

# BILL

No. 31 of 1923.

An Act to make Uniform the Law respecting Conditions  
in Policies of Accident Sickness Insurance.

(Assented to \_\_\_\_\_, 1923.)

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

**1.** This Act may be cited as "*The Accident and Sickness  
Policy Act.*"

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

(a) "Accident Insurance" shall mean insurance against  
loss arising from accident to the person of the  
insured;

(b) "Sickness Insurance" shall mean insurance other  
than life insurance against loss through sickness  
or disability of the insured not arising from accident  
or old age.

**3.**—(1) This Act shall apply to accident and sickness  
insurance and to an insurer undertaking accident and  
sickness insurance in the Province but shall not apply  
to any fraternal society or to its contracts.

(2) Every insurer licensed for the transaction of accident  
or sickness insurance may, within the limits and subject  
to the restrictions prescribed by the licence, insure or re-  
insure any person against accident, sickness or disability,  
total or partial, so long as the contingency insured against  
does not happen by design of the insured.

**4.** In every contract of accident insurance, the event  
insured against shall include any bodily injury occasioned  
by external force or agency, and happening without the  
direct intent of the person injured, or as the indirect result  
of his intentional act, and no term, condition, stipulation,  
warranty or proviso of the contract, varying the obligation  
or liability of the insurer shall, as against the insured, have  
any force or validity, but the contract may provide for the  
exclusion from the risks insured against of accidents arising  
from any hazard or class of hazard expressly stated in the  
policy.

**5.**—(1) The conditions set forth in this section shall be deemed, subject to the provisions of sections 6, 7 and 8, to be part of every contract of accident and of sickness insurance in force in Alberta, and shall be printed on every policy hereafter issued under the heading "Statutory Conditions."

(2) An insurer may renew an existing contract of insurance by issue of a renewal receipt on which is printed in conspicuous type, "This policy is subject to the Statutory Conditions respecting contracts of Accident and Sickness Insurance contained in of *The Accident and Policy Act.*"

**6.**—(1) If the policy does not insure against accident, the words of conditions numbers 3, 6, 12 and 13 relating to accident and printed in italics may be omitted from the policy.

(2) If the policy does not insure against sickness, condition No. 5, and also the words of conditions 3, 6, 12 and 13 relating to sickness and printed in italics may be omitted from the policy.

(3) If the policy provides that the contract may not be terminated by the insurer at any time, the conditions numbered 9, 10 and 11 may be omitted from the policy.

(4) If an entire condition is omitted pursuant to this section, there shall be inserted after the condition number the following words within brackets ("This condition is not applicable to this policy and is omitted pursuant to statute").

**7.** Where a policy of accident insurance is issued in the form of a ticket through the agency of a railway corporation the statutory conditions set out in section 5 of this Act need not be printed on the ticket if such policy contains the following notice printed in conspicuous type: "This policy is issued subject to the statutory conditions respecting contracts of accident insurance contained in *The Accident and Sickness Policy Act.*"

**8.**—(1) If an insurer desires to vary, omit, or add to the statutory conditions or any of them except as provided in sections 6 and 7 there shall be printed in conspicuous type not less in size than ten point, and in red ink, immediately after such conditions, the proposed variations or additions or a reference to the omissions, with these introductory words: "This policy is issued on the above statutory conditions with the following variations, omissions and additions which are, by virtue of *The Accident and Sickness Policy Act*, in force so far only as they may be held to be just and reasonable to be exacted by the insurer."

(2) No variation, omission or addition except as provided in sections 6 and 7 shall be binding upon the insured unless the foregoing provisions of this section have been complied with, and any variation, omission or addition shall be so binding only in so far as it is held by the Court before which a question relating thereto is tried, to be just and reasonable.

**9.** No red ink shall be used on the face of a policy except the name, address and emblem of the insurer, and the policy number, and for the purposes mentioned in this Act.

**10.** In any case where there has been imperfect compliance with a statutory condition as to the proof of loss to be given by the insured or as to any matter or thing to be done or omitted by the insured after the maturity of the contract, and a consequent forfeiture or avoidance of the insurance in whole or in part, and the Court deems it inequitable that the insurance should be forfeited or avoided on that ground, the Court may relieve against the forfeiture or avoidance on such terms as it may deem just.

**11.** This Act shall come into force on a day to be fixed by the Lieutenant-Governor by his Proclamation.

#### STATUTORY CONDITIONS.

1. This policy, including the indorsements and attached papers, if any, contains the entire contract of insurance except as it may be modified by the insurer's classification of risks and premium rates as provided by condition 3.

2. All statements made by the insured upon the application for this policy shall, in the absence of fraud, be deemed representations and not warranties, and no such statement shall be used in defence of a claim under this policy unless it is contained in the written application for the policy and unless a copy of the application, or such part thereof as is material to the contract, is indorsed upon or attached to the policy when issued.

3. If a *bodily injury or any sickness* insured against happens to the insured while engaged temporarily or permanently in an occupation classified as more hazardous than that stated herein to be the occupation of the insured, the liability under this policy shall be limited to such amount as the premium paid would have purchased for the more hazardous occupation according to the limits, classification of risks, and premium rates of the insurer last filed with the superintendent; provided that the performance of ordinary duties about his residence or while engaged in recreation shall not be regarded as a change of occupation by the insured.

4. If the insured at any time changes his occupation either temporarily or permanently to an occupation classified by the insurer as less hazardous than that stated in the

policy to be the occupation of the insured, the insurer shall upon written request of the insured and surrender of this policy, issue a policy for the unexpired term at the lower rate of premium applicable to such less hazardous occupation, and the insurer shall return to the insured the amount by which the unearned premium on the original policy exceeds the premium charge at such lower rate for the unexpired term.

5. Unless otherwise specifically stated in this policy, the insurer is not liable for any loss occasioned by sickness contracted by the insured within fifteen days from noon standard time of the day on which the policy comes into force.

6. If the *accident or sickness* benefits for loss of time secured hereunder together with the *accident or sickness* benefits payable under other contracts of insurance upon the person of the insured, make up an aggregate indemnity in excess of the money value of the time of the insured, the insurer shall be liable only for such proportion of the benefits stated in this policy as the money value of the time of the insured bears to the aggregate of the benefits payable under all such contracts on the person of the insured, and the excess premium, if any, paid by the insured shall be returned to him by the insurer.

7. Any written notice to the insurer may be delivered at or sent by registered post to the chief agency or head office of the insurer in the Province or delivered or sent to any authorized agent of the insurer therein.

8. Any written notice may be given to the insured by letter personally delivered to him or by registered letter addressed to him at his last post office address notified to the insurer, or where not notified and the address is not known, addressed to him at the agency, if any, at which the application was received.

9. The insurance may be terminated by the insurer at any time by giving to the insured ten days' notice of cancellation by registered mail or five days' notice of cancellation personally delivered to the insured and refunding in either case the excess of paid premium beyond the *pro rata* premium for the expired time.

10. The insurance may be terminated by the insured at any time by giving written notice of termination to the insurer in which case the insurer shall, upon surrender of this policy refund the excess of paid premium beyond the customary short rate for the expired time.

11. In the case of termination of the insurance by the insurer, repayment of the excess premium may be made in money, by post office order, postal note or cheque, payable at par certified by a chartered bank doing business in the

Province: If the notice is given by registered letter, such repayment shall accompany the notice and in such case the ten days mentioned in condition 9 shall commence to run from the day following the receipt of a registered letter at the post office to which it is addressed.

12. Any person entitled to make a claim under this policy shall—

- (a) give notice of claim in writing to the insurer not later than thirty days *from the date of the accident or from the date of the commencement of disability from sickness*; provided that failure to give notice shall not invalidate the claim if it is shown that it was not reasonably possible to give such notice within such time, and that notice was given as soon as was reasonably possible;
- (b) furnish to the insurer such proof of claim as is reasonably possible in the circumstances of the happening of the *accident or sickness* and the loss occasioned thereby, *within ninety days after the happening of the accident, or, in the case of sickness, within ninety days after the date of termination of the period of disability from sickness for which the insurer is liable*;
- (c) if so required by the insurer, furnish a certificate from a licensed medical practitioner as to the cause and nature of the *accident or sickness* for which the claim is made and as to duration of the disability caused thereby.

13. The insurer shall, upon receiving notice of *accident or sickness*, furnish to the claimant such forms as are usually furnished by them for proofs of claim, and if such forms are not so furnished within fifteen days after receipt of such notice, the claimant shall be deemed to have complied with the requirements of the policy as to proof of claim, if he submits within the time fixed in this policy, for filing such proofs, a written statement of the happening and character of the *accident or sickness* and of the extent of the loss for which the claim was made.

14. The insurer shall have the right, and the claimant shall afford to the insurer an opportunity, to examine the person of the insured when and as often as it may reasonably require while the claim hereunder is pending and also in the case of death of the insured to make an autopsy subject to any law of the Province relating to autopsies.

15. Any claim made under this policy by a claimant other than the beneficiary named in the policy, shall be subject to proof of the interest of the claimant.

16. Notice of claim may be given and proofs of claim may be made by the agent of the insured, or of the beneficiary, in case of the absence of the insured or beneficiary or in case of inability of the insured or the beneficiary to give the notice or make the proof, such absence or inability being satisfactorily accounted for, or in the like case or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

17. All moneys payable under this policy for loss other than that of time on account of disability shall be paid within sixty days after the receipt of proofs of claim.

18. The indemnity for loss of time on account of disability shall be paid within thirty days after proof of claim and as long as the insurer remains liable for the disability at the expiration of every succeeding sixty days, provided that the insurer may, in case the disability continues, require proof thereof for each such period of sixty days, which proof shall be furnished within ninety days after the termination of each period in respect of which the claim is made.

19. Subject to the laws of the Province in which this contract is made, the insured may, without the consent of the beneficiary, assign the policy and may, from time to time, change the beneficiary or revoke the benefits thereof, or make it entirely payable to himself or to his estate, provided that if the beneficiary is a preferred beneficiary under the statutes of the Province, in which the contract is made, the rights of the insured and the beneficiaries hereunder shall be subject to such statutes.

20. The insurer shall not be deemed to have waived any condition of this policy either in whole or in part, unless the waiver is clearly expressed in writing, signed by the insurer.

21. Any action or proceeding against the insurer for the recovery of any claim under this policy shall be commenced within one year after the cause of action arose.

THIRD SESSION  
FIFTH LEGISLATURE  
13 GEORGE V  
1923

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BILL

An Act to make Uniform the Law  
respecting Conditions in Policies of  
Accident Sickness Insurance.

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Received and read the

First time . . . . .

Second time . . . . .

Third time . . . . .

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HON. MR. BROWNLEE.

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EDMONTON:  
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1923