

Bill No. 21 of 1933.

A BILL TO AMEND THE ALBERTA INSURANCE
ACT, 1926.

NOTE.

Section 2 of the Bill extends the prohibition as to insurance in unregistered companies to all kinds of insurance, and section 3 of the Bill restates the conditions under which any insurance of any description may be effected with unregistered foreign companies.

Section 4 of the Bill strikes out Part VII of the Act dealing with automobile insurance and substitutes therefor the uniform provisions prepared by the Association of Superintendents of Insurance of the Provinces of Canada.

Substantial alterations in the law will be found in section 259*a* of the amendments which requires that every owner's policy shall insure the person named therein, and every other person who, with the consent of the owner, uses the automobile, and declares that any person insured by but not named in a policy may recover indemnity in the same manner and to the same extent as if named therein as the insured, and in section 259*h* of the amendments which confers upon a person injured through the negligent operation of an automobile in respect of which there is a policy of automobile insurance an incontestable right, upon getting a judgment against the insured, to have the moneys payable under the policy applied upon his judgment.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 21 of 1933.

An Act to amend The Alberta Insurance Act, 1926.

(Assented to _____, 1933.)

HIS 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 Alberta Insurance Act, 1926, Amendment Act, 1933.*"

2. *The Alberta Insurance Act, 1926*, being chapter 31 of the Statutes of Alberta, 1926, is hereby amended as to section 107 thereof by striking out the same and substituting therefor the following:

"**107.** Save as hereinafter provided, no person shall insure or cause any insurance to be effected with reference to any matter or thing within the Province whatsoever with any insurer not licensed under this Act."

3. The said Act is further amended as to section 108 thereof by striking out the same and by substituting therefor the following:

"**108.**—(1) Any person may within the Province effect any kind of insurance to which this Act applies in respect of any matter or thing within the Province with an insurer which is not licensed under this Act or with persons who reciprocally insure for protection only and not for profit, provided—

"(a) that such insurance is effected without any solicitation whatsoever directly or indirectly on the part of such insurer or persons;

"(b) that any person, or any officer, agent or employee of any such person having any actual knowledge of the facts, procuring any insurance whatsoever in the Province in any such insurer or with any such persons, shall forthwith, and not later than one month from the effecting of any such insurance or of the receipt of any policy, interim receipt or insuring document issued by or on behalf of such insurer or persons, whichever shall be first in point of time, notify the Superintendent in writing under oath of the terms of such insurance, the insurer 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 at the same time pay

to the treasurer for the benefit of the Province a sum equal to fifty per centum of the premium paid or payable or premium notes given or to be given or mutual liability assumed in connection with such insurance.

“(2) Upon any claim being made under or any question arising in relation to any insurance effected pursuant to this section, the property, if any, in respect of which the claim is made may be inspected and the circumstances under which the claim arises may be investigated by the Superintendent and any sum payable in respect thereof may be adjusted.”

4. The said Act is further amended by striking out sections 246 to 260, both sections inclusive, and by substituting therefor the following:

“246. In this Part, unless the context requires a contrary meaning—

“(a) ‘Automobile’ includes all self-propelled vehicles, their trailers, accessories and equipment, but not railway rolling stock, watercraft or aircraft of any kind;

“(b) ‘Automobile insurance’ means insurance against liability for loss or damage to persons or property caused by an automobile or the use or operation thereof, and against loss of or damage to an automobile;

“(c) ‘Driver’s policy’ means a motor vehicle liability policy insuring a person named therein in respect of the operation or use by him of any automobile other than an automobile owned by him or registered in his name;

“(d) ‘Insured’ means a person insured by a contract whether named or not;

“(e) ‘Motor Vehicle Liability Policy’ means a policy or that part of a policy insuring the owner or driver of an automobile against liability for loss or damage to persons or property;

“(f) ‘Owner’s Policy’ means a motor vehicle liability policy insuring a person named therein in respect of the ownership, operation or use of any automobile owned by him and designated in the policy.

“247.—(1) This Part shall apply to automobile insurance and to any insurer carrying on the business of automobile insurance in the Province and to all contracts made in the Province on or after the date of coming into force of this Part

“(2) Nothing in this Part shall prevent the insurance of an automobile against loss or damage by fire under a policy of fire insurance, and in that event this Part shall not apply.

“(3) Sections 179 and 180 of this Act shall not apply to automobile insurance.

"248.—(1) No insurer shall make any contract for a period exceeding fourteen days without a written application therefor, signed by the applicant or his agent, duly authorized in writing.

"(2) No person carrying on the business of financing the sale or purchase of automobiles, and no automobile dealer, insurance agent or broker, and no officer or employee of any such person, dealer, agent or broker, shall act as agent of the applicant under this section.

"(3) Every written application for a driver's policy shall set forth—

"(a) the name, address and occupation or business of the applicant;

"(b) particulars of any accident in which any automobile operated by the applicant has been involved within the three years preceding the application;

"(c) particulars of any claim made within such period against or by the applicant arising out of the use or operation of an automobile;

"(d) whether any insurer has cancelled any policy of automobile insurance of the applicant or refused automobile insurance to him;

"(e) whether any license, permit, registration certificate or other like authority, issued to the applicant under any law or statute of any province, state or country relating to automobiles, has been, or continued to be, suspended or cancelled within the three years preceding the application; and

"(f) such further information as the insurer may require or the Superintendent may prescribe.

"(4) Every other written application shall set forth—

"(a) the name, address and occupation or business of the owner;

"(b) the description of the automobile to be insured;

"(c) its purchase price to the owner, and whether fully paid or not;

"(d) whether purchased new or otherwise;

"(e) particulars of any mortgage, lien or encumbrance thereon;

"(f) the place where it is and will usually be kept;

"(g) the locality in which and the purpose for which it is and will be chiefly used;

"(h) particulars of any accident in which any automobile owned or operated by the owner has been involved within the three years preceding the application;

"(i) particulars of any claim made within such period against or by the owner arising out of the use or operation of an automobile;

"(j) whether any insurer has cancelled any policy of automobile insurance of the owner, or refused automobile insurance to him;

“(k) whether any license, permit, registration certificate or other like authority, issued to the owner or a member of his family and household under any law or statute of any province, state or country relating to automobiles, has, to the knowledge of the applicant, been, or continued to be, suspended or cancelled within the three years preceding the application; and

“(l) such further information as the insurer may require or the Superintendent may prescribe.

“(5) Where the requirements of subsections (3) or (4) are, in the opinion of the Superintendent, inapplicable to any special form of contract, the Superintendent may prescribe the form of application or vary, omit or add to those requirements.

“(6) Upon every written application and policy there shall be printed or stamped in conspicuous type, not less in size than ten point and in red ink, a copy of subsection (1) of section 253.

“(7) Where a contract is renewed without change or only the amount of the insurance, the rate of premium or the method of rating is changed, the renewal may be effected without a written application.

“(8) A copy of the application, or such part thereof as is material to the contract, shall be embodied in, endorsed, upon or attached to the policy when issued by the insurer.

“**249.** Where it is proposed to change the subject-matter of a contract by substitution or addition of one or more automobiles, the insurer may so amend the contract by an endorsement of the policy, but in that case it shall obtain a written application signed in accordance with section 248 and containing such particulars required by that section as relate to the new subject-matter.

“**250.**—(1) Every policy shall set forth—

“(a) the name and address of the insurer;

“(b) the name, address, occupation or business of the insured named therein;

“(c) the premium for the insurance;

“(d) the subject-matter of the insurance;

“(e) the indemnity for which the insurer may become liable;

“(f) the event on the happening of which liability is to accrue;

“(g) the term of the insurance; and

“(h) except in case of motor vehicle liability policies, the name of the person to whom the insurance money is payable.

“(2) Unless otherwise expressly stated therein, any written application shall be deemed to be one for a policy embodying the terms and conditions of the insurer's corresponding standard policy form; and the policy shall be deemed to be in accordance with the application unless the insurer points out in writing to the insured named in the policy in what respect the policy differs from the application, and, in that event, the insured shall be deemed to

have accepted the policy unless within one week from the receipt of the notification he informs the insurer in writing that he rejects the policy.

“(3) Notwithstanding any agreement, the insurer shall deliver or mail to the insured named therein the policy or a true copy thereof and every endorsement or amendment of the policy or a true copy thereof.

“**251.** Subject to sections 252 and 259(*j*)—

“(a) the conditions set forth in Schedule ‘D’ shall be statutory conditions and deemed to be part of every contract of automobile insurance and shall be printed on every policy with the heading ‘Statutory Conditions.’

“(b) no variation or omission of a statutory condition shall be valid nor shall anything contained in any addition to a statutory condition or in the description of the subject-matter of the insurance be effective in so far as it is inconsistent with, varies or avoids any such condition.

“**252.**—(1) If the policy does not insure against liability for loss or damage to persons or property, statutory condition 4 shall not be deemed to be part of the policy.

“(2) If the policy does not insure against loss of or damage to an automobile, statutory condition 5 shall not be deemed to be part of the policy.

“**253.**—(1) Where an applicant for a contract falsely describes the automobile to be insured, to the prejudice of the insurer, or knowingly misrepresents or fails to disclose in the application any fact required to be stated therein or where the insured violates any term or condition of the policy or commits any fraud, or makes any wilfully false statement with respect to a claim under the policy, any claim by the insured shall be rendered invalid and the right of the insured to recover indemnity shall be forfeited.

“(2) Where a written application for a contract is made, no statement of the applicant shall be used in defence of a claim under the policy, unless it is contained in the written application.

“**254.** Where there has been imperfect compliance with a statutory condition as to the proof of loss to be given by the insured or other matter or thing required to be done or omitted by the insured with respect to the loss, 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.

“**255.** Insurance money shall be payable in the Province in lawful money of Canada.

“**256.** No term or condition of a contract shall be deemed to be waived by the insurer in whole or in part, unless the waiver is stated in writing and signed by an agent of the insurer.

"257. The insurer may require from the insured and from any person to whom it pays insurance money under a contract an assignment of all right of recovery against any other party for loss or damage to the extent that payment therefor is made by the insurer.

"258. No red ink shall be used in printing a policy, except for the name, address and emblem of the insurer, the policy number and for the purposes mentioned in this Part.

"259. Any act or omission of the insurer resulting in non-compliance or imperfect compliance with any of the provisions of this Part shall not render a contract invalid as against the insured.

"259a.—(1) Every owner's policy shall insure the person named therein, and every other person who, with his consent, uses or is responsible for the use of any automobile designated in the policy, against the liability imposed by law upon the insured named therein or upon any such other person for loss or damage—

"(a) arising from the ownership, use or operation of any such automobile within Canada or the United States of America, or upon a vessel plying between ports within those countries; and

"(b) resulting from—

"(i) bodily injury to or death of any person; or

"(ii) damage to property; or

"(iii) both.

"(2) Any person insured by but not named in a policy may recover indemnity 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.

"259b. Every driver's policy shall insure the person named therein against the liability imposed by law upon such insured for loss or damage—

"(a) arising from the operation or use by him of any automobile, other than an automobile owned by or registered in the name of such insured, while he is personally in control as driver or occupant of such automobile within Canada or the United States of America, or upon a vessel plying between ports within those countries; and

"(b) resulting from—

"(i) bodily injury to or death of any person; or

"(ii) damage to property; or

"(iii) both.

"259c. Under an owner's policy or a driver's policy the insurer shall—

"(a) upon receipt of notice of loss or damage caused to persons or property, serve the insured by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the insurer; and

“(b) defend in the name and on behalf of the insured and at the cost of the insurer any civil action which may at any time be brought against the insured on account of loss or damage to persons or property; and

“(c) pay all costs taxed against the insured in any civil action defended by the insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of the insurer’s liability; and

“(d) in case the injury be to a person, reimburse the insured for outlay for such medical aid as may be immediately necessary at the time.

“**259d.** The insurer shall not be liable under an owner’s policy or a driver’s policy—

“(a) for any liability imposed by any Workmen’s Compensation law upon the insured; or

“(b) for loss or damage resulting from bodily injury to or the death of any person insured by the policy, or the children, wife or husband of any such person; or

“(c) to any person, not the owner of the automobile, engaged in the business of an automobile garage, repair shop or service station or as an automobile dealer, for loss or damage sustained while engaged in the operation or repair of the automobile;

and, unless the coverage is expressly extended under section 259f.

“(d) for any loss or damage resulting from bodily injury to or the death of any person being carried in or upon or entering or getting on to or alighting from the automobile; or

“(e) for loss or damage to property carried in or upon the automobile; or owned by or in the care, custody or control of the insured; or

“(f) for loss or damage resulting from bodily injury to or the death of any employee of the insured while engaged in the operation or repair of the automobile.

“**259e.** Every owner’s policy and driver’s policy shall insure, in case of bodily injury or death, to the limit of at least \$5,000 (exclusive of interest and costs) for bodily injury to or the death of any one person, and, subject to such limit, for any one person so injured or killed, of at least \$10,000 (exclusive of interest and costs) for bodily injury to or death of two or more persons in any one accident; or, in case of property damage, to the limit of at least \$1,000 (exclusive of interest and costs) for damage to property resulting from any one accident.

“**259f.** The insurer may, by an endorsement on the policy and in consideration of an additional stated premium, and not otherwise, extend the coverage in the following respects:

“(a) In the case of an owner’s policy or a driver’s policy, the matters mentioned in paragraphs (d), (e) and (f) of section 259d and in statutory condition 3; and

“(b) In the case of an owner’s policy, the operation or use of automobiles not owned by nor registered in the name of the insured; and

“(c) In the case of an owner’s policy or a driver’s policy, such other matters as may be approved by the Superintendent.

“**259g.** Where any provision of the last preceding six sections is inapplicable by reason of the requirements of any Act or, in the opinion of the Superintendent, unsuitable to any special form of contract, he may approve a form of motor vehicle liability policy sufficient or appropriate to insure the risks required or proposed to be insured and in that case those sections shall not apply.

“**259h.**—(1) Any person having a claim against an insured, for which indemnity is provided by a motor vehicle liability policy, shall, notwithstanding that such person is not a party to the contract, be entitled, upon recovering a judgment therefor against the insured, to have the insurance money payable under the policy applied in or towards satisfaction of his judgment and of any other judgments or claims against the insured covered by the indemnity and may, on behalf of himself and all persons having such judgments or claims, maintain an action against the insurer to have the insurance money so applied.

“(2) No creditor of the insured shall be entitled to share in the insurance money payable under any such policy in respect of any claim for which indemnity is not provided by the policy.

“(3) (i) No assignment, waiver, surrender, cancellation or discharge of the policy, or of any interest therein, or of the proceeds thereof, made by the insured after the happening of the event giving rise to a claim under the policy; and

“(ii) no act or default of the insured before or after such event in violation of the provisions of this Part or of the terms of the contract; and

“(iii) no violation of the Criminal Code or of any law or statute of any province, state or country, by the owner or driver of the automobile,

shall prejudice the right of any person, entitled under subsection (1), to have the insurance money applied upon his judgment or claim, or be available to the insurer as a defence to such action.

“(4) The insurer may require any other insurers liable to indemnify the insured in respect of judgments or claims referred to in subsection (1) to be made parties to the action and to contribute rateably according to their respective liabilities, and the insured shall, on demand, furnish the insurer with particulars of all other insurance covering the subject-matter of the contract.

“(5) Where a policy provides for coverage in excess of the limits mentioned in section 259e or for extended coverage in pursuance of section 259f, nothing in this section shall, with respect to such excess coverage, prevent the in-

suror from availing itself, as against any claimant, of any defence which the insurer is entitled to set up against the insured.

“(6) The insured shall be liable to pay or reimburse the insurer, upon demand, any amount which the insurer has paid by reason of the provisions of this section which it would not otherwise be liable to pay.

“**259i.** Every insured against whom an action is commenced for damages occasioned by an automobile shall—

“(a) give notice thereof in writing to the insurer within five days after service of notice or process in the action; and

“(b) disclose to a judgment creditor entitled to the benefit of any motor vehicle liability policy particulars of such policy within ten days after written demand therefor.

“**259j.** A policy, other than a motor vehicle liability policy, may contain a clause to the effect that the insurer in the event of loss shall pay only an agreed portion of any loss which may be sustained or the amount of the loss after deduction of a sum specified in the policy, in either case not exceeding the amount of the insurance, in which case there shall be printed upon the face of the policy in conspicuous type, in red ink, the words, ‘This policy contains a partial payment of loss clause.’

“**259k.** Where a claim is made under any policy other than a motor vehicle liability policy, the insurer shall, notwithstanding any agreement, adjust the amount of the claim with the insured named in the policy as well as with any person having an interest indicated in the policy.

“**260.**—(1) Every insurer or person who fails to comply with or violates any provision of this Part shall be guilty of an offence.

“(2) Every insurer and person guilty of an offence against this Part shall be liable on summary conviction to a penalty not exceeding two hundred dollars for every such offence.”

5. The said Act is further amended as to section 263 thereof by repealing the same.

6. The said Act is further amended as to section 459 thereof by striking out the word “fire” and the words “on property” where the same occur therein.

7. The said Act is further amended as to section 463 thereof—

(a) by striking out the words “on property” where the same occur in subsection (1) thereof, and by substituting therefor the words “in respect of any matter or thing”;

(b) by striking out the words “the property insured, its location” where the same occur in subsection (1) thereof and by substituting therefor the words “fully the nature of the insurance”;

- (c) by striking out the words "the property insured and its location" where the same occur in subsection (1) thereof, and by substituting therefor the words "the nature of the insurance";
- (d) by striking out the words "in the form prescribed by the Superintendent" where the same occur in subsection (2) thereof, and by substituting therefor the words "provided for that purpose."

8. The said Act is further amended as to Schedule "D" thereof by striking out the same and by substituting therefor the following:

"SCHEDULE 'D.'

"(Section 251.)

"STATUTORY CONDITIONS.

"MATERIAL CHANGE IN RISK.

"1. (a) The insured named in the policy shall promptly notify the insurer, or its local agent, in writing, of any change in the risk material to the contract and within his knowledge.

"(b) Without restricting the generality of the foregoing, the words 'change in the risk material to the contract' shall include—

"Sale—

- "(i) any change in the insurable interest of the insured named in the policy in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under The Bankruptcy Act; and in cases other than motor vehicle liability policies:

"Mortgage or Lien—

- "(ii) any mortgage, lien or encumbrance affecting the automobile after the application for the policy;

"Other Insurance—

- "(iii) any other insurance of the same interest, whether valid or not, covering loss or damage insured by the policy or any portion thereof.

"PROHIBITED USE.

"2. The automobile shall not, with the knowledge, consent or connivance of the insured named in the policy be used or driven—

"Intoxication—

- "(a) by any person under the influence of drink or drugs so as to be incapable of proper control of the automobile; or

"Unlicensed Driver—

- "(b) by any person not qualified and authorized by law to drive the automobile; or in case the law does not prescribe any qualification or authority, by any person under the age of sixteen years; or

"Prohibited Trade—

"(c) for any illicit or prohibited trade or transportation;
or

"Racing—

"(d) in any race or speed test.

"USES PROHIBITED WITHOUT PERMISSION.

"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—

"Trailer—

"(a) with trailer attached; or

"Explosives—

"(b) to carry explosives; or

"Taxicab or Bus—

"(c) as a taxicab, public omnibus, livery, jitney, or sight-seeing conveyance or for carrying passengers for compensation or hire.

"LOSS OR DAMAGE TO PERSONS OR PROPERTY.

"Insured to Give Notice of Accident and Claim.

"4.—(1) The insured shall promptly give to the insurer written notice, with all available particulars, of any accident involving loss or damage to persons or property, and of any claim made on account of accident; shall verify by affidavit or statutory declaration, if required by the insurer, that the claim arises out of the operation or use of an automobile described in the policy and that the person operating or responsible for the operation of the automobile at the time of the accident is a person insured by the policy; and shall forward immediately to the insurer every writ, letter, document or advice received by him from or on behalf of the claimant.

"CO-OPERATION OF INSURED AND INSURER IN CLAIM SETTLEMENT.

"(2) The insured shall not voluntarily assume any liability or settle any claim except at his own cost. The insured shall not interfere in any negotiations for settlement or in any legal proceeding, but, whenever requested by the insurer, shall aid in securing information and evidence and the attendance of any witness, and shall co-operate with the insurer, except in a pecuniary way, in the defence of any action or proceeding or in the prosecution of any appeal.

"LOSS OR DAMAGE TO THE AUTOMOBILE.

"5.—(1) Upon the occurrence of any loss of or damage to the insured automobile, the insured shall, if such loss or damage is covered by this policy—

"Insured to Give Notice of Claim—

"(a) forthwith give notice thereof, in writing, to the insurer, with fullest information obtainable at the time, and shall, at the expense of the insurer, and as far as reasonably possible, protect the automobile from further loss or damage, and any such further loss or damage accruing directly or indirectly from a failure to protect shall not be recoverable here-

under. No repairs shall be undertaken or any physical evidence of the loss or damage removed without the written consent of the insurer, except such repairs as are immediately necessary for the protection of the automobile from further loss or damage; or until the insurer has had a reasonable time to make the examination provided for in statutory condition 7.

"Proof of Loss—

"(b) deliver to the insurer within ninety days of the date of the loss or damage a statutory declaration stating, so far as the insured knows or believes, the place, time, cause and amount of the loss or damage, the interest of the insured and of all others therein, the encumbrances thereon, all other insurance, whether valid or not, covering the automobile, and that the loss or damage did not occur through any wilful act or neglect, procurement, means or connivance of the insured.

"EXAMINATION OF INSURED.

"(2) The insured shall submit to examination under oath, and shall produce for examination, at such reasonable place as is designated by the insurer or its representative, all documents in his possession or control which relate to the matters in question, and shall permit extracts and copies thereof to be made.

"INSURER LIABLE FOR CASH VALUE OF AUTOMOBILE.

"(3) The insurer shall not be liable beyond the actual cash value of the automobile at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would cost to repair or replace the automobile or any part thereof with material of like kind and quality; provided that in the event of any part of the automobile being obsolete and out of stock, the liability of the insurer in respect thereof shall be limited to the value of such part at the time of loss or damage not exceeding the maker's last list price.

"IN CASE OF DISAGREEMENT.

"(4) In the event of disagreement as to the nature and extent of the repairs and replacements required, or as to their adequacy, if effected, or as to the amount payable in respect of any loss or damage, such questions shall be determined by appraisers before recovery can be had hereunder, whether the right to recover on the policy is disputed or not, and independently of all other questions.

"APPRAISAL.

"(5) The insured and the insurer shall each select one appraiser, and the two so chosen shall then select a disinterested umpire. Thereafter the two appraisers together shall estimate or appraise the loss or damage, stating separately sound value and damage, or determine the adequacy of such repairs or replacements, and, failing to agree, shall submit their differences to the umpire.

“APPOINTMENT OF APPRAISERS.

“(6) In case either party fails to name an appraiser within seven clear days after being served with written notice so to do, or in case the appraisers fail to agree upon an umpire within fifteen days after their appointment, or in case an appraiser or umpire refuses to act or is incapable of acting, or dies, a Judge of a Superior, County or District Court having jurisdiction in the county or district in which the appraisal is to be made may appoint such appraiser or umpire on the application of the insured or of the insurer.

“AWARD.

“(7) An award in writing of the two appraisers, or of one appraiser and the umpire, shall determine the nature and extent or adequacy of the repairs and replacements made or required, or the amount of such loss or damage.

“COSTS OF APPRAISAL.

“(8) Each party shall pay the appraiser selected by him, and shall bear equally the other expenses of the appraisal and of the umpire.

“WAIVER.

“6. Neither the insurer nor the insured shall be deemed to have waived any term or condition of this policy by any act relating to the appraisal or to the delivery and completion of proofs of loss, or to the investigation or adjustment of the claim.

“INSPECTION OF AUTOMOBILE.

“7. The insurer shall be permitted at all reasonable times to inspect the automobile and its equipment.

“OTHER INSURANCE OF THE SAME INTEREST.

“8.—(1) If the insured named in the policy has or places any additional or other valid insurance of his interest in the subject matter of the contract or any part thereof, the insurer shall be liable only for its rateable proportion of any loss or damage.

“(2) Where by any other valid insurance indemnity is provided for a claim under this policy against a person not named herein but insured hereby, the insurer shall only be liable under this policy, in respect of any such claim, to the extent of any deficiency in the amount of such other insurance of such claim, not exceeding in any event the limits of liability of the insurer under this policy.

“TIME AND MANNER OF PAYMENT OF INSURANCE
MONEY.

“9.—(1) An insurer shall pay the insurance money for which it is liable under a contract within sixty days after the proof of loss has been received by it, or, where an appraisal is had under statutory condition 5, within fifteen days after the award is rendered by the appraisers.

“WHEN ACTION MAY BE BROUGHT.

“(2) The insured may not bring an action to recover the amount of a claim under the policy unless the requirements of statutory conditions 4 and 5 are complied with nor until the amount of the loss has been ascertained as therein pro-

vided, or by a judgment against the insured after trial of the issue, or by agreement between the parties with the written consent of the insurer.

“LIMITATION OF ACTIONS.

“(3) Every action or proceeding against an insurer under a contract in respect of loss or damage to the automobile shall be commenced within one year next after the happening of the loss and not afterwards, and in respect of loss or damage to persons or property shall be commenced within one year next after the cause of action arose, and not afterwards.

“WHO MAY GIVE NOTICE AND PROOFS OF CLAIM.

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

“CANCELLATION.

“11.—(1) The policy may be cancelled at any time at the request of the insured named therein, and the insurer shall, upon surrender of the policy, refund the excess of paid premium above the customary short rate premium for the time the policy has been in force.

“(2) This policy may be cancelled at any time by the insurer giving to the insured named in the policy fifteen days’ notice in writing of cancellation by registered post, whether registered within or without Canada, or five days’ notice of cancellation personally delivered, and refunding the excess of paid premium beyond the *pro rata* premium for the expired time. Repayment of excess premiums may be made by money, post office order, postal note or cheque. Such repayment shall accompany the notice, and in such case the fifteen days above mentioned shall commence to run from the day following the receipt of the registered letter at the post office to which it is addressed.

“NOTICE.

“12. 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 this province. Written notice may be given to the insured named in the policy 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 no address is notified and the address is not known, addressed to him at the post office of the agency, if any, from which the application was received. In this condition the expression ‘registered’ shall mean registered within or without Canada.”

9. This Act shall come into force upon a date to be fixed by Proclamation of the Lieutenant Governor in Council.

THIRD SESSION
SEVENTH LEGISLATURE
23 GEORGE V
1933

B I L L

An Act to amend The Alberta
Insurance Act, 1926.

Received and read the

First time.....

Second time

Third time

HON. MR. REID

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