

BILL

No. 88 of 1913.

An Act respecting Insurance Companies.

(Assented to 1913.)

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

SHORT TITLE.

1. This Act may be cited as "*The Alberta Insurance Act*." Short title

INTERPRETATION.

2. In this Act, unless the context otherwise requires— Interpretation

(a) "Province" and "Legislature" means respectively the Province and the Legislative Assembly of Alberta; Province
Legislature

(b) "Treasurer" means the treasurer of the province or any member of the Executive Council to whom from time to time may be transferred, either for a limited period or otherwise, the powers and duties which are by this Act assigned to the treasurer; Treasurer

(c) "Company" means and includes any corporation, or any society or association, incorporated or unincorporated, or any partnership or any underwriter, except as provided by the third section of this Act, that undertakes or effects for valuable consideration, or agrees or offers so to undertake or effect, in the province, any contract of indemnity, guarantee, suretyship, insurance, endowment, tontine, or annuity on life, or any like contract which accrues payable on or after the occurrence of some contingent event; Company

(d) "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; Offer to
undertake
any contract

(e) "Contract" means and includes any contract or agreement, sealed, written or oral, the subject matter of which is within the intent of paragraph (c) hereof; Contract

(f) "Written," as applied to any instrument, includes written or printed, or partly written and partly printed; Written

(g) "Provincial company" means a company incorporated by or under any Act of the Legislature of Alberta; Provincial
company

(h) "Canadian company" means a company incorporated or legally constituted in the Dominion of Canada, other than a company included under paragraph (g) hereof; Canadian
Company

(i) "Inland marine insurance" means marine insurance ^{Inland marine insurance} in respect of subjects of insurance at risk in Canada above the harbour of Montreal;

(j) "Mutual insurance" means insurance given in con- ^{Mutual insurance} sideration of a premium note or undertaking with or without any immediate cash payment thereof; and the expression "mutual company" means a company empowered solely to transact mutual insurance;

(k) "Cash-mutual company" means a company organ- ^{Cash-mutual company} ized to transact mutual insurance, but empowered to undertake contracts of insurance on both the cash plan and the premium note or mutual plan;

(l) "Guarantee Insurance" means the guaranteeing of ^{Guarantee insurance} the fidelity of persons in positions of trust; or the due performance of contracts;

(m) "Accident Insurance" means insurance against bod- ^{Accident insurance} ily injury and death by accident, including the liability of employers for injuries to persons in their employment;

(n) "Plate glass insurance" means insurance against ^{Plate glass insurance} the breaking of plate or other glass, either local or in transit;

(o) "Steam boiler insurance" means insurance against ^{Steam boiler insurance} loss or damage to life, person or property caused by the explosion of steam boilers;

(p) "Inland transportation insurance" means insur- ^{Inland transportation insurance} ance 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;

(q) "Sickness insurance" means insurance against loss ^{Sickness insurance} through illness not ending in death, or disability not arising from accident or old age;

(r) "Automobile insurance" means insurance against ^{Automobile insurance} 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 except by fire, and insurance against loss or damage to an automobile by accident, burglary or theft;

(s) "Investment insurance" means insurance against ^{Investment insurance} loss of either principal on 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;

(t) "Foreign company" means any company not incor- ^{Foreign company} porated by or under the authority of the Legislature of this Province;

(u) "License" means license or certificate of registra-
tion;

(v) "Licensed" means licensed or registered.

APPLICATION OF ACT.

3. The provisions of this Act shall not apply to a company ^{Application of Act} licensed by the Dominion of Canada except as to sections

numbered two, four, five, seven to eleven inclusive, thirteen to twenty-four inclusive, forty to forty-two inclusive, fifty-seven to sixty inclusive, and seventy-six to eighty-two inclusive.

LICENSES.

4. No company shall undertake or solicit, or agree or offer to undertake, any contract within the intent of the second section of this Act, whether the contract be original or renewed, except the renewal from time to time of life assurance 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 treasurer, and holding a license or a renewal of such license, under the provisions of this Act. License necessary

5. No such license shall be granted—

(a) To a joint stock 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 authorized 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 for and taken up, and that at least \$25,000 of the said subscribed stock has been paid up; Capitalization, subscribed and paid-up stock

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

(c) To a joint stock company (not being one of those referred to in sub-section (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 authorized capital stock shall be at least \$100,000, of which at least \$50,000 shall be shown to have been *bona fide* subscribed for and taken up, and at least \$10,000 paid up;

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

(2) This section shall not apply to any company now licensed until after two years from the coming into force of this Act.

6. 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— Licenses to groups

(a) Life insurance in all its branches; or

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

(c) Plate glass, live stock, explosion, steam boiler, burglary, theft, automobile and vehicle, guarantee, accident and sickness insurance; or

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

7. A company licensed to carry on the kind or kinds of business in any one of the groups mentioned in section 6 of this Act with the exception of group (a), and may take out one, two or three licenses, as the case may be, to carry on the kind or kinds of business 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 58 of this Act, 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.

8. The license shall be in such form as may be from time to time determined by the treasurer; 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.

9. Every company incorporated by the Legislative Assembly of Alberta or licensed or registered under *The Alberta Insurance Act*, or transacting any business of life insurance in this province, shall maintain a reserve for the protection of its policyholders, computed on the basis of the reserve required under the provisions of *The Insurance Act of Canada*, for the time being in force.

10. All foreign insurance companies, licensed to transact any business of life insurance in the Province of Alberta, shall deposit with the Provincial Treasurer the reserve required by section 9 on all its Alberta policies.

11. Every company, incorporated or licensed by the Legislative Assembly of Alberta, under *The Alberta Insurance Act*, transacting any business of life insurance in this province, shall annually, on or before the first day of April, furnish to the superintendent of insurance 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 of Canada*; and, once in every five years, or oftener (at the discretion of the Minister), the superintendent of insurance shall have a valuation made of all said policies then in force by a duly qualified actuary, who shall be appointed by the Minister.

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

13. Every company which takes out and holds a license shall have the same powers and rights of carrying on its business in this province as if it had been incorporated by an Act of the Legislature of this province.

Rights of
company
holding
license or
certificate

14. 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 be registered under this Act.

Dominion
licensees

15. Every company, on first obtaining such license, shall forthwith give notice thereof in The Alberta Gazette, and at least one newspaper in the City of Edmonton and shall continue the publication thereof once each week for the space of four weeks, and shall give the like notice for the same period when the company ceases to carry on business in Alberta.

Notice that
license
obtained

16. The treasurer shall cause to be published yearly in The Alberta Gazette, a list of companies licensed under this Act, with the amount of the deposit, if any, made by each company; and upon a new company being licensed or registered, or upon the license or certificate of a company being withdrawn, he shall publish a notice thereof in The Alberta Gazette for the space of two weeks.

Yearly
publication
by treasurer of
licensed
companies

DOCUMENTS TO BE FILED.

17. Before the issue of a license, or a certificate of registration, to a company not incorporated by provincial authority, the company shall file in the office of the treasurer the documents provided for in the three next following subsections, that is to say:

Documents
to be filed
before issue
of license

(a) A certified copy of the Act of incorporation, or other instrument of association of the company;

Certified
copy of
charter

(b) A power of attorney containing the matters herein-after mentioned from the company to the superintendent of insurance for the province, under the seal, if any, of the company, and signed by the president and secretary or other proper officer thereof, in the presence of a witness who shall make oath or affirmation as to the due execution thereof; and the official positions in the company held by the officers signing such power of attorney shall be sworn to or affirmed by some person cognizant of the facts necessary in that behalf; provided that whenever the company has, by such power of attorney, under the seal of the company, appointed a general agent for Canada, and has thereby authorized such general agent to appoint chief officers or agents of the company in the various provinces of Canada, then, after filing with the Provincial Treasurer a copy of the said first mentioned document, duly certified by a notary public to be a true copy thereof, powers of attorney executed by the said general agent for Canada under his seal, in the presence of a witness who has by oath or affirmation duly verified the execution thereof, shall be deemed sufficiently executed by the company for all the purposes of this Act;

Power of
attorney
to inspector
of insurance

Execution
of power
of attorney
by general
agent for
Canada

(c) In the case of companies not licensed under *The Insurance Act of Canada*, a statement, in such form as may be required by the treasurer, of the condition and affairs

Statement
of affairs
of company

of the company on the thirty-first day of December then next preceding, or up to the usual balancing day of the company (but such day shall not be more than twelve months before the filing of the statement).

18. Such power of attorney shall declare at what place in the province the chief agency or head office is or is to be established, and shall expressly authorize the said superintendent of insurance to receive at his office, in the Government buildings, service of process in all actions, suits and proceedings against the company in the province in respect of any liabilities incurred by the company therein, and shall declare that service of process for or in respect of such liabilities in the said superintendent of insurance, at his said office, shall be legal and binding on the company to all intents and purposes whatsoever.

What power
of attorney
shall declare

19. No foreign insurance company now doing business in this province, or hereafter admitted to do business, directly or indirectly, and not having its head office within this province, or incorporated under the laws of this province, shall issue policies, take risks or transact any business in this province until it shall have first appointed, in writing, the superintendent of insurance (or his successor in office) to be the true and lawful attorney for such company for this province, and upon whom all lawful processes, in any action or proceeding against the company may be served.

Foreign
companies
shall appoint
superintendent
its attorney
for service

20. The said power of attorney shall stipulate and agree upon the part of the company that any lawful process in any action against the company, which is served upon the said attorney, shall be of the same legal force and validity as if served upon the company, and that such authority shall continue in force so long as any liabilities remain outstanding against the company in the province. Duplicates of said power of attorney, duly filed as aforesaid, shall be filed by the company at Edmonton in the office of the clerk of the Supreme Court.

Power of
attorney shall
invite service
on attorney
binding on
company

Duplicate
power of
attorney to
be filed with
clerk of
Supreme Court
at Edmonton

21. Whenever any legal process is served upon the superintendent of insurance, as attorney for a foreign company, under the provisions of this Act, he shall forthwith notify the company of such service by letter, containing a copy of such process, prepaid and directed to its secretary, or, in the case of a foreign country, to its resident manager, if any, in Canada, or to such other person as may have been previously designated by the company by written notice filed in the office of the superintendent of insurance as the person to whom the same should be sent. The superintendent of insurance shall keep a record of the day and hour of the service of process on him.

Superintendent
when served
shall notify
company

22. There shall be no judgment for default of appearance or defence or action taken as a consequence of such service unless and until an affidavit is filed in the court, out of which or by which such process is issued, showing that the said attorney has duly notified the company affected by such process in accordance with the requirements of section 21 of the service upon him of such process.

No judgment
by default
unless such
notice given

23. Duplicates of such powers of attorney, duly verified as aforesaid, shall be filed by the company at Edmonton in the office of the clerk of the Supreme Court. Duplicates to be filed in office of clerk

24. Every company licensed under *The Alberta Insurance Act* to do a fire insurance business in Alberta shall cause to be printed, stamped or written, in plain letters, across the face of every policy, interim receipt or other insuring document covering fire loss, issued by or on behalf of such company, on property of any kind, either real or personal, in Alberta, or which on the face of such policy, interim receipt or other insuring document is stated to be in Alberta, the words "Licensed under 'The Alberta Insurance Act'" or "Registered under 'The Alberta Insurance Act'" as the case may be. Words to be printed stamped or written on face of every fire insuring document

SECURITIES.

25. Every company shall, before the original issue or the renewal of the license, lodge with the treasurer either in cash or in any stock, debentures or other securities in which trustees may invest trust money, the initial or renewal deposits respectively hereinafter stated. Deposit of securities

26. 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-eighth section of this Act, and such deposit shall be accompanied by an affidavit of at least two of the principal officers of the company that the said securities are absolutely the property of the company and are free from liens and incumbrances of any nature whatsoever. Initial deposits and affidavits

27. Before the annual renewal of licenses the amount of deposit required of every company shall, on or before the first day of January in each year, be re-adjusted in terms of the two next following sections. Annual readjustment of deposit

28. 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— Amount of deposit

(a) Every joint stock company, if provincial, shall keep on deposit with the treasurer \$10,000, and, if a Canadian or foreign company, \$20,000, except a plate glass insurance company, which shall deposit \$3,000;

(b) Every benevolent, provident, industrial or co-operative society not incorporated by or under the authority of an Act of the Parliament of Canada, shall keep on deposit with the Treasurer \$10,000, but if doing only sickness and funeral benefit insurance, or one of them, the amount of the deposit shall be \$2,000;

(c) Every provincial mutual fire or fire and inland marine company, insuring mercantile or manufacturing risks, shall keep on deposit with the Treasurer five thousand dollars; and every provincial cash-mutual fire, or fire and inland-marine, company, insuring mercantile or manufacturing risks, five thousand dollars.

29. If on the preceding thirty-first day of December in any year the company's total contingent liability or the amount of risk exceeds one million five hundred thousand Security to be furnished when year's risk exceeds \$1,500,000

dollars, then for each additional one million five hundred thousand dollars, or fraction thereof, each company enumerated in the next preceding section shall, if a Canadian or foreign company, keep on deposit with the Treasurer, by way of additional security, a sum equal to one-half of the initial deposit; and, if a provincial company, shall keep on deposit two hundred dollars for every one hundred thousand dollars, or fraction thereof, by which said total contingent liability or amount at risk is exceeded.

30. Notwithstanding the provisions of its charter of incorporation, every company heretofore or hereafter chartered under the authority of the Legislature of Alberta, shall be governed only by this Act in regard to deposits to be made with the Treasurer or the Government of Alberta, and shall not be required to make or continue any further or other deposit or deposits than such as are required by this Act.

Deposits of
all provincial
companies
governed
by this Act

31. 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.

Dominion
and provincial
securities
at market
value

32. 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.

Alberta
municipal
and school
debentures
at market
value

33. The other securities above specified shall be accepted at such valuation and on such conditions as the Treasurer may direct.

Treasurer
to value all
other
securities

34. 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 Treasurer 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.

Treasurer may
require further
deposit

35. Where any company desires to substitute other securities for securities deposited with the Treasurer, the Treasurer if he thinks fit may permit the substitution to be made.

Substitution
of securities
may be
allowed
by Treasurer

36. A company may deposit in the hands of the Treasurer any sums of money or securities of the kind prescribed by the twenty-eighth section of this Act beyond the sum hereinbefore required; and such further sums of money or securities shall be dealt with as if the same had been part of the original deposit; and no part of the additional deposit shall be withdrawn except with the sanction of the Lieutenant Governor in Council.

Deposit
beyond
amount
required

37. A company having made a deposit under this Act shall be entitled to withdraw the deposit, with the sanction of the Lieutenant Governor in Council, whenever it is made to appear to the satisfaction of the Lieutenant Governor in Council that the company is carrying on its business of insurance under license from the Dominion of Canada.

Withdrawal
of securities
by companies
licensed by
Dominion

38. If from the annual statements, or from an examination of the affairs and condition of any company, it appears that the re-insurance value of all its risks outstanding in Alberta, together with any other liabilities in Alberta,

Deficiency
in security
to be made
good

exceeds its assets in Alberta, including the deposit in the hands of the Treasurer, then the company shall be called upon by the Treasurer to make good the deficiency at once, and, on failure so to do, its license shall be cancelled, and its corporate powers shall thereupon cease and determine, except for the purpose of winding up its affairs. In the case of life companies, such re-insurance value shall be calculated on the basis used by the insurance branch of the Department of Finance at Ottawa.

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

40. Every foreign company shall file with the Treasurer in the name of its general agent through whom all its fire business in the province is written or reported, and who alone shall be authorized by that company to sign or countersign policies, or if a company has no general agent in this province the names of all agents having authority to sign or countersign policies, for such company, all such agents or general agents to be residents of the province; a company may cancel the appointment of its agent or agents and appoint another agent or other agents, when and as it sees fit, provided notice of such change is given to the Provincial Treasurer.

41. No foreign company shall issue any policy unless the same is signed or countersigned by a resident of this province previously named to the Provincial Treasurer as the agent of that company in accordance with section 40 of this Act.

42. Any foreign company which issues a policy not signed or countersigned by a resident of this province, named as agent under section 40 shall be liable to a penalty of not less than two hundred dollars and not more than five hundred dollars for each policy so issued; and failing payment of the said penalty upon the request of the Treasurer its license or certificate of registration shall be cancelled.

43. Where a company fails to make the deposits under this Act at the time required, or where written notice has been served on the Treasurer of an undisputed claim arising from loss insured against in Alberta remaining unpaid for the space of sixty days after being due, or of a disputed claim after 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 as in the twenty-first section of this Act provided; 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 Treasurer 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 Alberta is paid and satisfied, and the company's deposit is no longer liable to be reduced below the amount required by this Act.

ADMINISTRATION OF SECURITIES.

44. The securities deposited with the Treasurer shall be subject to administration only in respect of any contract which falls within the second section of this Act, and which further has for its subject some property in the province, or property in transit to and from the province, 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.

For what
purpose
securities
to be
administered

45. Any company shall be liable upon the application of any creditor or policy holder, to have its deposits in the hands of the Treasurer administered in manner hereinafter mentioned upon the failure of the company to pay, any undisputed claim arising under any contract within the last preceding section 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 Treasurer. In the event of such administration, all deposits of the company held by the Treasurer 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 compact aforesaid; and the distribution of the proceeds of such deposits may be made by order of a judge of the Supreme Court of Alberta.

Administration
of securities
upon failure
to pay
undisputed
claim

Notice to
Treasurer

46. In any case 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 required in the last preceding section shall not be given until after the lapse of sixty days from the time when the claim becomes due.

Notice to
Treasurer
when claim
payable on
proof of
occurrence
of event
without delay

47. Before an application is made to a judge of the Supreme Court of Alberta for the administration of a company's deposit with the Treasurer, at least ten days' notice of the intended application shall be served on the Treasurer; and the notice shall designate the day named for the hearing of the application.

Notice to
Treasurer
of application
to Court for
administration
of deposits

48. 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, being within the second and forty-fourth sections of this Act, and upon all claimants under such contracts to file their claims; and upon the filing of the claims before the receiver the parties interested shall have the right of contestation thereof, and the right of appeal from the decision of the receiver to the Court as aforesaid, according to the practice of the Court; and in case of any such administration, the claimants aforesaid shall be entitled to claim for a part of the premiums paid proportionate to the unexpired period of their contracts respectively, and such unearned premiums shall rank, in the distribution of assets, with judgments obtained and claims accrued; and upon the completion of the schedule to be prepared by the receiver of all judgments against the company upon said outstanding contracts, and of all claims for unearned premiums, or for surrender of policies, the Court shall cause the securities

Appointment
of receiver

And
distribution
of assets

held by the Treasurer for the company, or any part of them, to be sold in such manner and after such notice and formalities as the Court appoints; but all the proceeds thereof, after paying expenses incurred, shall be distributed *pro rata* amongst the claimants according to the schedule, and the balance, if any, shall be surrendered by the company. But if any claim arises within the forty-fourth section of this Act, after the statement of the said outstanding contracts has been obtained from the company as hereinbefore provided, and before the final order of the Court for the distribution of the proceeds of the securities, the holder of such claim upon due proof thereof shall be entitled to share in such distribution.

49. 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. Claims after distribution not barred

50. The court, by the order appointing a receiver or by any subsequent order, may authorize the receiver to exercise, in respect of the accounts of the company, all or any of the powers which a Judge of the Supreme Court of Alberta would have if he were taking an account of the claims against the said deposit, and every receiver so authorized shall possess the said powers, as well as the powers usually enjoyed by a receiver appointed under an order of the said Court. Powers that may be conferred on receiver in respect of taking accounts

SURRENDER OF SECURITIES.

51. Where a company has ceased to transact business in Alberta, and has given written notice to that effect to the Treasurer, it shall re-insure all such outstanding contracts as are within the forty-fourth section of this Act, with some company or companies licensed to do business in Alberta, 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 Treasurer. Delivery of securities to company ceasing business

52. When a company has ceased to transact business in Alberta after the notice hereby required and its license has in consequence been withdrawn, the company shall pay the losses arising from policies not re-insured or surrendered as if the license had not been withdrawn. Payment of losses by company that has ceased to do business

53. Upon making application for securities, the company shall file with the Treasurer a list of all contracts within the forty-fourth section of this Act which have not been re-insured as provided by the fifty-first section of this Act, or have not been discharged; and it shall at the same time publish in the Alberta Gazette a notice that it has applied to the Treasurer 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 Treasurer on or before the day so named; and after that date, if the Treasurer is satisfied that the company has ample assets to meet its liabilities under the forty-fourth section of this Act, 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 Application for delivery of securities

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.

CHANGE OF NAME.

54. Where a company incorporated under the provisions of a special or general Act of the Legislature of Alberta 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. Change of name

55. The Lieutenant Governor in Council may require the same notice to be given upon any application for such change of name as is required on an application for letters patent under "*The Alberta Joint Stock Companies Act.*" Notice of application that such change be made

56. Notice of any change of name shall be forthwith inserted by the company in at least one issue of The Alberta Gazette. Notice of such change

RECORDS TO BE KEPT IN TREASURY DEPARTMENT.

57. There shall be kept in the office of the Treasurer a record of the several documents filed by every company under this Act, and under the heading of the company shall be entered the securities deposited on its account with the Treasurer, naming in detail the several securities, their par value, and value at which they are received as deposited; and before the issue of a new license, or the renewal of a license to a company, the requirements of the law shall be complied with by the company, and the statement of its affairs must show that it is in a condition to meet its liabilities; and a record of the licenses and certificates of registration as they are issued or renewed shall also be kept in the office of the Treasurer. Record of securities and documents to be kept in Treasury Department

FEES.

58. Each company shall pay to the Treasurer the following fees: Fees

(a) For recording and filing in the office of the Treasurer the documents required by the seventeenth section of this Act, \$10.00;

(b) For initial license or certificate of registration to do business or renewal thereof:

- (1) \$300.00 for fire or life insurance;
- (2) \$200.00 for hail, accident and guarantee insurance;
- (3) \$100.00 for mutual insurance;

(4) \$100.00 for all kinds of insurance not mentioned in this section and mentioned in clauses (b), (c), or (d) of section 6 of this Act:

Provided that for the remainder of the year 1913 only three-fourths of the fees in the foregoing schedule shall be paid.

SERVICE OF PROCESS.

59. After such certified copies and power of attorney are filed as aforesaid, any process in any action, suit or proceeding against the company, in respect of any liabilities incurred in the province, may be served upon its attorney appointed pursuant to the seventeenth section of this Act, and such service shall be deemed to be service on the company: Services of process on licensed companies

Provided, however, that nothing herein contained shall render invalid service in any other mode in which the company may be lawfully served.

PLACE OF PAYMENT OF LIFE POLICY.

60. The moneys payable under any policy of life insurance already issued, or that may hereafter be issued by a company that has already obtained, or may hereafter obtain a license under the provisions of this Act, or any Act, for which this Act is substituted, shall, in all cases, be payable in this province, when the assured resides therein, notwithstanding anything contained in any such policy or the fact that the head office of the company is not within this province. Life policy payable in Alberta if insured resides there

BOOKS TO BE KEPT BY COMPANIES.

61. Each company shall keep such a classification of its contracts and such registers and books of account as may from time to time be directed or authorized by the Treasurer; and if it appears at any time to the Treasurer that such books are not kept in such business-like 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 shall not exceed ten dollars per day and necessary travelling expenses; the account for such audit and instructions shall be certified and approved by the Treasurer, and thereupon shall be payable forthwith by the company. Books to be kept by companies

62. 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 Treasurer. The entries in such register shall include the following particulars:— Stock register

- (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 address of the transferor and transferee;

(e) The date of transfer, and date of confirmation or disallowance by the board of directors.

63. The books and records required to be kept by the two last preceding sections shall include only contracts within the forty-fourth section of this Act. Application of two preceding sections

ANNUAL STATEMENT.

64. It shall be the duty of the company to prepare annually, on the first day of January or within one month thereafter, a statement of the condition and affairs of the company on the thirty-first day of December then next preceding, exhibiting the assets, liabilities, receipts and expenditures, in such form and with such items and details as shall from year to year be required by the Provincial Treasurer and to cause such statement to be deposited in the office of the Provincial Treasurer, such statement to be accompanied by a statutory declaration to the effect shown in the form in schedule A to this Act to be made by the president or vice-president and secretary or treasurer. Annual statements

65. In the case of fire insurance companies other than those transacting purely non-hazardous mutual business, a copy of such summary statement shall be published in a newspaper published in the city, town or district in which the head office of the company is located, on or before the fifteenth day of February in every year and proof of publication shall be filed with the Superintendent of Insurance on or before the fifth day of March next following, in default of which the Superintendent shall cause such publication to be made at the expense of the company. Fire insurance companies to publish statement

66. 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 this section referred to, include therein a statement showing the total liability of the company, if an Alberta Company, in respect of unearned premiums upon all its outstanding unmatured policies, and if not an Alberta company, in respect of unearned premiums upon all its outstanding unmatured policies of insurance upon property in Alberta. Statement must also show amount of liability upon unearned premiums

67. Every company shall, when required by the Provincial Treasurer, make prompt and explicit answer in reply to any inquiries in relation to its transactions. Companies to give Treasurer all required information

CANCELLATION OF SUSPENSION OF LICENSES.

68. If at any time it appears to the Treasurer that the assets of any company are insufficient to justify its continuance of business, or are such that it is unsafe for the public to effect insurance with it, he shall make a special report on the affairs of the company to the Lieutenant-Governor-in-Council; and if, after full consideration of the report and a reasonable time being given to the company to be heard, and if, after such further inquiry and investigation (if any) as the Lieutenant-Governor-in-Council may see fit to make, the Lieutenant-Governor-in-Council concurs in the report of the Treasurer, an order in council may issue, suspending Cancellation of license

or cancelling the license of the company and prohibiting the company from doing any further business, and thereafter it shall not be lawful for the company to do any further business in Alberta until the suspension or prohibition is removed by the Lieutenant-Governor-in-Council.

69. Notice of the suspension or cancellation of any license and prohibition from doing any further business shall be published in the Alberta Gazette; and thereafter any person transacting any 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. Notice of suspension or cancellation

70. The suspension or cancellation or non-renewal of the license of any company, under "*The Insurance Act of Canada*" shall *ipso facto* in the respective cases operate as a suspension or cancellation of registry under this Act, without notice from the Treasurer; provided that, if the company's license shall be revived under "*The Insurance Act of Canada*" the Treasurer shall, on proof of such revival and payment of the fee hereinbefore provided for, grant said company a new certificate of registration. Effect of suspension, cancellation or non-renewal of Dominion license

FORFEITURE OF CORPORATE POWERS.

71. The corporate powers of any company, whether incorporated under a special or a general Act of the Legislature of Alberta, shall be forfeited by non-user during any continuous period of four years, ending after the coming into force of this Act, whether commencing before or after such coming into force, or if, after a company had 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 Supreme Court of Alberta, 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. Forfeiture of corporate powers by non-user

LIQUIDATION

72. When a company purposes to go into voluntary liquidation, at least one month's notice in advance shall be given to the Treasurer; the like notice shall also be published by the company in two consecutive issues of The Alberta Gazette, and in some newspaper should the Treasurer 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. Notice of liquidation

73. At the winding up of a mutual or cash-mutual fire insurance company, after notice has been given as required, by the fifty-first section of this Act, it shall be lawful for the directors of such company to re-insure out of the reserve Re-insurance at winding up of mutual or cash-mutual companies

fund the unexpired contracts for which premiums or premium notes have been taken, but such re-insurance shall be effected with some company licensed to transact business in the province, and approved by the Treasurer.

74. 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. Refunds

75. Every receiver, assignee or liquidator of a company shall, until the affairs of the 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 Treasurer, 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 Treasurer, 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 fifty dollars nor more than two hundred dollars, 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. Statements of receipts and expenditures to be filed by receiver

PENALTIES.

76. Any director, officer, agent, employee, or other person who in contravention of the fourth section of this Act undertakes or effects, or agrees or offers, to undertake, or solicit, any contract, or collects any premium, on behalf of any company, without the company being licensed or registered under this Act, or if such license or certificate of registration has been suspended or cancelled without renewal or revival thereof, shall be liable to a penalty of two hundred dollars for every such contravention of this Act. Penalties under section 4

77. Any violation of the sixty-fourth section of this Act shall subject the company violating the same to a penalty of two hundred dollars for every violation, and to an additional sum of one hundred dollars for every month during which the company neglects to file such statutory declaration and statement 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. Penalties under section 64

78. Any violation of section twenty-four of this Act shall subject the company violating the same to a penalty of \$25.00 for every such violation, to be recovered on conviction thereof before a justice of the peace. 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. Any company, or any officer or agent of any company, causing any policy, interim receipt, Penalty for failure to observe section 24

or other insuring document against fire loss to be printed, published or issued falsely bearing the words "Licensed under *The Alberta Insurance Act*," or "Registered under *The Alberta Insurance Act*," as the case may be, or to the like effect, shall be liable to a penalty of \$200.00 for each offence, such penalty to be recovered on conviction before a police magistrate, or two justices of the peace, or a judge of any district court.

79. Any penalty imposed by this Act, when recovered, shall belong to the Province of Alberta. Disposition of penalties

80. All penalties imposed by this Act may be recovered by and before any police magistrate or two justices of the peace; the information or complaint shall be laid or made in writing within one year from the commission of the offence. Procedure for recovery of penalties

81. Except as hereinafter mentioned, it shall be deemed an offence against this Act for any person, firm or corporation to insure or cause to be insured any property whatever, real or personal, situate in, or described in any policy, interim receipt, or insuring document as situate in any part of Alberta against fire loss in any company not licensed or registered under the provisions of *The Alberta Insurance Act*. Property not to be insured in company unless licensed or registered

82. 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 Alberta, or described in any policy, interim receipt or insuring document as situate in any part of Alberta, in any company not licensed or registered under *The Alberta Insurance Act*, 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 insuring company, which ever shall be first in point of time, notify the Treasurer of the Province of Alberta 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 Provincial Treasurer, for the benefit of the Province of Alberta 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 Provincial Treasurer for the amount of the said fifty per cent. of any such premium. Persons not insuring with such company to notify Provincial Treasurer under oath of all the particulars and pay fifty per cent. of the premium for benefit of province

83. It shall be competent for the Provincial Treasurer, 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 Alberta with insurance companies not licensed or registered under the said Act, under such regulations and restrictions as may be deemed expedient and necessary. Permission to obtain insurance abroad with companies not licensed or registered under Act

84. All sums of money payable to the Provincial Treasurer under this Act, or under "*The Alberta Insurance Act*" or any amendments thereof, shall be recovered by action in the proper court brought in the name of the Provincial Treasurer of Alberta, by his name of office.

85. The Lieutenant-Governor-in-Council, whenever he shall deem it expedient, may appoint any one or more qualified persons, not being officers of any other fire insurance company, to examine into the affairs of any fire insurance company doing business in this Province, and it shall be the duty of the officers or agents of any such company to cause its books to be opened for the inspection of the person or persons appointed, and otherwise facilitate such examinations; and for that purpose such person or persons shall have power to examine, under oath, such officers and agents; and 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, its license may be cancelled by the Treasurer, and in the case of a company incorporated by or under any statute of this Province, the Attorney General may apply in a summary manner, on motion to a Judge of the Supreme Court of Alberta, 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's affairs 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.

86. Such receiver shall have full power, under the authority of a Judge of the Supreme Court of Alberta, 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 non-payment 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 authorized to receive the surrender of or cancel policies.

87. 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 the two last preceding sections 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.

88. Every company incorporated by the Legislative Assembly of Alberta or licensed or registered under "*The Alberta Insurance Act*," or transacting any business of life insurance in this province, shall maintain a reserve for the protection of its policy holders, computed on the basis of the reserve required under the provisions of "*The Insurance Act of Canada*", for the time being in force.

Computation of interest for reserve to be maintained by life insurance companies

INSPECTION OF INSURANCE COMPANIES LICENSED BY THE PROVINCE

89. The Lieutenant-Governor-in-Council may appoint an officer to be called the superintendent of insurance, who shall act under the instructions of the Provincial Treasurer, and his duties shall include examining into and reporting to the Provincial Treasurer from time to time upon all matters connected with insurance in this province

Appointment of superintendent of insurance

His duties

90. The salary of the superintendent shall be such sum per annum as the Lieutenant-Governor-in-Council shall from time to time determine; and the Lieutenant-Governor-in-Council may provide from time to time such assistance as may be found necessary, and may appoint a deputy of such superintendent.

Salary

Deputy and assistants

91. The superintendent shall keep on file the various documents required by this Act to be filed in his office, and shall keep a record of all licenses issued by the Provincial Treasurer and shall personally or by deputy, visit the head or chief office in Alberta of every such company at least once in every year, and shall carefully examine the condition and affairs of each company and report thereon to the Provincial Treasurer as to all matters requiring his attention and decision.

Filing documents

Record of licenses

Annual inspection of every company and annual report to Provincial Treasurer

92. 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 Lieutenant-Governor-in-Council, to produce the said books and papers at the head or chief office of the insurance company in Alberta, 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.

Production of books and papers at chief office in Alberta

93. The superintendent shall from such examination prepare and lay before the Provincial Treasurer an annual report of the condition of every company's business, as ascertained from such inspection, and such report may be published forthwith after the completion thereof.

Annual report to Provincial Treasurer

Publication thereof

94. It shall be the duty of the officers or agents of the company to cause their books to be open for the examination of the superintendent, and otherwise to facilitate the examination so far as may be in their power; and the superintendent or his deputy, shall have power to examine under oath any officer or agent of the company relative to its business.

Officers of company to facilitate examinations

May be examined under oath

95. It shall also be the duty of the officers and agents of the company to furnish the superintendent, on his request, with full information as to the total liability of the company, if an Alberta company, in respect of unearned premiums upon all outstanding unmatured policies, and if not an Alberta company, in respect of unearned premiums upon all its outstanding unmatured policies of insurance upon property in Alberta.

Same information to be furnished to inspector if requested by him

96. A report of all companies so inspected shall be entered in a book kept for that purpose, with notes and memoranda, showing the condition of each company; and where a special examination has been made, a special written report shall be communicated to the Provincial Treasurer, stating the superintendent's opinion of the condition and financial standing of the company, and all other matters desirable to be made known to the Provincial Treasurer.

Records of reports to be kept

Special examination of any particular company

97. Every director, officer, manager, agent, collector, auditor or employee of a company, who, knowingly makes or assists to make any untrue entry in any of the company's books, or who refuses or neglects to make any proper entry therein, or to exhibit the same or to allow the same to be inspected, and extracts to be taken therefrom, shall be guilty of an offence punishable, on summary conviction before any police magistrate or two justices of the peace, by a fine not exceeding fifty dollars, and, in default of payment, by imprisonment for a term not exceeding six months.

Penalties for false entries or refusal to permit inspection, etc.

98. If it appears to the superintendent that the assets of any company are not sufficient to justify its continuance of business, or that the company is unsafe for the public to effect insurance with, he shall make a special report on the affairs of the company to the Provincial Treasurer to that effect.

Special report as to any company that is unsound

99. After full consideration of such report and a reasonable time being given to the company to be heard, and if, after such further inquiry and investigation, (if any), as he may see proper to make, the Provincial Treasurer reports to the Lieutenant-Governor-in-Council that he agrees with the superintendent in the opinion expressed in his report, then, if the Lieutenant-Governor-in-Council also concurs in such opinion, an order in council may issue suspending or cancelling the license of the company, or prohibiting the company from doing any further business, and thereafter it shall not be lawful for the company to do any further business in Alberta, until the suspension or prohibition is removed by the Lieutenant-Governor-in-Council.

Consideration of same by Provincial Treasurer and report to Lieutenant Governor in Council

Suspension or cancellation of license

100. Notice of the suspension or cancelling of any license, or prohibition from doing any further business, shall be published in The Alberta Gazette; and thereafter any person transacting any business in behalf of the company, except for winding up its affairs pursuant to this or any other Act, shall be deemed to have been guilty of an offence punishable on summary conviction before any justice of the peace by a fine not exceeding \$25.00.

Publication of notice

Prohibition of business thereafter

101. Wherever the affairs of any insurance company doing business in Alberta 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

In special cases inspector with approval of Lieutenant Governor in Council to value assets and liabilities

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 Provincial Treasurer, shall be conclusive as to the expenses to be paid by the company in respect thereof.

102. Neither the superintendent, nor any officer under him, shall be interested as a shareholder, directly or indirectly, in any insurance company. Superintendent not to be shareholder of insurance company

103. Towards defraying the expenses of the office of the superintendent a sum not exceeding \$5,000.00 shall be annually contributed by the companies required to whom licenses have been granted under this Act. Companies to defray expenses of inspector's office

104. The amount to be annually contributed by the insurance companies under the provisions of the last preceding section shall be assessed *pro rata* and based on the gross annual premium income as shown by the books of the several companies on the thirty-first day of December next preceding. How assessed upon the different companies

105. All sums payable under this Act to the Provincial Treasurer shall be so paid before the issue of a renewal of the license, and, in any disputed case, the Provincial Treasurer's certificate, or approval of an account certified by the superintendent, shall, as to the amount so payable by each or any company, be held to be conclusive. When payment to be made
Certificate of Provincial Treasurer as to amount to be conclusive

IMPAIRMENT OF CAPITAL AND PAYMENT OF DIVIDENDS.

106. Every company licensed to carry on the business of fire insurance or inland marine insurance, or both, shall at all times maintain assets in Alberta at least equal in value to the total of the unearned premiums upon all outstanding unmatured policies upon property in Alberta, calculated *pro rata* for the times unexpired, together with the amount of matured claims for losses in Alberta, and all its other liabilities of every kind in Alberta. Companies to maintain assets sufficient to cover liabilities upon unearned premiums as well as other liabilities

107. 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 the next preceding section, nor shall any dividend be paid which would reduce its assets below the said amount or impair its capital. Dividends not to be paid in impairment of capital

108. If it appears to the superintendent at any time that the assets of any such company fall below the requirements of section 106 he shall report the fact to the Treasurer, and state whether or not the company appears to him to have paid any dividend in contravention of the last preceding section, and the Treasurer, 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 Treasurer 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 Treasurer recommending the same. Report to Minister if assets not up to standard
Cancellation of license if assets not brought up to standard

109. If at any time it be found that the assets of any such company are less than the amount required by section 106, 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 section 107, it shall be the duty of the Treasurer 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.

If assets
twenty per
cent. too low,
license to be
cancelled
on report of
Minister

110. Chapter 7 of 2 - 3, George V, intituled "*The Hail Insurance Act*," is hereby repealed.

111. This Act shall come into force on the first day of April, 1913.

SCHEDULE.

The following is the schedule referred to in this Act:—

SCHEDULE A. (Section)

FORM OF DECLARATION TO ACCOMPANY THE ANNUAL STATEMENT.

We,
and and
of company, do solemnly declare that
we are the above described officers of the said company,
and that we have, each of us individually the means of
verifying the correctness of the statement within contained
(or hereunder annexed) of the affairs of the said company;
and that, on the day of last,
all the above described assets were the absolute property
of the said company, free and clear from any liens or claims
thereon, except as above stated, and that the foregoing
statement, with the schedules and explanations hereunto
annexed and by us subscribed, are a full and correct exhibit
of all the liabilities, and of the income and expenditure,
and of the general conditions and affairs, of the said com-
pany, on the said day of last,
and for the year ending on that day.

And we make this solemn declaration conscientiously
believing it to be true, and knowing that it is of the same
force and effect as if made under oath, and by virtue of
"*The Canada Evidence Act*, 1893."

Declared before me at the this
day of A.D., 19...

(Signatures).

No. 88

FOURTH SESSION
SECOND LEGISLATURE
3 GEORGE V
1913

BILL

An Act respecting Insurance
Companies.

Received and read the

First time.....

Second time.....

Third time.....

EDMONTON:
J. W. JEFFERY, Government Printer
1913