5).

(e) This clause is taken from present section 223 (4).

(f) This clause is taken from present section 223 (4).

223. (a) to (d). Clauses (a) to (d) are taken from present section 223 (2) and the first part of present section 223 (4), except that the reference in present section 223 (2) to the facts that determine the amount of the premium has been omitted as unnecessary, and the reference in the same provision to the facts that determine the manner and time of payment has been changed to the expression used in clause (c). Present section 223 (4), except for the first part (covered in clause (d)), is inappropriate in relation to group insurance and creditor's group insurance.

(e) Clause (e) is similar to present section 223 (5).

Issuance of Policy and Contents

221. (1) An insurer entering into a contract shall issue a policy.

(2) Subject to subsection (3), the provisions in

- (a) the application, and
- (b) the policy, and
- (c) any document attached to the policy when issued, and
- (d) any amendment to the contract agreed upon in writing after the policy is issued,

constitute the entire contract.

(3) In the case of a contract made by a fraternal society, the policy, the Act or instrument of incorporation of the society, its constitution, by-laws and rules, and the amendments made from time to time to any of them, the application for the contract and the medical statement of the applicant constitute the entire contract.

(4) An insurer shall, upon request, furnish to the insured or to a claimant under the contract a copy of the application.

222. (1) This section does not apply to a contract

- (a) of group insurance, or
- (b) of creditor's group insurance, or
- (c) made by a fraternal society.

(2) An insurer shall set forth the following particulars in the policy:

- (a) the name or a sufficient description of the insured and of the person whose life is insured;
- (b) the amount, or the method of determining the amount, of the insurance money payable, and the conditions under which it becomes payable;
- (c) the amount, or the method of determining the amount, of the premium and the period of grace, if any, within which it may be paid;
- (d) whether the contract provides for participation in a distribution of surplus or profits that may be declared by the insurer;
- (e) the conditions upon which the contract may be reinstated if it lapses;
- (f) the options, if any,
 - (i) of surrendering the contract for cash,
 - (ii) of obtaining a loan or an advance payment of the insurance money, and
 - (iii) of obtaining paid-up or extended insurance.

223. In the case of a contract of group insurance or of creditor's group insurance, an insurer shall set forth the following particulars in the policy:

- (a) the name or a sufficient description of the insured;
- (b) the method of determining the persons whose lives are insured;

224. The requirements of present section 223 (6) have been modified in the following respects:

(a) the exemption for pre-1948 contracts has been deleted and the new provision will apply to all contracts;

(b) The reference to "other document" is new.

(c) The term "group life insured" is new; it is defined in section 218 (h), supra, to mean the employee or other "primary" life insured by the group contract. The definition excludes dependent or related participants in group dependant's insurance contracts. The insurance on such dependent or related participants must, however, be described in the certificate or other document issued to the group life insured.

225. (1) Similar to present section 239.

(2) New. By clause (a) group insurance is exempted from subsection (1) because the ordinary insurable interest requirement does not fit some types of group insurance, e.g., insurance covering under one contract the members of a professional association. Clause (b) makes the consent of the life insured a substitute for the insurable interest requirement.

(3) New. It is necessary because of the addition of clause (b) in subsection (2).

Present section 240 has been deleted as unnecessary. No change in the law is intended by the deletion of this section.

226. This section combines present sections 237 and 238. It has been revised as to form. Also, in clause (a) the present limitation to children under 25 has been removed and a reference to "grandchild" has been added.

- (c) the amount, or the method of determining the amount, of the insurance money payable, and the conditions under which it becomes payable;
- (d) the period of grace, if, any, within which the premium may be paid;
- (e) whether the contract provides for participation in a distribution of surplus or profits that may be declared by the insurer.

224. In the case of a contract of group insurance, an insurer shall issue, for delivery by the insured to each group life insured, a certificate or other document in which are set forth the following particulars:

- (a) the name of the insurer and an identification of the contract;
- (b) the amount, or the method of determining the amount, of insurance on the group life insured and on any person whose life is insured under the contract as a person dependent upon, or related to, him;
- (c) the circumstances in which the insurance terminates and the rights, if any, upon such termination, of the group life insured or of any person whose life is insured under the contract as a person dependent upon, or related to, him.

Formation of Contract

225. (1) Subject to subsection (2), where at the time a contract would otherwise take effect the insured has no insurable interest, the contract is void.

- (2) A contract is not void for lack of insurable interest
 - (a) if it is a contract of group insurance, or
 - (b) if the person whose life is insured has consented in writing to the insurance being placed on his life.

(3) Where the person whose life is insured is under the age of sixteen years, consent to insurance being placed on his life may be given by one of his parents or by a person standing in *loco parentis* to him.

226. Without restricting the meaning of the expression "insurable interest", a person has an insurable interest in his own life and in the life of

- (a) his child or grandchild,
- (b) his spouse,
- (c) any person upon whom he is wholly or in part dependent for, or from whom he is receiving, support or education,
- (d) his employee, and
- (e) any person in the duration of whose life he has a pecuniary interest.

227. (1) This subsection is a redraft of present section 231 (1). The principal change has been to restrict the exception for changes in insurability to the time between completion of the application and delivery of the policy.

(2) This is a new subsection to cover the case of negligent non-delivery by an agent.

228. (1) This subsection is similar to present section 231 (2) except that the payment rather than the whole contract is made void if the cheque, etc., is not honoured.

(2) This is a simplification of present section 232 (2).

229. (1) New. It makes it clear that, except in the case of group insurance, any one of the parties named may, as of right, pay a premium when due. Present section 232 (1) only refers to payment by such persons during the period of grace.

(2) Subsections (1), (4) and (6) of present section 232 have been combined in this subsection. Subsection (3) of present section 232 has been omitted as unnecessary.

(3) This is similar to present section 232 (5).

230. (1) and (2) Present section 226 (1) has been divided into two subsections for ease in reading. The present requirement to disclose material facts in "statements or answers furnished in lieu of a medical examination" has been broadened to "written statements or answers furnished as evidence of insurability" because evidence that does not relate directly to health may be required, e.g., a statement of the extent to which the applicant travels in airplanes. The requirement that the applicant and the life insured must disclose facts within their knowledge has been modified so that it is sufficient if each discloses facts within his knowledge that are not disclosed by the other.

227. (1) Subject to any provision to the contrary in the application or the policy, a contract does not take effect unless

- (a) the policy is delivered to an insured, his assign or agent, or to a beneficiary,
- (b) payment of the first premium is made to the insurer or its authorized agent, and
- (c) no change has taken place in the insurability of the life to be insured between the time the application was completed and the time the policy was delivered.

(2) Where a policy is issued on the terms applied for and is delivered to an agent of the insurer for unconditional delivery to a person referred to in clause (a) of subsection (1), it shall be deemed, but not to the prejudice of the insured, to have been delivered to the insured.

228. (1) Where a cheque or other bill of exchange, or a promissory note or other written promise to pay, is given for the whole or part of a premium and payment is not made according to its tenor, the premium or part thereof shall be deemed not to have been paid.

(2) Where a remittance for or on account of a premium is sent in a registered letter to an insurer and is received by it, the remittance shall be deemed to have been received at the time of the registration of the letter.

229. (1) Except in the case of group insurance, an assignee of a contract, a beneficiary or a person acting on behalf of one of them or of the insured may pay any premium that the insured is entitled to pay.

(2) Where a premium, other than the initial premium, is not paid at the time it is due, the premium may be paid within a period of grace of

- (a) thirty days, or in the case of an industrial contract twenty-eight days, from and excluding the day on which the premium is due, or
- (b) the number of days, if any, specified in the contract for payment of an overdue premium,

whichever is the longer period.

(3) Where the happening of the event upon which the insurance money becomes payable occurs during the period of grace and before the overdue premium is paid, the contract shall be deemed to be in effect as if the premium had been paid at the time it was due, but the amount of the premium, together with interest at the rate specified in the contract, but not exceeding six per cent per annum, and the balance, if any, of the current year's premium, may be deducted from the insurance money.

230. (1) An applicant for insurance and a person whose life is to be insured shall each disclose to the insurer in the application, on a medical examination, if any, and in any written statements or answers furnished as evidence of insurability, every fact within his knowledge that is material to the insurance and is not so disclosed by the other.

231. (1) The exception for double indemnity insurance in section 226 (3) has been deleted. Also, the exception for misstatements of age is made applicable to all statements respecting the life insured.

(2) Present section 226 (2) has been shortened but the effect is the same, i.e., the rule in section 230 (2) *supra*, that a failure to disclose or a misrepresentation renders a contract voidable does not apply, in the absence of fraud, after the contract has been in force two years during the life insured's lifetime. In the revision of this provision, an attempt has been made to clarify present section 226 (2) in its application to group insurance by the addition of subsection (3), *post*. Also, the exception for fraudulent statements is made applicable to all statements respecting the life insured.

(3) This is a new subsection to cover group insurance.

232. This is similar to present section 227 except that the last words in section 227 (2) "during the lifetime of the person whose life is insured" have been dropped. This omission clears up the application of the section to group insurance.

233. (1) This is similar to present section 229 (6); see section 234, *post*.

(2) This provision takes the place of the detailed rules for age adjustments in subsections (1) to (4) of present section 229. It provides for an adjustment of benefits if age is misstated.

(3) This is similar to present section 229 (5) except that the insurer is given 60 days, instead of 30 days, after it discovers the error to take steps to declare the contract void.

234. In line with the simplification of the misstatement of age provision relating to individual insurance (see section 233, *supra*), present section 230 relating to group insurance, has also been simplified. Under this new section the contract provisions will govern but the insurance will not otherwise be rendered voidable by a misstatement of age.

235. (1) This is similar to present section 270.

(2) Present section 233 (3) has been simplified; no change in effect is intended.

(2) Subject to section 231, a failure to disclose, or a misrepresentation of, such a fact renders the contract voidable by the insurer.

231. (1) This section does not apply to a misstatement of age or to disability insurance.

(2) Subject to subsection (3), where a contract has been in effect for two years during the lifetime of the person whose life is insured, a failure to disclose, or a misrepresentation of, a fact required to be disclosed by section 230 does not, in the absence of fraud, render the contract voidable.

(3) In the case of a contract of group insurance a failure to disclose, or a misrepresentation of, such a fact in respect of a person whose life is insured under the contract does not render the contract voidable, but if evidence of insurability is specifically requested by the insurer the insurance in respect of that person is voidable by the insurer unless it has been in effect for two years during the lifetime of that person in which event it is not, in the absence of fraud, voidable.

232. Where an insurer fails to disclose, or misrepresents, a fact material to the insurance, the contract is voidable by the insured, but in the absence of fraud the contract is not by reason of such failure or misrepresentation voidable after the contract has been in effect for two years.

233. (1) This section does not apply to a contract of group insurance or of creditor's group insurance.

(2) Subject to subsection (3), where the age of a person whose life is insured is misstated to the insurer, the insurance money provided by the contract shall be increased or decreased to the amount that would have been provided for the same premium at the correct age.

(3) Where a contract limits the insurable age, and the correct age of the person whose life is insured at the date of the application exceeds the age so limited, the contract is, during the lifetime of that person but not later than five years from the date the contract takes effect, voidable by the insurer within sixty days after it discovers the error.

234. In the case of a contract of group insurance or of creditor's group insurance, a misstatement to the insurer of the age of a person whose life is insured does not of itself render the contract voidable and the provisions, if any, of the contract, with respect to age or misstatement of age apply.

235. (1) Where a contract contains an undertaking, express or implied, that insurance money will be paid if a person whose life is insured commits suicide, the undertaking is lawful and enforceable.

236. (1) Same as present section 233 (4).

(2) and (3) Similar to present section 233 (1) except that:

(a) the special one-year period for industrial contracts has been deleted and the two-year period for reinstatements is made applicable to all contracts;

(b) the exceptions relating to cash surrender values and paid-up and extended insurance options have been transferred to subsection (3);

(c) in clause (b) the expression "satisfactory to the insurer" appears in both subclause (i) and subclause (ii) so that it modifies both "good health" and "insurability";

(d) the proviso at the end of the present subsection has been dropped as unnecessary in view of the condition "if . . . he . . . produces evidence satisfactory to the insurer . . .".

(4) This is a simplification of present section 233 (2).

237. (1) and (2) This section replaces the middle portion of present section 247 (1). The word "designate" has been retained but the words "appropriated", "appointment, appropriation or apportionment" have been dropped as unnecessary. As to wills, the definition of "declaration" in section 218, clause (e), supra, uses the expression "instrument" which is defined to include wills. Under the present Part "beneficiary" does not include the insured's estate. In the above subsection (1) a reference to the insured's personal representative has been added. The definition of "beneficiary" in section 218 (b), supra, excludes such representatives.

(3) This is similar to present section 235 (1) except for the addition of the reference to "estate" and to words of like import.

238. (1) and (2) This section deals with the status created by an irrevocable designation, as at the time of designation. Dealings with the contract during the insured's lifetime are covered in section 244, post.

In subsection (1) the words "other than a declaration that is part of a will" have been used to avoid the problems that presently arise in the designation of preferred beneficiaries by "secret" declarations in wills. An irrevocable designation must not be in a will and must be filed to be effective.

(2) Where a contract provides that in case a person whose life is insured commits suicide within a certain period of time the contract is void or the amount payable under it is reduced, if the contract lapses and is subsequently reinstated on one or more occasions, the period of time commences to run from the date of the latest reinstatement.

236. (1) This section does not apply to a contract of group insurance or to a contract made by a fraternal society.

(2) Where a contract lapses and the insured within two years applies for reinstatement of the contract, if within that time he

(a) pays the overdue premiums and other indebtedness under the contract to the insurer, together with interest at the rate specified in the contract, but not exceeding six per cent per annum, compounded annually, and

(b) produces

(i) evidence satisfactory to the insurer of the good health, and

(ii) other evidence satisfactory to the insurer of the insurability,

of the person whose life was insured,

the insurer shall reinstate the contract.

(3) Subsection (2) does not apply where the cash surrender value has been paid or an option of taking paid-up or extended insurance has been exercised.

(4) Sections 230 and 231 apply *mutatis mutandis* to reinstatement of a contract.

Designation of Beneficiaries

237. (1) An insured may in a contract or by a declaration designate his personal representative or a beneficiary to receive insurance money.

(2) Subject to section 238, the insured may alter or revoke the designation by a declaration.

(3) A designation in favour of the "heirs", "next of kin" or "estate" of the insured, or the use of words of like import in a designation, shall be deemed to be a designation of the personal representative of the insured.

238. (1) An insured may in a contract or by a declaration other than a declaration that is part of a will, filed with the insurer at its head or principal office in Canada during the lifetime of the person whose life is insured, designate a beneficiary irrevocably and in that event the insured, while the beneficiary is living, may not alter or revoke the designation without the consent of the beneficiary and the insurance money is not subject to the control of the insured or of his creditors and does not form part of his estate.

Subsequent alterations and revocations are barred without the consent of the beneficiary. The clause stating that the insurance money is not subject to the insured's control, etc., replaces, in a sense, part of present section 250.

Subsection (2) deals with the consequences of an attempt to designate a beneficiary irrevocably in a will and of a failure to file with the insurer a declaration designating a beneficiary irrevocably.

239. This section takes the place of the first part of subsection (4) and subsection (6) of present section 247. The latter provision is obscure. Subsections (1), (3) and (4) set forth the rules apparently intended to be provided in that subsection. The reference at the end of subsection (1) to a bequest under a will is to make it clear that the beneficiary is not barred from taking the insurance money merely because he cannot receive a bequest under the will by reason of the fact, for instance, that he was one of the attesting witnesses.

240. This section covers the same ground as present section 272.

241. (1) This is an adaptation of present section 249.
(2) This is similar to present section 248.

242. This section is similar to subsection (2) of present section 247.

243. (1) This subsection frees insurance money payable to any beneficiary from claims by the insured's creditors. This is thought to be the effect of the present law and the provision is included for greater certainty.

(2) The classes of beneficiaries referred to in subsection (2) are the same as the classes of preferred beneficiaries specified in present section 244(2).

(2) Where the insured purports to designate a beneficiary irrevocably in a will or in a declaration that is not filed as provided in subsection (1), the designation has the same effect as if the insured had not purported to make it irrevocable.

239. (1) A designation in an instrument purporting to be a will is not ineffective by reason only of the fact that the instrument is invalid as a will, or that the designation is invalid as a bequest under the will.

(2) Notwithstanding *The Wills Act*, a designation in a will is of no effect against a designation made later than the making of the will.

(3) Where a designation is contained in a will, if subsequently the will is revoked by operation of law or otherwise, the designation is thereby revoked.

(4) Where a designation is contained in an instrument that purports to be a will, if subsequently the instrument is valid as a will would be revoked by operation of law or otherwise, the designation is thereby revoked.

240. (1) An insured may in a contract or by a declaration appoint a trustee for a beneficiary and may alter or revoke the appointment by a declaration.

(2) A payment made by an insurer to a trustee for a beneficiary discharges the insurer to the extent of the payment.

241. (1) Where a beneficiary predeceases the person whose life is insured, and no disposition of the share of the deceased beneficiary in the insurance money is provided in the contract or by a declaration, the share is payable

- (a) to the surviving beneficiary, or
- (b) if there is more than one surviving beneficiary, to the surviving beneficiaries in equal shares, or
- (c) if there is no surviving beneficiary, to the insured or his personal representative.

(2) Where two or more beneficiaries are designated otherwise than alternatively, but no division of the insurance money is made, the insurance money is payable to them in equal shares.

242. A beneficiary may enforce for his own benefit, and a trustee appointed pursuant to section 240 may enforce as trustee, the payment of insurance money made payable to him in the contract or by a declaration and in accordance with the provisions thereof, but the insurer may set up any defence that it could have set up against the insured or his personal representative.

243. (1) Where a beneficiary is designated, the insurance money, from the time of the happening of the event upon which the insurance money becomes payable, is not part of the estate of the insured and is not subject to the claims of the creditors of the insured.

244. This section is similar to subsection (1) of present section 259. Subsection (2) of section 259 is not necessary because of the removal of the statutory trust.

245. (1) This subsection follows the same principle as present section 258, i.e., that the insured is entitled to dividends or bonuses, unless, as provided in subsection (2), they are applied to keep the contract in force.

(2) See note to subsection (1).

246. Subsections (1) and (3) are similar to present section 243 except that the first few lines in subsection (1) have been broadened so that the section will apply to all third party policies (including family policies) and not merely those on the lives of minors. Also, subsection (2) has been added to permit the nomination of successive owners.

(2) While a designation in favour of a spouse, child, grandchild or parent of a person whose life is insured, or any of them, is in effect, the insurance money and the rights and interests of the insured therein and in the contract are exempt from execution or seizure.

Dealings with Contract

244. Where a beneficiary

- (a) is not designated irrevocably, or
- (b) is designated irrevocably but has attained the age of twenty-one years and consents,

the insured may assign, exercise rights under or in respect of, surrender or otherwise deal with, the contract as provided therein or in this Part or as may be agreed upon with the insurer.

245. (1) Notwithstanding the designation of a beneficiary irrevocably, the insured is entitled while living to the dividends or bonuses declared on a contract, unless the contract otherwise provides.

(2) Unless the insured otherwise directs, the insurer may apply the dividends or bonuses declared on the contract for the purpose of keeping the contract in force.

246. (1) Notwithstanding *The Wills Act*, where in a contract or in an agreement in writing between an insurer and an insured it is provided that a person named in the contract or in the agreement has, upon the death of the insured, the rights and interests of the insured in the contract,

- (a) the rights and interests of the insured in the contract do not, upon the death of the insured, form part of his estate, and
- (b) upon the death of the insured, the person named in the contract or in the agreement has the rights and interests given to the insured by the contract and by this Part and shall be deemed to be the insured.

(2) Where the contract or agreement provides that two or more persons named in the contract or in the agreement shall, upon the death of the insured, have successively on the death of each of them, the rights and interests of the insured in the contract, this section applies successively, *mutatis mutandis*, to each of such persons and to his rights and interests in the contract.

(3) Notwithstanding any nomination made pursuant to this section, the insured may, prior to his death, assign, exercise rights under or in respect of, surrender or otherwise deal with, the contract as if the nomination had not been made, and may alter or revoke the nomination by agreement in writing with the insurer.

247. (1) This is an adaptation of present section 245. The references to beneficiaries for value in the present section have been dropped. A reference to irrevocable beneficiaries has been added.

(2) This is a simplification of present section 259 (4). By omitting the reference to loan or debt, the revised subsection will apply to future advances (if provided for in the assignment) as well as to the original debt.

(3) This is similar to present section 246 except that it has been extended to cover all assignees, not merely assignees who are lives insured.

(4) This is a new provision designed to support a provision of the contract barring assignments.

248. This section is similar to present section 247 (3).

249. This is a simplification of present section 241. In one respect the provision is broadened so that a minor of the age stated may effect a contract on the lives of other persons as well as on his own life. It is more restrictive, however, in that the age at which capacity is given is raised from 15 to 16.

250. New.

251. This section covers the same ground as present sections 265 (1) and (2) and 266 (1).

252. (1) Present section 266 (2) has been altered. The rule in the above subsection lines up with section 219 (1).

247. (1) Where an assignee of a contract gives notice in writing of the assignment to the insurer at its head or principal office in Canada, he has priority of interest as against

- (a) any assignee other than one who gave notice earlier in like manner, and
- (b) a beneficiary other than one designated irrevocably as provided in section 238 prior to the time the assignee gave notice to the insurer of the assignment in the manner prescribed in this subsection.

(2) Where a contract is assigned as security, the rights of a beneficiary under the contract are affected only to the extent necessary to give effect to the rights and interests of the assignee.

(3) Where a contract is assigned unconditionally and otherwise than as security the assignee has all the rights and interests given to the insured by the contract and by this Part and shall be deemed to be the insured.

(4) A provision in a contract to the effect that the rights or interests of the insured, or in the case of group insurance the group life insured, are not assignable is valid.

248. A group life insured may in his own name enforce a right given to him under a contract, subject to any defence available to the insurer against him or against the insured.

Minors

249. Except in respect of his rights as beneficiary, a minor who has attained the age of sixteen years has the capacity of a person of the age of twenty-one years

- (a) to make an enforceable contract, and
- (b) in respect of a contract.

250. A beneficiary who has attained the age of eighteen years has the capacity of a person of the age of twenty-one years to receive insurance money payable to him and to give a discharge therefor.

Proceedings under Contract

251. Where an insurer receives sufficient evidence of

- (a) the happening of the event upon which insurance money becomes payable,
- (b) the age of the person whose life is insured,
- (c) the right of the claimant to receive payment, and
- (d) the name and age of the beneficiary, if there is a beneficiary,

it shall, within thirty days after receiving the evidence, pay the insurance money to the person entitled thereto.

252. (1) Subject to subsection (4), insurance money is payable in the Province.

(2) This subsection is in substance subsections (4) and (5) of present section 266.

(3) This is a redraft of present section 267.

(4) This replaces present section 266 (3). As in section 220, the residence of the group life insured at the time he became insured is the test used, rather than the domicile at the date of death.

253. This section replaces present section 221 which is, in a large measure, ultra vires of the Province (see Gray v. Kerslake (1958) S.C.R. 3). In it, the statute purports to be applicable to a contract made outside the Province under certain circumstances.

254. Present section 271 redrafted to eliminate the multiplicity of periods therein prescribed.

255. This section is in substance present section 263.

256. This section is similar to present section 268 (1). In the first line "insurance" is used instead of "contract" to cover group insurance.

(2) Unless a contract otherwise provides, a reference therein to dollars means Canadian dollars.

(3) Where a person entitled to receive insurance money is not domiciled in the Province, the insurer may pay the insurance money to that person or to any other person who is entitled to receive it on his behalf by the law of the domicile of the payee.

(4) In the case of a contract of group insurance, insurance money is payable in the Province or Territory of Canada in which the group life insured was resident at the time he became insured.

253. Notwithstanding where a contract was made, an action on it may be brought in a court by a resident of the Province if the insurer was authorized to transact insurance in the Province at the time the contract was made or at the time the action is brought.

254. (1) Subject to subsection (2), an action or proceeding against an insurer for the recovery of insurance money shall not be commenced more than one year after the furnishing of the evidence required by section 251, or more than six years after the happening of the event upon which the insurance money becomes payable, whichever period first expires.

(2) Where a declaration has been made under section 257, an action or proceeding to which reference is made in subsection (1) shall not be commenced more than one year after the date of the declaration.

255. (1) Until an insurer receives at its head or principal office in Canada an instrument or an order of a court affecting the right to receive insurance money, or a notarial copy, or a copy verified by statutory declaration, of any such instrument or order, it may make payment of the insurance money and shall be as fully discharged to the extent of the amount paid as if there were no such instrument or order.

(2) Subsection (1) does not affect the rights or interests of any person other than the insurer.

256. Where an insurer admits the validity of the insurance but does not admit the sufficiency of the evidence required by section 251 and there is no other question in issue except a question under section 257, the insurer or the claimant may, before or after action is brought and upon at least thirty days' notice, apply to the court for a declaration as to the sufficiency of the evidence furnished, and the court may make the declaration or may direct what further evidence shall be furnished and on the furnishing thereof may make the declaration or, in special circumstances, may dispense with further evidence.

257. This section is similar to present section 268 (2).

258. This section and section 260, post, are similar to subsections (3) and (4) of present section 268. Subsection (2) has been revised.

259. This is similar to present section 268 (6).

260. See note to section 258, supra.

261. This section is similar to present section 268 (5).

262. This section is similar to present section 274 (1) except that the words "one month" have been changed to "thirty days" for consistency with sections 229 (2), 251, 256, 257, supra, etc. In clause (b) "whereabouts" has been used instead of "place of abode". In clause (c) the word "and" is used in place of "or" after the expression "no person capable of giving" and the words "who is willing to do so" have been added.

263. Present section 269 has been revised so as to change the rule from one of succession to one of contract by eliminating any reference to the presumed order of death and substituting a provision (which would form part of the contract) to the effect that the beneficiary only takes if he clearly survives the life insured.

257. Where a claimant alleges that the person whose life is insured should be presumed to be dead by reason of his not having been heard of for seven years, and there is no other question in issue except a question under section 256, the insurer or the claimant may, before or after action is brought and upon at least thirty days' notice, apply to the court for a declaration as to presumption of the death and the court may make the declaration.

258. (1) Upon making a declaration under section 256 or section 257, the court may make such order respecting the payment of the insurance money and respecting costs as it deems just and, subject to section 260, a declaration or direction or order made under this subsection is binding upon the applicant and upon all persons to whom notice of the application has been given.

(2) A payment made under an order made under subsection (1) discharges the insurer to the extent of the amount paid.

259. Unless the court otherwise orders, an application made under section 256 or section 257 operates as a stay of any pending action with respect to the insurance money.

260. An appeal lies to the court of appeal from any declaration, direction or order made under section 256, section 257, or subsection (1) of section 258.

261. Where the court finds that the evidence furnished under section 251 is not sufficient or that a presumption of death is not established, it may order that the matters in issue be decided in an action brought or to be brought, or may make such other order as it deems just respecting further evidence to be furnished by the claimant, publication of advertisements, further inquiry or any other matter or respecting costs.

262. Where an insurer admits liability for insurance money and it appears to the insurer that

- (a) there are adverse claimants, or
- (b) the whereabouts of a person entitled is unknown, or
- (c) there is no person capable of giving and authorized to give a valid discharge therefor, who is willing to do so,

the insurer may, at any time after thirty days from the date of the happening of the event upon which the insurance money becomes payable, apply to the court *ex parte* for an order for payment of the money into court, and the court may upon such notice, if any, as it thinks necessary make an order accordingly.

263. Unless a contract or a declaration otherwise provides, where the person whose life is insured and a beneficiary die at the same time or in circumstances rendering it uncertain which of them survived the other, the insurance money is payable in accordance with subsection (1) of section 241 as if the beneficiary had predeceased the person whose life is insured.

264. This section is similar to present section 261, except that clause (a) of present subsection (2) has been dropped as the point covered therein can be dealt with in the contract. In subsection (2), the present provision is revised to make it clear that the court is merely declaring that commutation may take place; the parties must then agree on the basis of commutation, if they are able to do so. In subsection (3) the words "with the consent of the insurer" have been added for a similar reason.

265. This replaces present section 262.

266. This section is similar to present section 275 except that the two-month period has been shortened to "thirty days".

267. This section is similar to present section 276.

264. (1) Subject to subsections (2) and (3), where insurance money is payable in instalments and a contract, or an instrument signed by the insured and delivered to the insurer, provides that a beneficiary has not the right to commute the instalments or to alienate or assign his interest therein, the insurer shall not, unless the insured subsequently directs otherwise in writing, commute the instalments or pay them to any person other than the beneficiary, and the instalments are not, in the hands of the insurer, subject to any legal process except an action to recover the value of necessaries supplied to the beneficiary or his infant children.

(2) A court may, upon the application of a beneficiary and upon at least ten days' notice, declare that in view of special circumstances

- (a) the insurer may, with the consent of the beneficiary, commute instalments of insurance money, or
- (b) the beneficiary may alienate or assign his interest in the insurance money.

(3) After the death of the beneficiary, his personal representative may, with the consent of the insurer, commute any instalments of insurance money payable to the beneficiary.

(4) In this section "instalments" includes insurance money held by the insurer under section 265.

265. (1) An insurer may hold insurance money

- (a) subject to the order of an insured or a beneficiary, or
- (b) upon trusts or other agreements for the benefit of the insured or the beneficiary,

as provided in the contract, by an agreement in writing to which it is a party, or by a declaration, with interest at a rate agreed upon therein or, where no rate is agreed upon, at the rate declared from time to time by the insurer in respect of insurance money so held by it.

(2) The insurer is not bound to hold insurance money as provided in subsection (1) under the terms of a declaration to which it has not agreed in writing.

266. Where an insurer does not within thirty days after receipt of the evidence required by section 251 pay the insurance money to some person competent to receive it or into court, the court may, upon application of any person, order that the insurance money or any part thereof be paid into court, or may make such other order as to the distribution of the money as it deems just, and payment made in accordance with the order discharges the insurer to the extent of the amount paid.

267. The court may fix without taxation the costs incurred in connection with an application or order made under section 262 or section 266, and may order them to be paid out of the insurance money or by the insurer or the applicant or otherwise as it deems just.

268. This section is the same as present section 274 (2), (3) and (4).

269. This section is similar to subsection (3) of present section 273, except that a clause has been added to provide that payment thereunder discharges the insurer. Subsections (1) and (2) of present section 273 have been deleted.

270. This section is similar to present section 236.

271. This section is similar to present section 264.

5. This amendment is for the purpose of continuing automobile insurance after the death of the insured, for his spouse and certain other persons. It arises as a result of the decision in *Finlay v. Global Insurance Company*.

268. (1) Where an insurer admits liability for insurance money payable to a minor and there is no person capable of giving and authorized to give a discharge therefor, who is willing to do so, the insurer may at any time after thirty days from the date of the happening of the event upon which the insurance money becomes payable pay the money, less the applicable costs mentioned in subsection (2), into court to the credit of the minor.

(2) The insurer may retain out of the insurance money for costs incurred upon payment into court under subsection (1) the sum of ten dollars where the amount does not exceed one thousand dollars, and the sum of fifteen dollars in other cases, and payment of the remainder of the money into court discharges the insurer.

(3) No order is necessary for payment into court under subsection (1), but the clerk of the court or other proper officer shall receive the money upon the insurer filing with him an affidavit showing the amount payable and the name, date of birth and residence of the minor, and upon such payment being made the insurer shall forthwith notify the Public Trustee and deliver to him a copy of the affidavit.

269. Where it appears that a representative of a beneficiary who is under disability may under the law of the domicile of the beneficiary accept payments on behalf of the beneficiary, the insurer may make payment to the representative and any such payment discharges the insurer to the extent of the amount paid.

Miscellaneous Provisions

270. No officer, agent or employee of an insurer and no person soliciting insurance, whether or not he is an agent of the insurer shall, to the prejudice of the insured, be deemed to be the agent of the insured in respect of any question arising out of a contract.

271. An insurer does not incur any liability for any default, error or omission in giving or withholding information as to any notice or instrument that it has received and that affects the insurance money.

5. Section 293 is amended by adding immediately after subsection (2) the following:

(2a) In the event of the death of the person named in the owner's policy the following persons shall be deemed to be the insured under the policy:

- (a) the spouse of the deceased insured if residing in the same dwelling premises at the time of his death;
- (b) as respects the specifically described automobile and a newly acquired automobile where the automobile was acquired by the deceased insured prior to his death, and a temporary substitute automobile, all as defined by the policy,

6. This new section makes provision for the case where an insured is covered both by an automobile policy and a nuclear energy hazard liability policy issued by a group of insurers, against a nuclear energy hazard. The automobile liability cover will then be excess coverage. (See note to clause 7 hereunder).

7. Section 307 (2) (d) is amended to use the new term "accidental death insurance" instead of "double indemnity insurance". See note to clause 2 (a).

8. In the standard automobile policy a use of the automobile for the purposes specified is prohibited unless permission is given by endorsement upon the payment of an additional premium. Statutory Condition 3 reads at present:

"3. Unless permission is expressly given by an endorsement of the policy and in consideration of an additional stated premium, the automobile shall not be rented or leased nor shall it be used

(a) to carry explosives, or

(b) as a taxicab, public omnibus, livery, jitney or sightseeing conveyance or for carrying passengers for compensation or hire."

9. Some doubt has arisen with regard to the application of the amendments made to the provisions respecting fire insurance contracts and other contracts and the statutory conditions therein, by 1957, chapter 34, to existing contracts. Section 41 of chapter 34 of 1957 made certain amendments to the Accident and Sickness Part apply to contracts then existing.

- (i) any person having proper temporary custody thereof until grant of probate or administration to the personal representative of the deceased insured,
- (ii) the personal representative of the deceased insured.

6. The following section is added immediately after section 296:

296a. (1) Where an insured is covered, whether named therein or not, under a policy of automobile liability insurance for loss or damage resulting from bodily injury to or the death of any person or damage to property arising directly or indirectly out of a nuclear energy hazard and is also covered, whether named therein or not, against such loss or damage under a policy of nuclear energy hazard liability insurance issued by a group of insurers and in force at the time of the event giving rise to such loss or damage

- (a) the automobile liability insurance is excess to the nuclear energy hazard liability insurance and the insurer under the policy of automobile insurance is not liable to pay beyond the minimum limits prescribed in section 297,
- (b) the unnamed insured under the policy of nuclear energy hazard liability insurance may, with respect to such loss or damage, recover indemnity under such insurance in the same manner and to the same extent as if named therein as the insured and for that purpose shall be deemed to be a party to the contract and to have given consideration therefor.

(2) The expression "nuclear energy hazard" means the radioactive, toxic, explosive or other hazardous properties of prescribed substances under the *Atomic Energy Control Act* (Canada).

(3) For the purposes of this section a policy of nuclear energy hazard liability insurance is in force at the time of the occurrence notwithstanding that the limits of liability thereunder have been exhausted.

7. Section 307, subsection (2) is amended by striking out clause (d) and by substituting the following:

- (d) accidental death insurance, or

8. Schedule D of the Act is amended by striking out paragraph (a) of Statutory Condition 3 and by substituting the following:

- (a) to carry explosives or to carry radioactive material for research, education, development or industrial purposes or for purposes incidental thereto, or

9. (1) For the purpose of removing doubt, it is hereby declared that the amendments made to *The Alberta Insurance Act* by chapter 34 of the Statutes of Alberta, 1957, by the following sections thereof, that is to say, by sections 18

10. Commencement of amendments.

Life Insurance Revision: other significant changes in the new Life Part are:

(1) **Insurable interest:** A "grandchild" has been added to the list of persons in whom an applicant has an insurable interest; insurable interest is not to be essential to the contract (new 225(2)(b)) if the person whose life is insured has consented to the insurance.

(2) **Failure to disclose:** Disclosure by either the applicant or the life insured of material facts is to be a sufficient disclosure. Under present law both must disclose.

(3) **Contract taking effect:** A contract comes into force upon payment of first premium and delivery of the policy.

The revision provides that unconditional delivery to the agent will be delivery to the insured, where now delivery to the agent is not sufficient.

(4) **Payment of premium:** The present position making the contract void if the premium cheque is not paid has been modified; that is, the payment is declared not to be made. A right is expressly given to beneficiaries to pay premiums.

(5) **Insurance of children:** Present section 242 provides for maximum amounts payable on the death of children up to the age of 5 years. No such restriction is contained in the revision.

(6) **Capacity of minors:** The present Part confers on minors above the age of 15 the capacity of an adult for certain purposes. The new section 249 provides that a minor of 16 years and over has the capacity of an adult to make a life insurance contract and in respect of a contract. The capacity of these minors is broadened with respect to entering into life insurance contracts.

(7) **Right to sue:** Present section 221 is replaced by section 253 providing a right to sue on a contract wherever made, because of the limitations on the jurisdiction of a province to bring under its Act a contract made outside its territory.

(8) **Assignments:** The effect of assignments, otherwise than by way of security, has been extended. (See new section 247 (3)).

(9) **Transfer of ownership:** Ownership of a third party contract may now be transferred by agreement on the death of the owner. Previously such a power was restricted to third party insurance on the lives of minors. (See new section 246(1) and (2)).

(10) **Misstatement of age:** The present rules relating to misstatement of age for insurance have been simplified.

The insurance money is to be increased or decreased to the amount that would have been provided for the same premium at the correct age. (See new section 233(2); and re the group contract see section 234).

(11) **Common disaster:** The statutory rule is changed to a contract rule. The draft revision (section 263) provides for the common disaster or uncertain order of death situation that the insurance money is payable as if the beneficiary had predeceased the insured, unless the contract or a declaration otherwise provides.

to 33, section 34, except as provided in section 41 thereof, and sections 38 and 39, apply only to contracts of insurance made on or after the day upon which these sections, respectively, come into force.

(2) Sections 5 to 8 of this Act apply in respect of contracts entered into after the commencement of those sections.

10. This Act comes into force on the day upon which it is assented to except sections 2, 3, 4, 7 and 8 which come into force on such day or days as may be fixed by proclamation of the Lieutenant Governor in Council.

No. 51

FIRST SESSION

FOURTEENTH LEGISLATURE

8 ELIZABETH II

1960

BILL

An Act to amend The Alberta
Insurance Act

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. PATRICK
