

# *The Saskatchewan Insurance Act*

*Repealed*

by Chapter I-9.11 of *The Statutes of Saskatchewan, 2015*  
(effective January 1, 2020).

Formerly

Chapter S-26 of the *Revised Statutes of Saskatchewan, 1978*  
(effective February 26, 1979) as amended by the *Statutes of Saskatchewan, 1979, c.69; 1979-80, c.92; 1980-81, c.28, 76 and 83; 1982-83, c.16; 1983, c.80; 1984-85-86, c.14, 47, 54 and 82; 1986, c.33; 1986-87-88, c.55; 1988-89, c.54; c.15; 1989-90, c.54; 1997, c.S-50.11; 1998, c.35 and c.48; 2001, c.8, c.23, c.33 and c.50; 2002, c.R-8.2 and c.S-17.2; 2003, c.38; 2004, c.L-16.1 and c.T-18.1; 2012, c.F-13.5; 2014, c.A-3.1; 2015, c.21; 2016, c.27; 2017, c.P-30.3; and 2018, c.14 and c.42.*

## **NOTE:**

This consolidation is not official and is subject to House amendments and Law Clerk and Parliamentary Counsel changes to Separate Chapters that may be incorporated up until the publication of the annual bound volume. Amendments have been incorporated for convenience of reference and the original Statutes and Regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original Statutes and Regulations, errors that may have appeared are reproduced in this consolidation.

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## CHAPTER S-26

### An Act respecting Insurance

#### SHORT TITLE

**Short title**

1 This Act may be cited as *The Saskatchewan Insurance Act*.

#### INTERPRETATION

**Interpretation**

2(1) In this Act, except where inconsistent with the interpretation sections of any Part:

- (a) **“accident insurance”** means insurance by which the insurer undertakes, otherwise than incidentally to some other class of insurance defined by or under this Act, to pay insurance money in the event of accident to the person or persons insured, but does not include insurance by which the insurer undertakes to pay insurance money both in the event of death by accident and in the event of death from any other cause;
- (b) **“accidental death insurance”** means insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay an additional amount of insurance money in the event of the death by accident of the person whose life is insured;
- (b.1) **“actuary”** means a Fellow of the Canadian Institute of Actuaries;
- (c) **“adjuster”** means a person who:
  - (i) on behalf of an insurer or an insured, for compensation, directly or indirectly solicits the right to negotiate the settlement of or investigate a loss or claim under a contract or a fidelity, surety or guaranty bond issued by an insurer, or investigates, adjusts or settles any such loss or claim; or
  - (ii) holds himself out as an adjuster, investigator, consultant or adviser with respect to the settlement of any such loss or claim;

but does not include:

- (iii) a barrister or solicitor acting in the usual course of his profession;
- (iv) a trustee or agent of the property insured;
- (v) a salaried employee of a licensed insurer while acting on behalf of such insurer in the adjustment of losses; or
- (vi) a person who is employed as an appraiser, engineer or other expert solely for the purpose of giving expert advice or evidence;

- (d) **“agent”** or **“insurance agent”** means a person who:
- (i) solicits, negotiates or effects for or on behalf of any insurer a contract of insurance;
  - (ii) for compensation, acts in the solicitation or negotiation of insurance;
  - (iii) transmits, for compensation, for a person other than himself, an application for or a policy of insurance to or from an insurer; or
  - (iv) retains as compensation any portion of a premium received by him;

and includes a general agent but does not include an officer or salaried employee of an insurer;

- (e) **“aircraft insurance”** means insurance against loss of or damage to an aircraft and against liability for loss or damage to persons or property caused by an aircraft or by the operation thereof;

- (f) **“approved securities”** means, other than in Part XIV:

- (i) cash; or
- (ii) securities in which trustees are by law permitted to invest trust funds and that are approved by the superintendent;

- (g) **“assigned risk plan”** means an agreement or plan made, established and approved pursuant to section 213;

- (g.1) **“attorney”** means a person authorized by a group of subscribers pursuant to a power of attorney to:

- (i) sign a reciprocal contract on behalf of the group of subscribers; and
- (ii) act on behalf of the group of subscribers with respect to any other matter specified in the power of attorney that relates to reciprocal contracts;

- (h) **“automobile”** includes a trolley bus and a self-propelled vehicle, and the trailers, accessories and equipment of automobiles, but does not include railway rolling stock that runs on rails, watercraft or aircraft;

- (i) **“automobile insurance”** means insurance:

- (i) against liability arising out of:
  - (A) bodily injury to or the death of a person; or
  - (B) loss of or damage to property;

caused by an automobile or the use or operation thereof; or

- (ii) against loss of or damage to an automobile and the loss of use thereof;

and includes insurance otherwise coming within the class of accident insurance where the accident is caused by an automobile or the use or operation thereof, whether liability exists or not, if the contract also includes insurance described in subclause (i);



- (j) **“beneficiary”** means a person designated or appointed as one to whom or for whose benefit insurance money is to be payable;
- (k) **“boiler and machinery insurance”** means insurance against loss or damage to property and against liability for loss or damage to persons or property through the explosion, collapse, rupture or breakdown of, or accident to, boilers or machinery of any kind;
- (l) **“chief agency”** or **“chief office”** means the principal office or place of business in Saskatchewan of any licensed insurer having its head office outside Saskatchewan;
- (l.1) **“compensation association”** means a body corporate or unincorporated association:
- (i) the purpose of which is to establish and administer a compensation plan for claimants and policy holders of insolvent insurers; and
  - (ii) that has been designated pursuant to the regulations as a compensation association;
- (l.2) **“compensation plan”** means a plan that is implemented or conducted under an agreement that is entered into pursuant to section 467.1;
- (m) **“contract”** means a contract of insurance and includes a policy, certificate, interim receipt, renewal receipt or writing evidencing the contract, whether sealed or not, and a binding oral agreement;
- (n) **“co-operative insurance company”** means an insurer incorporated, continued or registered pursuant to *The Co-operatives Act, 1996* or any former *Co-operatives Act*;
- (o) **“court”** means the Court of Queen’s Bench or a judge thereof;
- (p) **“credit insurance”** means insurance against loss to the insured through insolvency or default of a person to whom credit is given in respect of goods, wares or merchandise;
- (q) **“crop insurance”** means insurance against loss of or damage to growing crops from risks or perils to which such crops may be exposed;
- (r) **“disability insurance”** means insurance undertaken by an insurer as part of a contract of life insurance whereby the insurer undertakes to pay insurance money or to provide other benefits in the event that the person whose life is insured becomes disabled as a result of bodily injury or disease;
- (s) **“due application”** includes such information, evidence and material as the superintendent requires to be furnished; and also the payment of the fees hereinafter prescribed in respect of any application, certificate or document required or issued by virtue of this Act;

- (t) “**employer’s liability insurance**” means insurance, not being insurance incidental to some other class of insurance defined by or under this Act, against loss to an employer through liability for accidental injury to or death of an employee arising out of or in the course of his employment, but does not include workmen’s compensation insurance;
- (u) “**endowment insurance**” as applied to a fraternal society means an undertaking to pay an ascertained or ascertainable sum at a fixed future date, if the person whose life is insured is then alive, or at his death, if he dies before such date;
- (v) **Repealed.** 2003, c.38, s.3.
- (w) “**fire insurance**” means insurance, not being insurance incidental to some other class of insurance defined by or under this Act, against loss of or damage to property through fire, lightning or explosion due to ignition;
- (x) “**foreign jurisdiction**” means any jurisdiction other than Saskatchewan;
- (y) “**fraternal society**” means a society, order or association incorporated for the purpose of making with its members only, and not for profit, contracts of life, accident or sickness insurance in accordance with its constitution, bylaws and rules and this Act;
- (z) “**general agent**” means a person acting under authority from an insurer to supervise and appoint agents, inspect risks and otherwise transact business for, or as a representative of, such insurer;
- (aa) “**governing executive authority**” means the executive committee, executive board, management committee, grand executive committee, or such other board, committee or body as is charged under the constitution, bylaws and rules of a fraternal society with its general management between general meetings;
- (bb) “**guarantee insurance**” means the undertaking to perform an agreement or contract or to discharge a trust, duty or obligation upon default of the person liable for such performance or discharge or to pay money upon such default or in lieu of such performance or discharge, or where there is loss or damage through such default, but does not include credit insurance;
- (cc) “**hail insurance**” means insurance against loss of or damage to growing crops caused by hail;
- (dd) “**head office**” means the principal office or place of business of a licensed insurer;
- (ee) “**industrial contract**” means a contract of life insurance for an amount not exceeding \$2,000, exclusive of any benefit, surplus, profit, dividend or bonus also payable under the contract, and which provides for payment of premiums at fortnightly or shorter intervals, or, if the premiums are usually collected at the home of the insured, at monthly intervals;

(ff) **“inland transportation insurance”** means insurance, other than marine insurance, against loss of or damage to property:

- (i) while in transit or during delay incidental to transit; or
- (ii) where, in the opinion of the superintendent, the risk is substantially a transit risk;

(gg) **“insurance”** means the undertaking by one person to indemnify another person against loss or liability for loss in respect of a certain risk or peril to which the object of the insurance may be exposed, or to pay a sum of money or other thing of value upon the happening of a certain event and includes life insurance;

(hh) **“insurance fund”**, as applied to a fraternal society or as applied to any corporation not incorporated exclusively for the transaction of insurance, includes all money, securities for money and assets appropriated by the rules of the society or corporation to the payment of insurance liabilities or appropriated for the management of the insurance branch or department or division of the society, or otherwise legally available for insurance liabilities, but does not include funds of a trade union appropriated to or applicable for the voluntary assistance of wage earners unemployed or upon strike;

(ii) **“insurance money”** means the amount payable by an insurer under a contract, and includes all benefits, surplus, profits, dividends, bonuses and annuities payable under the contract;

(jj) **“insurer”** means a person who undertakes or agrees or offers to undertake a contract;

(kk) **“life insurance”** means insurance whereby an insurer undertakes to pay insurance money:

- (i) on death;
- (ii) on the happening of an event or contingency dependent on human life;
- (iii) at a fixed or determinable future time; or
- (iv) for a term dependent on human life;

and, without limiting the generality of the foregoing, includes:

- (v) accidental death insurance;
- (vi) disability insurance; and
- (vii) an undertaking given by an insurer, whether before or after this section comes into force, to provide an annuity or what would be an annuity except that the periodic payments may be unequal in amount;

but does not include accident insurance;

(ll) **“live stock insurance”** means insurance, not being insurance incidental to some other class of insurance defined by or under this Act, against loss through the death or sickness of or accident to an animal;

(mm) “**marine insurance**” means insurance against marine losses; that is to say, the losses incident to marine adventure, and may by the express terms of a contract or by usage of trade extend so as to protect the insured against losses on inland waters or by land or air which are incidental to any sea voyage;

(nn) “**minister**” means the member of the Executive Council charged for the time being by the Lieutenant Governor in Council with the administration of this Act;

(oo) “**motor vehicle liability policy**” means a policy or part of a policy evidencing a contract insuring:

(i) the owner or driver of an automobile; or

(ii) a person who is not the owner or driver thereof where the automobile is being used or operated by his employee or agent or any other person on his behalf;

against liability arising out of bodily injury to or the death of a person or loss or damage to property caused by an automobile or the use or operation thereof;

(pp) **Repealed.** 2003, c.38, s.3.

(qq) “**mutual insurance company**” means a corporation without share capital that provides insurance on the mutual plan;

(rr) “**non-owner’s policy**” means a motor vehicle liability policy insuring a person solely in respect of the use or operation by him or on his behalf of an automobile that is not owned by him;

(ss) “**officer**” includes any trustee, director, manager, treasurer, secretary or member of the board or committee of management of an insurer or any person appointed by the insurer to sue and be sued in its behalf;

(tt) “**owner’s policy**” means a motor vehicle liability policy insuring a person in respect of the ownership, use or operation of an automobile owned by him and within the description or definition thereof in the policy and, if the contract so provides, in respect of the use or operation of any other automobile;

(uu) **Repealed.** 2003, c.38, s.3.

(vv) **Repealed.** 2003, c.38, s.3.

(ww) “**plate glass insurance**” means insurance, not being insurance incidental to some other class of insurance defined by or under this Act, against loss of or damage to plate, sheet or window glass, whether in place or in transit;

(xx) “**policy**” means an instrument evidencing a contract;

(yy) “**premium**” means the single or periodical payment under a contract for the insurance, and includes dues, assessments and other considerations;

(zz) “**premium note**” means an instrument given to a mutual insurance company as consideration for insurance, whereby the maker undertakes to pay such sum or sums as may be legally demanded by the company, the aggregate of such sums not to exceed an amount specified in the instrument, and includes any undertaking to pay such sums regardless of the form thereof;

- (aaa) “**property**” includes profits, earnings and other pecuniary interest, and expenditure for rents, interest, taxes and other outgoings and charges and inability to occupy the insured premises, but only to the extent of express provision in the contract;
- (bbb) “**property damage insurance**” means insurance against loss of or damage to property that is not included in or incidental to some other class of insurance defined by or under this Act;
- (ccc) “**provincial insurer**” means an insurer incorporated under the laws of Saskatchewan and not authorized to carry on business pursuant to the *Insurance Companies Act* (Canada);
- (ccc.1) “**reciprocal contract**” means a reciprocal contract of indemnity or inter-insurance;
- (ccc.2) “**reciprocal insurance exchange**” means a group of subscribers exchanging reciprocal contracts of indemnity or inter-insurance with each other through the same attorney;
- (ddd) “**public liability insurance**” means insurance against loss or damage to the person or property of others that is not included in or incidental to some other class of insurance defined by or under this Act;
- (eee) “**registrar**” means the Registrar of Joint Stock Companies;
- (fff) “**sickness insurance**” means insurance by which the insurer undertakes to pay insurance money in the event of sickness of the person or persons insured, but does not include disability insurance;
- (ggg) “**sprinkler leakage insurance**” means insurance against loss of or damage to property through the breakage or leakage of sprinkler equipment or any other fire protection system, or of pumps, water pipes or plumbing and its fixtures;
- (ggg.1) “**subscriber**” means a person who exchanges a reciprocal contract with one or more persons;
- (hhh) “**superintendent**” means the Superintendent of Insurance and includes the Deputy Superintendent of Insurance;
- (iii) “**theft insurance**” means insurance against loss or damage through theft, wrongful conversion, burglary, housebreaking, robbery or forgery;
- (jjj) “**title insurance**” means insurance against loss or liability for loss due to the invalidity of the title to any property or of any instrument, or to any defect in such title or instrument;
- (kkk) “**upon proof**”, as applied to any matter connected with the licensing of an insurer or other person, means upon proof to the satisfaction of the superintendent;
- (lll) “**weather insurance**” means insurance against loss or damage through windstorm, cyclone, tornado, rain, hail, flood or frost, but does not include hail insurance;

(mmm) “**workmen’s compensation insurance**” means insurance of an employer against the cost of compensation prescribed by statute for bodily injury, disability or death of a workman through accident or disease arising out of or in the course of his employment.

(2) Notwithstanding any other provision of this Act or the regulations or of any other Act or law, if, pursuant to *The Financial and Consumer Affairs Authority of Saskatchewan Act*, the Financial and Consumer Affairs Authority of Saskatchewan is assigned the performance of all or any of the responsibilities imposed on the superintendent and the exercise of all or any of the powers given to the superintendent by this Act or the regulations:

(a) any reference with respect to those responsibilities or powers in this Act or the regulations to the superintendent is to be interpreted as a reference to the Financial and Consumer Affairs Authority of Saskatchewan; and

(b) this Act and the regulations are to be interpreted subject to the provisions of *The Financial and Consumer Affairs Authority of Saskatchewan Act*.

R.S.S. 1965, c.143, s.2; 1968, c.64, s.2; 1970, c.59, s.2; R.S.S. 1978, c.S-26, s.2; 1984-85-86, c.82, s.3; 1986-87-88, c.55, s.3; 2002, c.S-17.2, s.31; 2003, c.38, s.3; 2012, c.F-13.5, s.56; 2018, c.42, s.65.

**Certain annuities deemed always to have been life insurance**

**2.1** An undertaking described in subclause 2(kk)(vii) is deemed always to have been life insurance.

1984-85-86, c.82, s.4.

**PART I**

**Superintendent and his duties**

**SUPERINTENDENT OF INSURANCE**

**Appointment, powers and duties of superintendent and deputy superintendent**

**3(1)** There may be appointed an officer to be called the Superintendent of Insurance, who shall have general supervision of the business of insurance within Saskatchewan and shall see that the laws relating to the conduct thereof are enforced and obeyed and shall examine and report to the minister from time to time upon all matters connected with insurance.

(2) There may also be appointed an officer to be called the Deputy Superintendent of Insurance, who shall act as superintendent during the absence or inability of the superintendent and shall perform such other duties as are assigned to him by this Act, by the Lieutenant Governor in Council, by the minister or by the superintendent.

R.S.S. 1965, c.143, s.3; R.S.S. 1978, c.S-26, s.3.

**Information or material**

**3.1(1)** At any time, the superintendent may direct a person to provide the superintendent with any information or material the superintendent reasonably requires for the purposes of this Act and the regulations.

(2) The superintendent may determine a reasonable time within which a person shall provide the information or materials directed to be provided pursuant to subsection (1).

1998, c.35, s.3.

**Evidence**

**4** For the purpose of his duties under this Act the superintendent may require to be made and may take and receive affidavits, statutory declarations and depositions, and may examine witnesses under oath; and he shall have the same powers to summon officers of corporations, receivers and liquidators and other persons to attend as witnesses, to enforce their attendance, and to compel them to produce books, documents and things and to give evidence as the court has in civil cases.

R.S.S. 1965, c.143, s.4; R.S.S. 1978, c.S-26, s.4.

**Oaths**

**5** An oath required by this Act to be taken may be administered by the superintendent or by any person authorized to administer oaths in Saskatchewan.

R.S.S. 1965, c.143, s.5; R.S.S. 1978, c.S-26, s.5.

**Actions by superintendent**

**6** The superintendent may bring actions and institute proceedings in his name of office for the enforcement of any of the provisions of this Act or for the recovery of fees and penalties payable hereunder.

R.S.S. 1965, c.143, s.6; R.S.S. 1978, c.S-26, s.6.

**Actions on behalf of consumers**

**6.1(1)** The superintendent may do any of the things mentioned in subsection (2) if:

(a) the superintendent is satisfied that, with respect to a transaction involving the products or services of an insurer, agent or adjuster, a consumer has:

- (i) a cause of action;
- (ii) a defence to an action;
- (iii) grounds for setting aside a default judgment; or
- (iv) grounds to appeal or contest a judgment;

(b) the superintendent considers that the conduct of the insurer, agent, or adjuster involved or any of its agents or representatives was misleading, unconscionable or deceptive; and

(c) the superintendent obtains the written consent of the consumer and the consent of the minister.

- (2) In the circumstances mentioned in subsection (1), the superintendent, on behalf of a consumer, may, with a view to enforcing or protecting the consumer's rights respecting a contravention or suspected contravention of this Act or the regulations:
- (a) institute or assume the conduct of any proceedings; or
  - (b) defend any proceedings.
- (3) With respect to proceedings mentioned in subsection (2):
- (a) the superintendent, on behalf of the consumer, has the same rights in and control over the proceedings that the consumer has, including the right to settle all or part of any action;
  - (b) the superintendent may conduct the proceedings in any manner that the superintendent considers appropriate, without being required to consult the consumer or obtain any additional consents;
  - (c) any money, other than costs, recovered by the superintendent is the property of the consumer and shall be paid to the consumer;
  - (d) in the case of costs awarded against:
    - (i) the insurer, agent or adjuster, the costs are the property of the superintendent and shall be paid to the superintendent; or
    - (ii) the consumer or the superintendent, the superintendent shall pay the costs.
- (4) If a party to proceedings mentioned in this section files a counterclaim and the counterclaim is not related to the proceedings, the court, on the application of the superintendent:
- (a) shall order that the counterclaim be heard separately and that the consumer be made a party to the counterclaim in the consumer's own right; and
  - (b) may make any other order respecting the counterclaim that the court considers appropriate.

1998, c.35, s.4.

**Right to receive notices**

- 6.2(1)** Unless exempted from doing so in the regulations, no provincial insurer shall fail to immediately inform the superintendent in writing of any action or proceeding brought with respect to the provincial insurer.
- (2) The superintendent is entitled to appear and to be heard, in person or by counsel, in any action or proceeding mentioned in subsection (1).
- (3) No provincial insurer shall fail to provide the superintendent with a copy of any order or judgment of the court within one day after the order or judgment is made.

1998, c.35, s.4.



**Officials not to be shareholders**

7 The superintendent, the deputy superintendent, or any officer or clerk in the office of the superintendent, shall not directly or indirectly be interested as a shareholder in any insurance company doing business in Saskatchewan.

R.S.S. 1965, c.143, s.7; R.S.S. 1978, c.S-26, s.7.

## RECORDS

**Records of superintendent**

8(1) The superintendent shall keep the following records:

(a) a record of all licences issued to insurers pursuant to this Act, in which shall appear the name of the insurer, the address of the head office, the address of the principal office in Canada, the name and address of the chief office or general agent in Saskatchewan, the number of the licence issued, particulars of the classes of insurance for which the insurer is licensed, and such other information as the superintendent deems necessary;

(b) **Repealed.** 2003, c.38, s.5.

(c) a record of all licences issued pursuant to this Act.

(2) The records required by this section to be kept shall be open to inspection in the office of the superintendent by any person upon payment of the prescribed fee.

R.S.S. 1965, c.143, s.8; R.S.S. 1978, c.S-26, s.8;  
2003, c.38, s.5.

**Notice of suspension, etc., of licence**

9 The superintendent shall cause to be published in *The Saskatchewan Gazette* the name of any insurer whose licence has been suspended, revived or cancelled, together with the date of such suspension, revival or cancellation.

R.S.S. 1965, c.143, s.9; R.S.S. 1978, c.S-26, s.9.

**Certificate of superintendent is evidence of licence, etc.**

10 A certificate under the hand and seal of office of the superintendent that on a stated day:

(a) an insurer, agent or other person mentioned therein was or was not licensed under this Act;

(b) a licence was issued to an insurer, agent or other person; or

(c) the licence of an insurer, agent or other person was suspended, cancelled, revived or reinstated;

shall be *prima facie* evidence of the facts stated in the certificate.

R.S.S. 1965, c.143, s.10; R.S.S. 1978, c.S-26, s.10.

**Restrictions on access to records**

**10.1(1)** Notwithstanding *The Freedom of Information and Protection of Privacy Act*, any information submitted or provided to the superintendent or obtained by an audit, examination, investigation or inspection pursuant to this Act is not open to inspection or available for access except by:

- (a) those members of the public service of Saskatchewan employed in the office of the superintendent whose responsibilities require them to inspect or allow them to have access to the information; or
  - (b) those persons who are authorized in writing by the superintendent to inspect or to have access to the information.
- (2) Unless authorized by this Act or by any other law or with the consent of the person to whom any information relates, no member of the public service of Saskatchewan employed in the office of the superintendent and no person authorized by the superintendent to inspect or have access to the information shall:
- (a) communicate or allow to be communicated any information obtained pursuant to this Act to any person who is not legally entitled to the information; or
  - (b) allow any person who is not legally entitled to the information obtained pursuant to this Act to inspect or have access to it.
- (3) Notwithstanding subsections (1) and (2), the superintendent may authorize the release of, inspection of or access to, the information mentioned in those subsections to or by any person employed by a government or regulatory authority inside or outside Canada or to a compensation association where:
- (a) the information will be used solely for the purpose of administering or enforcing an Act or law of Saskatchewan, of Canada, or of another jurisdiction inside or outside Canada;
  - (b) the release, inspection or access is pursuant to an agreement made pursuant to section 10.2; or
  - (c) the superintendent believes that it is in the public interest to allow the release, inspection or access.
- (4) Notwithstanding subsections (1) and (2), the superintendent may authorize the release of, inspection of or access to, the information mentioned in those subsections to or by a law enforcement agency or investigative body inside or outside Canada where:
- (a) the information will be used solely for the purpose of enforcing an Act or law of Saskatchewan, of Canada or of another jurisdiction inside or outside Canada;
  - (b) the release, inspection or access is pursuant to an agreement made pursuant to section 10.2; or
  - (c) the superintendent believes that it is in the public interest to allow the release, inspection or access.

- (5) Notwithstanding subsections (1) and (2), the superintendent may authorize the release of, inspection of or access to, the information mentioned in those subsections to or by an insurance council, or its employees, or an equivalent body in another jurisdiction, or its employees, where:
- (a) the information will be used solely for the purpose of administering or enforcing this Act or any Act or law of another jurisdiction similar to this Act;
  - (b) the release, inspection or access is pursuant to an agreement made pursuant to section 10.2; or
  - (c) the superintendent believes that it is in the public interest to allow the release, inspection or access.
- (6) No person to whom information is provided pursuant to this section is compellable to give evidence concerning that information unless:
- (a) the person to whom the information relates consents; or
  - (b) a court orders the evidence to be given.
- (7) On an application for an order pursuant to clause (6)(b):
- (a) the superintendent and the person to whom the information relates are entitled to appear before the court and to make submissions; and
  - (b) the person seeking the order compelling the evidence has the onus of showing why it is in the public interest that the order be made.

1998, c.35, s.5.

**Agreements with other jurisdictions**

**10.2** Subject to the approval of the Lieutenant Governor in Council, the superintendent may enter into an agreement with any other government, regulatory authority, compensation association, law enforcement agency, investigative body, insurance council or person inside or outside Canada:

- (a) for the purpose of administering or enforcing this Act or any Act or law of the other jurisdiction that is similar to this Act, including an agreement authorizing the superintendent to perform responsibilities and exercise powers on behalf of the other government, regulatory authority, compensation association, law enforcement agency, investigative body, insurance council or person and authorizing the other government, regulatory authority, compensation association, law enforcement agency, investigative body, insurance council or person to perform responsibilities and exercise powers on behalf of the superintendent; or
- (b) for any other purpose that the superintendent believes is in the public interest.

1998, c.35, s.5.

**Appointment of representatives**

**10.3(1)** The superintendent may appoint any person to carry out any responsibility imposed on the superintendent pursuant to this Act or to exercise any power conferred on the superintendent pursuant to this Act.

(2) The exercise of any of the superintendent's powers or the carrying out of any of the superintendent's responsibilities by a person to whom they are delegated is deemed to be the exercise or the carrying out by the superintendent.

1998, c.35, s.5.

**Experts**

**10.4(1)** The superintendent may retain any person the superintendent considers to be an expert in a field of knowledge to assist the superintendent in carrying out the superintendent's responsibilities or in exercising the superintendent's powers pursuant to this Act.

(2) The superintendent may apply to the court for an order directing any insurer to pay the costs, fees and expenses of an expert retained pursuant to subsection (1).

(3) On an application pursuant to subsection (2), the court may make any order respecting the payment of costs, fees and expenses that the court considers appropriate.

1998, c.35, s.5.

**DUTIES RESPECTING LICENCES****Superintendent to determine right of insurer to be licensed**

**11** The duty of determining the right of any insurer to be licensed under this Act shall devolve upon the superintendent subject to appeal as provided by section 24, but nothing in this section affects the right of the Lieutenant Governor in Council or of the minister to suspend or cancel any licence in the exercise of his authority under this Act.

R.S.S. 1965, c.143, s.11; R.S.S. 1978, c.S-26, s.11.

**Decision of superintendent**

**12(1)** Every decision of the superintendent upon an application for a licence shall be in writing and notice thereof shall be forthwith given to the applicant.

**Certified copy of**

(2) The applicant or any person interested shall be entitled to a certified copy of the decision.

**Stenographic report of evidence**

(3) The evidence and proceedings in any matter before the superintendent may be reported by a stenographer sworn before the superintendent to report the same faithfully.

R.S.S. 1965, c.143, s.12; R.S.S. 1978, c.S-26, s.12.

## INVESTIGATION OF INSURERS

**Failure to answer inquiries**

**13** The superintendent may direct to an insurer any inquiry touching the contracts or the financial affairs of the insurer and the insurer shall be bound to make prompt and explicit answer to such inquiry, and in case of refusal or neglect to answer is guilty of an offence.

R.S.S. 1965, c.143, s.13; R.S.S. 1978, c.S-26, s.13.

**Superintendent to have access to books, etc., of an insurer**

**14** The superintendent or any person authorized under his hand or seal of office shall, at all reasonable times, have access to all the books, securities and documents of an insurer that relate to contracts of insurance, and any officer, general agent or person in charge, possession, custody or control of such books, securities or documents who refuses or neglects to afford such access is guilty of an offence.

R.S.S. 1965, c.143, s.14; R.S.S. 1978, c.S-26, s.14.

**Duty to furnish information on request**

**15** It shall be the duty of the officers and agents of a licensed insurer, and of persons licensed hereunder, to furnish the superintendent on his request with full information relative to any contract of insurance issued by the insurer that is made or deemed to be made in Saskatchewan or to the application for such contract, the amount of the premium and the commission paid or payable to the agent, or relative to any settlement or adjustment under such contract.

R.S.S. 1965, c.143, s.15; R.S.S. 1978, c.S-26, s.15.

**Superintendent may require insurer to file copy of policy, etc.**

**16(1)** The superintendent may require an insurer to file with him a copy of any form of policy, or form of application for a policy, or any endorsement used or to be used with regard to any policy as issued or to be issued by the insurer.

**Power to prohibit issuance of policy, etc.**

(2) The superintendent shall report to the minister any case where an insurer issues a policy or endorsement or uses an application that in the opinion of the superintendent is unfair, fraudulent or not in the public interest, and, after hearing the insurer, the minister may, if he concurs in the report, order the superintendent to prohibit the insurer from issuing such form of policy or application or endorsement.

**Consequence of disregarding prohibition**

(3) An insurer that, after being so prohibited, issues any such policy or endorsement, or uses such application is guilty of an offence against this Act.

R.S.S. 1965, c.143, s.16; R.S.S. 1978, c.S-26, s.16.

**Inspection of certain insurers**

**17(1)** The superintendent shall:

- (a) visit personally or cause to be visited at least once in every year, the head office of every licensed provincial insurer;

(b) inspect and examine or cause to be inspected and examined the condition and affairs of each insurer mentioned in clause (a); and

(c) report to the minister on the condition and affairs of each insurer mentioned in clause (a) with respect to all matters that the superintendent considers as requiring the minister's attention and decision.

(1.1) Notwithstanding subsection (1), if the superintendent considers that the circumstances respecting any insurer warrant less frequent visits, inspections and examinations, the superintendent may make any visit, inspection and examination required by this section, or cause any visit, inspection and examination required by this section to be made less frequently than annually but not less frequently than once in every three years.

**Same**

(2) Where the superintendent deems it necessary and expedient to make an examination into the affairs of a licensed insurer other than a provincial insurer and so reports to the minister, the minister may, in his discretion, instruct the superintendent to visit the head office in Canada of such insurer to inspect and examine its affairs and to make such further inquiries as the minister may require.

**Duty of officers to facilitate examination**

(3) The officers or agents of the insurer shall cause the books and records of the insurer to be opened for the inspection of the superintendent and shall otherwise facilitate such examination so far as it is in their power.

**Expenses of examination in certain cases**

(4) Where the head office of an insurer at which an examination is made pursuant to subsection (2) is outside Saskatchewan, the insurer shall pay the account in connection with such examination upon the certificate of the superintendent approved by the minister.

R.S.S. 1965, c.143, s.17; R.S.S. 1978, c.S-26,  
s.17; 2003, c.38, s.6.

## SERVICE OF NOTICE OR PROCESS

**Service on superintendent**

**18** Where the head office of a licensed insurer is situated outside Saskatchewan, notice or process in any action or proceeding in Saskatchewan may be served upon the person appointed attorney of the insurer by a power of attorney filed pursuant to section 37.1, or, where no appointment of an attorney is then in effect, upon the superintendent by leaving two copies of each such notice or process in his office, or forwarding such copies to him by registered mail, and such service shall be deemed service upon the insurer in the case of a corporation and upon members of the insurer in the case of an unincorporated body or association.

R.S.S. 1965, c.143, s.18; R.S.S. 1978, c.S-26,  
s.18; 1998, c.35, s.6.

**Insurer to file address**

**19** Every licensed insurer shall file in the office of the superintendent notice of a post office address to which such notice or process may be forwarded by the superintendent, and shall from time to time notify the superintendent of any change in the address so filed.

R.S.S. 1965, c.143, s.19; R.S.S. 1978, c.S-26, s.19.

**Superintendent to forward notice or process**

**20** The superintendent shall, forthwith after the receipt of such notice or process, forward one copy thereof to the insurer by registered mail, postage prepaid, addressed in the manner last notified to him for this purpose by the insurer.

R.S.S. 1965, c.143, s.20; R.S.S. 1978, c.S-26, s.20.

**ANNUAL REPORT****Annual report**

**21(1)** The superintendent shall prepare an annual report for the minister from the annual returns filed by insurers and from any inspection or inquiries made.

(2) Every annual report prepared pursuant to this section must show the particulars of the business of each insurer as ascertained from each annual return filed by the insurer and each inspection and inquiry of the insurer.

(3) The minister may cause each annual report to be printed and published immediately after completion.

2003, c.38, s.7.

**Superintendent's power re annual report**

**22(1)** In the annual report prepared pursuant to section 21, the superintendent shall allow as assets only those investments of any provincial insurer or reciprocal insurance exchange that:

- (a) are authorized by this Act; or
- (b) were authorized by law at the time of their acquisition.

(2) In the annual report prepared pursuant to section 21, the superintendent:

- (a) shall make all necessary corrections in the annual return made by any insurer as provided by this Act; and
- (b) may increase or diminish the liabilities of any insurer to their true and correct amounts as ascertained by the superintendent in the examination of the affairs of the insurer.

2003, c.38, s.8.

**Appraisal of real estate**

**23(1)** If the superintendent believes, based on the annual return prepared and delivered to the superintendent by an insurer, that the value placed by any provincial insurer or reciprocal insurance exchange on any of its real estate is too great, the superintendent may:

- (a) require the insurer to secure an appraisal of that real estate by one or more competent valuers; or
- (b) obtain an appraisal of that real estate.

(1.1) If the superintendent obtains an appraisal pursuant to clause (1)(b), the insurer shall pay the cost of that appraisal and the cost of the appraisal is a debt due and owing to the Crown in right of Saskatchewan.

(1.2) If the appraised value of real estate stated in an appraisal obtained pursuant to subsection (1) varies materially from the statement made by the insurer in its annual return, the superintendent may substitute the appraised value of real estate stated in the appraisal in the annual report prepared pursuant to section 21.

**Appraisal of security**

(2) In like manner the superintendent may procure an appraisal of any parcel of land that constitutes the security for any loan; and if from the appraisal it appears that the parcel is not adequate security for the loan and accrued interest, he may reduce the value to such an amount as is fairly realizable from the security, in no case to exceed the appraised value, and may insert the reduced value in his report.

**Appraisal of other investments**

(3) In like manner the superintendent may make, or cause to be made, an appraisal of the security taken for any investments of the insurer; and if it appears that the value of the securities as shown on the books of the insurer is greater than its true value as shown by the appraisal he may reduce the book value thereof to such amount as is fairly realizable therefrom, and in no case to exceed the appraised value, and may insert the reduced amount in his annual report.

R.S.S. 1965, c.143, s.23; R.S.S. 1978, c.S-26, s.23; 2003, c.38, s.9.

**APPEAL FROM SUPERINTENDENT'S DECISION****Right of appeal**

**24(1)** Any person who is directly affected by an order or decision of the superintendent pursuant to this Act, other than an order or decision of the superintendent pursuant to subsection 466.1(7.11), (7.3) or (7.9), may appeal the order or decision to the court on a question of law only.

(2) An appeal pursuant to subsection (1) is to be commenced within 30 days after the decision or order was made by:

- (a) filing a notice of appeal with the court; and
- (b) at the time of filing a notice of appeal pursuant to clause (a), serving a copy of the notice of appeal on the superintendent.



- (3) An appeal does not stay the superintendent's order or decision unless the court orders otherwise.
- (4) On an appeal, the court may do all or any of the following:
- (a) uphold the superintendent's order or decision;
  - (b) overturn the superintendent's order or decision;
  - (c) refer the matter back to the superintendent for further consideration;
  - (d) make any order as to costs that the court considers appropriate.
- (5) Except where otherwise specifically provided, every order or decision of the superintendent is final, and no order or decision of the superintendent shall be questioned or reviewed, restrained or removed by prohibition, injunction, *certiorari*, mandamus or any other process or proceeding in any court.

1998, c.35, s.7.

## PART II General Provisions

### TRANSACTIONING INSURANCE

#### **Certain insurers deemed to be transacting insurance**

**25** Any person undertaking a contract of insurance that is made or deemed to be made in Saskatchewan, whether the contract is original or a renewal except the renewal from time to time of life insurance policies, shall be deemed to be transacting insurance in Saskatchewan and shall be subject to and comply with this Act.

R.S.S. 1965, c.143, s.25; R.S.S. 1978, c.S-26, s.25.

#### **Mutual benefit societies**

**25.1(1)** In this section, "**mutual benefit society**" means an entity formed for the purpose of providing sickness, disability or funeral benefits for its members.

- (2) This Act does not apply to a mutual benefit society if:
- (a) in the case of sickness or disability benefits, the mutual benefit society provides benefits not exceeding \$12 per week with respect to any one member; and
  - (b) in the case of funeral benefits, the mutual benefit society provides benefits not exceeding \$400 with respect to any one funeral.

2003, c.38, s.10.

#### **Reinsurance with unlicensed insurer**

**26** Subject to section 390, nothing in this Act prevents a licensed insurer that has lawfully effected a contract of insurance in Saskatchewan from reinsuring the risk or any portion thereof with any insurer transacting insurance outside Saskatchewan and not licensed under this Act.

R.S.S. 1965, c.143, s.26; R.S.S. 1978, c.S-26, s.26;  
2003, c.38, s.11.

## APPLICATION FOR FEDERAL STATUS

**Provincial insurer may apply for continuation as Canada corporation**

**27** A provincial insurer may, with the consent of the minister, apply for letters patent pursuant to the *Insurance Companies Act* (Canada) continuing it as if it were incorporated pursuant to an Act of the Parliament of Canada.

1973-74, c.99, s.1; R.S.S. 1978, c.S-26, s.27;  
2003, c.38, s.12.

## LICENCES

**Necessity for licence**

**28** No person shall transact insurance in Saskatchewan unless he is the holder of a subsisting licence under this Act as an insurer.

R.S.S. 1965, c.143, s.27; R.S.S. 1978, c.S-26,  
s.28.

**Insurers which may be licensed**

**29(1)** Subject to subsection (1.1), on due application and upon proof of compliance with this Act, the superintendent may, if in his opinion the applicant is suitable to be licensed and the proposed licensing is not for any reason objectionable, issue a licence to any insurer coming within one of the following classes:

- (a) joint stock insurance companies;
- (b) mutual insurance companies;
- (c) co-operative insurance companies;
- (d) fraternal societies;
- (e) **Repealed.** 2003, c.38, s.13.
- (f) companies or associations duly incorporated to undertake insurance contracts and not within any of the foregoing classes;
- (g) reciprocal insurance exchanges;
- (h) underwriters or syndicates of underwriters operating on the plan known as Lloyd's;
- (i) **Repealed.** 2003, c.38, s.13.

(1.1) A fraternal society is eligible for a licence pursuant to this Act only if:

- (a) the fraternal society is a fraternal benefit society that is authorized to commence and carry on business pursuant to the *Insurance Companies Act* (Canada); or

(b) the fraternal society, other than a fraternal benefit society mentioned in clause (a), holds a valid licence pursuant to this section on the date on which subsection 13(2) of *The Saskatchewan Insurance Amendment Act, 2003* comes into force.

**Classes of insurance**

(2) The licence may authorize the insurer to transact any one or more of the classes of insurance defined in section 2 and such other classes as may be defined by the regulations.

**Limited or conditional licence**

(3) The superintendent may, at the time a licence is issued pursuant to this Part or at any time after the licence is issued, impose any limitations and conditions on the licence and may amend, vary or repeal those limitations and conditions or impose new limitations and conditions.

R.S.S. 1965, c.143, s.28; 1970, c.59, s.3; R.S.S. 1978, c.S-26, s.29; 1986-87-88, c.55, s.4; 2003, c.38, s.13.

**Effect of licence**

**30** A licence issued pursuant to this Act authorizes the insurer named therein to transact the class or classes of insurance specified therein and exercise all rights and powers reasonably incidental thereto subject to its Act or instrument of incorporation or organization and this Act.

R.S.S. 1965, c.143, s.29; R.S.S. 1978, c.S-26, s.30.

**Conditions of automobile insurance licence**

**31(1)** A licence to carry on automobile insurance in Saskatchewan is subject to the following conditions:

(a) in any action in Saskatchewan against the licensed insurer or its insured arising out of an automobile accident in Saskatchewan, the insurer shall appear and shall not set up any defence to a claim under a contract made outside Saskatchewan, including any defence as to the limit or limits of liability under the contract, that might not be set up if the contract were evidenced by a motor vehicle liability policy issued in Saskatchewan.

(b) in any action in another province or territory of Canada against the licensed insurer, or its insured, arising out of an automobile accident in that province or territory, the insurer shall appear and shall not set up any defence to a claim under a contract evidenced by a motor vehicle liability policy issued in Saskatchewan, including any defence as to the limit or limits of liability under the contract, that might not be set up if the contract were evidenced by a motor vehicle liability policy issued in the other province or territory.

**Cancellation**

(2) A licence may be cancelled when the holder commits a breach of condition as set out in subsection (1).

1968, c.64, s.3; R.S.S. 1978, c.S-26, s.31.

**Scope of life insurance licence**

**32** Every insurer licensed to transact life insurance may, unless its licence expressly provides otherwise, issue annuities and endowments of all kinds and also include in any policy of life insurance, in respect of the same life or lives insured thereby, disability insurance and accidental death insurance.

R.S.S. 1965, c.143, s.31; R.S.S. 1978, c.S-26, s.32.

**Scope of fire insurance licence**

**33(1)** Every insurer licensed to transact fire insurance may, unless its licence expressly provides otherwise, insure any property in which the insured has an insurable interest against loss or damage by fire, lightning or explosion and may insure the same property against loss or damage from falling aircraft, earthquake, windstorm, tornado, hail, sprinkler leakage, riot, malicious damage, weather, water damage, smoke damage, civil commotion and impact by vehicles and any one or more perils falling within such other classes of insurance as are defined by the regulations.

**Insurance of automobiles against fire**

(2) Every insurer licensed to transact fire insurance may insure an automobile against loss or damage under a policy falling within Part IV of this Act; but in the case of a mutual insurance company transacting insurance exclusively on the premium note plan the automobile shall be specifically insured under a policy separate from that insuring other property.

R.S.S. 1965, c.143, s.32; R.S.S. 1978, c.S-26, s.33.

**Certain standards to be met**

**34(1)** Every insurer who is a licensee shall comply with the conditions, including conditions respecting solvency, capital and other financial standards, prescribed in the regulations.

(2) No insurer who applies for a licence is entitled to be issued a licence unless it has complied with the conditions, including conditions respecting solvency, capital and other financial standards, prescribed in the regulations.

R.S.S. 1978, c.S-26, s.34; 1986-87-88, c.55, s.5.

**Licences to insurers under assigned risk plan**

**35(1)** Where an assigned risk plan has been made and established by insurers transacting automobile public liability insurance or automobile property damage insurance in Saskatchewan, and has been approved as provided in section 188, a licence to transact such insurance in Saskatchewan shall not be granted to any such insurer that is not a party to, or a member of, or does not hold itself bound by, the assigned risk plan.

**Coming into force**

(2) Subsection (1) shall come into force on a day to be fixed by proclamation of the Lieutenant Governor.

R.S.S. 1965, c.143, s.35; R.S.S. 1978, c.S-26, s.35; 1980-81, c.83, s.47.

**Notice of application for licence**

**36** The superintendent may require such notice of the application for a licence to be given by publication in the Gazette and elsewhere as he deems necessary.

R.S.S. 1965, c.143, s.36; R.S.S. 1978, c.S-26, s.36.

**Documents to be filed by applicants for licences**

**37(1)** Before the issue of a licence to an insurer, the insurer, other than an insurer that is a reciprocal insurance exchange, shall file in the office of the superintendent the following documents:

- (a) a certified copy of the Act or other instrument of incorporation or association of the insurer and of its constitution and bylaws and regulations verified in a manner satisfactory to the superintendent;
- (b) a certified copy of the last financial statements of the insurer and auditor's report thereon;
- (c) if the head office of the insurer is outside Saskatchewan, notice of the place where the chief office of the insurer in Saskatchewan is to be situated.

(1.1) Before the issue of a licence to a reciprocal insurance exchange, the reciprocal insurance exchange shall file with the superintendent:

- (a) any information, document or declaration required by the superintendent; and
- (b) any other thing prescribed in the regulations.

**Further information to be furnished**

(2) Every insurer shall, on request, furnish such other information as the superintendent may require.

**Exception**

(3) Where the insurer is unincorporated or is authorized to carry on business pursuant to the *Insurance Companies Act* (Canada), the superintendent may dispense with the filing of any of the documents mentioned in subsection (1).

R.S.S. 1965, c.143, s.37; R.S.S. 1978, c.S-26, s.37;  
2003, c.38, s.15.

**Power of attorney**

**37.1(1)** Every licensed insurer that has its head office outside of Saskatchewan shall file with the superintendent an executed copy of a power of attorney appointing a person or persons resident in Saskatchewan to act as the insurer's attorney for the purposes of receiving:

- (a) service of process in all actions and proceedings against the insurer in Saskatchewan for any liability incurred by the insurer in Saskatchewan; and
- (b) all notices from the superintendent.

(2) The power of attorney must declare that service of process or notices mentioned in subsection (1) on the person or persons appointed attorney is legal and binding on the insurer.

(3) A copy, certified by the superintendent, of a power of attorney filed with the superintendent is admissible in evidence as conclusive proof, without proof of the office or signature of the superintendent, of the authority of the person or persons named in the power of attorney to act as the insurer's attorney for the purposes mentioned in subsection (1).

(4) Where the insurer changes its attorney, it shall, within seven days of the appointment, comply with subsection (1).

(5) After the power of attorney is filed, any process in any action or proceeding against the insurer for liability incurred in Saskatchewan may be validly served on the insurer or its attorney, but nothing in this section renders invalid service in any other modes in which the insurer may be lawfully served.

1998, c.35, s.8.

**38 Repealed.** 2003, c.38, s.16.

**39 Repealed.** 2003, c.38, s.16.

**Requirements to obtain licence**

**40** The superintendent shall not issue a licence to an insurer until the superintendent is satisfied that the insurer has met all the requirements of this Act.

2003, c.38, s.17.

**Form of licences**

**41** The licence shall be in such form as may be determined by the superintendent, and it shall specify the insurance that may be transacted by the insurer and shall expire five years after the day on which it is issued.

R.S.S. 1965, c.143, s.41; R.S.S. 1978, c.S-26, s.41; 1984-85-86, c.82, s.5.

**Notice of issue of licence**

**42** Every insurer on first obtaining a licence shall forthwith give notice thereof in two successive issues of the Gazette and shall give the like notice when it ceases to carry on business in Saskatchewan.

R.S.S. 1965, c.143, s.42; R.S.S. 1978, c.S-26, s.42.

**SUSPENSION OR CANCELLATION OF LICENCE**

**Power of superintendent to suspend or cancel licence**

**43(1)** The superintendent may suspend or cancel the licence of an insurer who fails to pay either of the following within 60 days:

- (a) an undisputed claim after the claim becomes due;
- (b) a disputed claim after final judgment and tender of a valid discharge.

**Same**

(2) The superintendent may, upon the suspension or cancellation of the licence of an insurer by any government in Canada, suspend or cancel the licence of that insurer under this Act.

R.S.S. 1965, c.143, s.43; R.S.S. 1978, c.S-26, s.43;  
2003, c.38, s.18.

**Insufficiency of assets to be reported by superintendent**

44(1) Where the superintendent finds that the assets of an insurer are insufficient to justify the continuance of the insurer in business or to provide proper security to persons effecting insurance with the insurer in Saskatchewan or that the insurer has failed to comply with any provision of law, or its charter, he shall so report to the minister.

**Suspension or cancellation of licence by Lieutenant Governor in Council**

(2) Where the minister, after consideration of the report and after hearing or giving notice of a hearing to the insurer, and upon any further investigation he thinks proper, reports to the Lieutenant Governor in Council that he concurs in the report of the superintendent, the Lieutenant Governor in Council may suspend or cancel the licence of the insurer.

**Issue of limited or conditional licence**

(3) Where the superintendent has so reported, the minister or the Lieutenant Governor in Council may direct the issue of such modified, limited or conditional licence as is deemed necessary for the protection of persons in Saskatchewan who have effected or effect contracts of insurance with the insurer.

R.S.S. 1965, c.143, s.44; R.S.S. 1978, c.S-26, s.44.

**Transacting insurance in foreign jurisdiction without authority**

45 Where the superintendent is satisfied that an insurer licensed under this Act is transacting insurance in a foreign jurisdiction without being first authorized to do so under the laws of that foreign jurisdiction, the Lieutenant Governor in Council may, upon the report of the superintendent, suspend or cancel the licence of the insurer.

R.S.S. 1965, c.143, s.45; R.S.S. 1978, c.S-26, s.45.

**Insurer to notify superintendent of certain actions**

45.1 No licenced insurer transacting insurance in a foreign jurisdiction shall fail to immediately notify the superintendent in writing of:

- (a) the suspension, cancellation or amendment of its authority to do business in any jurisdiction where it carries on business as an insurer; or
- (b) the imposition of any terms or conditions on, or the variation or modification of any terms or conditions imposed on, its authority to do business in any jurisdiction where it carries on business as an insurer.

1998, c.35, s.9; 2001, c.8, s.19.

**Insurer to cease business on suspension or cancellation of licence**

**46** Upon the suspension or cancellation of the licence of an insurer, the insurer shall cease to carry on business as an insurer in Saskatchewan except for the purpose of winding up its affairs in Saskatchewan and complying with this Act, but nothing in this section prejudicially affects any contract holder or creditor of the insurer.

R.S.S. 1965, c.143, s.46; R.S.S. 1978, c.S-26, s.46.

**Notice**

**47** The superintendent shall forthwith give notice in the Gazette of the suspension or cancellation of the licence of the insurer.

R.S.S. 1965, c.143, s.47; R.S.S. 1978, c.S-26, s.47.

**Revival of licence**

**48** If the licence of an insurer is suspended or cancelled pursuant to this Act, it may be revived if the insurer corrects the deficiency or remedies its default to the satisfaction of the minister.

2003, c.38, s.19.

**49 to 80 Repealed.** 2003, c.38, s.20.

## INVESTMENTS

**Investment of funds**

**81(1)** Subject to subsections (2) to (9), a provincial insurer may invest its funds or any portion thereof in:

**Government securities**

(a) the bonds, debentures, stocks or other evidences of indebtedness of or unconditionally guaranteed by:

- (i) the Government of Canada;
- (ii) any province of Canada;
- (iii) the United Kingdom; or
- (iv) the United States of America or any state thereof;

**Municipal and school securities**

(b) the bonds, debentures or other evidences of indebtedness of or unconditionally guaranteed by a municipal or school corporation in Canada;

(c) **Repealed.** 2001, c.23, s.7.



**Bonds, etc., of certain corporation**

(d) the bonds, debentures or other evidences of indebtedness of a corporation that has paid a dividend in each of the five years immediately preceding the date of investment at least equal to the specified annual rate upon all its preferred shares or a dividend in each year of a period of five years ended less than one year before the date of investment upon its common shares of at least 4% of the average value at which the shares were carried in the capital stock account of the corporation in the year in which the dividend was paid;

**Same**

(e) the bonds, debentures or other evidences of indebtedness issued by a corporation established and empowered pursuant to the laws of Canada, or a province thereof, to administer, regulate the administration of, provide or operate port, harbour, airport, bridge, highway, tunnel, transportation, communication, sanitation, water, electricity or gas services or facilities, and for any of those purposes to levy, impose or make taxes, rates, fees or other charges that may be used only in carrying out the objects of the corporation and are sufficient to meet its operating, maintenance and debt service charges;

**Preferred shares**

(f) the preferred shares of a corporation that has paid a dividend in each of the five years immediately preceding the date of investment at least equal to the specified annual rate upon all its preferred shares or a dividend in each year of a period of five years ended less than one year before the date of investment upon its common shares of at least 4% of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid;

**Mortgages on real estate**

(g) first mortgages on improved lands in Canada up to 60% of their value;

**Other securities**

(h) any other securities in which trustees are by law permitted to invest trust funds.

**Prohibitions and restrictions**

(2) A provincial insurer shall not invest its funds or any portion thereof in bonds, debentures, stocks or other evidences of indebtedness:

(a) where payment of principal or interest is in default;

(b) where the insurer would if it made an investment hold more than 10% of the total securities issued by any one of the corporations mentioned in clauses (1)(d), (e) and (f);

(c) where the total amount invested by the insurer in the securities of any one of the corporations mentioned in clauses (1)(b), (c), (d), (e) and (f) would if it made an investment exceed 5% of the insurer's total investment;

(d) where the total amount invested by the insurer under clause (1)(d), (e) or (f), or under any two or more of those clauses, would if it made an investment exceed 25% of the insurer's total investment;

(e) where the total amount invested by the insurer under clause (1)(g) or (h), or under both of those clauses, would if it made an investment exceed 25% of the insurer's total investment.

**Same**

(3) A provincial insurer shall not lend any of its funds to any director or officer thereof or to the spouse or any child of such director or officer except, in the case of an insurer undertaking contracts of life insurance, on the security of its own policies, nor shall an insurer lend any of its funds to a company if more than one-half of the shares of the capital stock of the company are owned by a director or officer of the insurer or the spouse or a child of a director or officer, or by any combination of such persons.

**Life insurance policies**

(4) A provincial insurer licensed to transact life insurance may invest or lend its funds or any portion thereof in the purchase of or on the security of policies of life insurance issued by the insurer.

**Real estate**

(5) A provincial insurer may acquire and hold for its own use and benefit real property necessary for the transaction of its business and may acquire or hold or construct a building larger than is required for the transaction of its business and may lease any part of the building not so required; provided that the total amount invested under this subsection does not exceed 5% of the insurer's total investment.

**Same**

(6) A provincial insurer may hold real property acquired by it by foreclosure or in satisfaction of a debt, and may sell, mortgage, lease or otherwise dispose of such property, but such insurer shall sell any such property within seven years after it has been so acquired.

**Additional security to secure repayment of liabilities**

(7) A provincial insurer may take any additional securities of any nature to further secure repayment of any liability thereto, or to further secure the sufficiency of any of the securities in or upon which the insurer is by this section authorized to invest or lend any of its funds.

**Constitution, bylaws, etc., to prevail**

(8) Where the Act or instrument of incorporation, or the constitution, bylaws or rules, of an insurer prescribe the securities in which its funds may be invested, nothing in this section enlarges the power of investment.

**Investments in corporate name only**

(9) All investments of the funds of an insurer shall be made in the name of the insurer, and no director or other officer thereof and no member of a committee having any authority in the investment or disposition of its funds shall accept or be the beneficiary of, either directly or indirectly, any fee, brokerage, commission, gift or other consideration for or on account of any loan, deposit, purchase, sale, payment or exchange made by or on behalf of the insurer, or be pecuniarily interested in any such loan, deposit, purchase, sale, payment or exchange, either as borrower, principal, co-principal, agent or beneficiary, except that if he is a policy holder he shall be entitled to all the benefits accruing under the terms of his contract.

**Deposit of uninvested funds**

(10) Uninvested funds of an insurer shall be kept on deposit in the name of the insurer in a post office savings bank or in a chartered bank of Canada.

**Same**

(11) Uninvested funds of a co-operative insurance company shall be kept on deposit in the name of the insurer in a post office savings bank, in a chartered bank of Canada, with a trust company authorized to receive money on deposit or with Saskatchewan Co-operative Credit Society Limited.

**Power of superintendent to require disposition of unauthorized investments**

(12) The superintendent may request any provincial insurer to dispose of and realize any of its investments not authorized by this Act, or by law at the time of their acquisition, and such insurer shall within 60 days after receiving such request absolutely dispose of and realize such investments, and if the amount realized therefrom is less than the amount paid by the insurer for the investments the directors who authorized the investment shall be jointly and severally liable for the payment to the insurer of the amount of the deficiency.

R.S.S. 1965, c.143, s.81; R.S.S. 1978, c.S-26, s.81;  
2001, c.50, s.14.

**BOOKS OF PROVINCIAL INSURERS****Books to be kept**

**82(1)** Every provincial insurer and every reciprocal insurance exchange shall keep the classification of its contracts and the registers and books of account that the superintendent may direct or authorize.

(1.1) If it appears to the superintendent that the classifications, registers or books mentioned in subsection (1) are not kept in a businesslike way so as to make at any time a proper showing of the affairs and standing of the insurer, the superintendent shall nominate an accountant to:

- (a) audit the classifications, registers or books; and
- (b) give those instructions that will enable the officers of the insurer to keep the classification, registers and books correctly.

(1.2) An accountant nominated pursuant to subsection (1.1) is to act pursuant to any direction of the superintendent.

**Expense of audit**

(2) The fees and expenses of the accountant, not exceeding an amount certified by the superintendent to be reasonable, and approved by the minister, shall be paid by the insurer forthwith after receipt from the superintendent of written notice of the amount.

R.S.S. 1965, c.143, s.82; R.S.S. 1978, c.S-26, s.82; 2003, c.38, s.21.

**Records**

**82.1** Every provincial insurer and reciprocal insurance exchange shall maintain, in Saskatchewan or in any other location that the superintendent may approve, records of any type that may be prescribed in the regulations.

1998, c.35, s.10; 2003, c.38, s.22.

**Share register**

**83** Where the insurer has a share capital, the share register or register of members shall at all reasonable times be open to the examination of the minister or superintendent.

R.S.S. 1965, c.143, s.83; R.S.S. 1978, c.S-26, s.83.

**83.1 Repealed.** 2003, c.38, s.23.

## RECORDS AND RETURNS

**84 Repealed.** 2003, c.38, s.24.

**85 Repealed.** 2003, c.38, s.24.

**Financial year**

**85.1(1)** Each insurer must designate one of the following in its bylaws as its financial year:

- (a) the period commencing on November 1 in one year and ending on October 31 in the following year;
- (b) the period commencing on January 1 in one year and ending on December 31 in the same year.

(2) If an insurer is issued an initial licence pursuant to section 29 after July 1 in any year, the first financial year of the insurer ends on either October 31 or December 31 in the following year, as designated by the insurer in its bylaws.

2003, c.38, s.25.

**Annual return re provincial insurers**

**86(1)** In this section, “**annual return**” means the annual return required by subsection (2).

(2) Within the period specified in subsection (3), every licensed provincial insurer must submit an annual return to the superintendent that meets the requirements of subsections (4) and (5).

(3) The annual return must be filed:

(a) in the case of a provincial insurer that is limited by the superintendent pursuant to subsection 29(3) to the reinsurance of risks, within 105 days after the end of the financial year to which the return relates; or

(b) in the case of any other provincial insurer, within 60 days after the end of the financial year with respect to which the return relates.

(4) The annual return must:

(a) be in a form acceptable to the superintendent;

(b) contain the following information:

(i) the provincial insurer’s name;

(ii) the address of the head office of the provincial insurer;

(iii) the names and residential addresses of its directors;

(iv) the names of its officers and auditor;

(v) the name and address of its attorney for service;

(vi) if the insurer’s records are held outside Saskatchewan pursuant to section 82.1, the address at which those records are located;

(c) set out the following:

(i) the assets, liabilities, revenues and expenditures of the provincial insurer for the financial year;

(ii) particulars of the business done in Saskatchewan during the financial year; and

(iii) any other information considered necessary by the superintendent; and

(d) be approved and signed by:

(i) the president, vice-president or managing director or other director appointed for the purpose by the board of directors of the insurer; and

(ii) the secretary or manager of the insurer.

- (5) The annual return must be accompanied by the following:
- (a) financial statements for the financial year to which the return relates;
  - (b) an auditor's report that:
    - (i) is conducted and prepared in accordance with this Act and the regulations; and
    - (ii) is satisfactory to the superintendent;
  - (c) if required by the superintendent, an actuary's report that:
    - (i) is conducted and prepared in accordance with this Act and the regulations; and
    - (ii) is satisfactory to the superintendent.

2003, c.38, s.26.

**Annual return re reciprocal insurance exchange**

**86.1(1)** Section 86 applies, with any necessary modification, to a licensed reciprocal insurance exchange.

(2) In addition to the information required pursuant to section 86, the annual return of a reciprocal insurance exchange must:

- (a) contain the name and address of the attorney for the reciprocal insurance exchange; and
- (b) set out the particulars respecting the reserve fund and guarantee fund maintained by the reciprocal insurance exchange.

2003, c.38, s.26.

**Standards of financial reporting**

**86.2(1)** Subject to subsection (2):

- (a) every financial statement prepared pursuant to this Act or the regulations must be prepared in accordance with generally accepted accounting principles published by Chartered Professional Accountants of Canada, as amended from time to time;
- (b) every auditor's examination conducted pursuant to this Act or the regulations must be conducted in accordance with generally accepted auditing standards published by Chartered Professional Accountants of Canada, as amended from time to time; and
- (c) every actuary's report prepared pursuant to this Act or the regulations must be prepared in accordance with accepted actuarial practices described in the Standards of Practice of the Canadian Institute of Actuaries, as amended from time to time.

(2) Any modification established by the superintendent to the principles, standards or practices mentioned in clauses (1)(a) to (c) must be taken into account in the preparation of the documents mentioned in clauses (1)(a) to (c).

2003, c.38, s.26; 2014, c.A-3.1, s.73.

**Audited financial statements to be provided to policyholders**

**86.3** On receipt of a written request from a policyholder who is resident in Saskatchewan, a licensed provincial insurer must provide the policyholder with a copy of the insurer's latest audited financial statements.

2003, c.38, s.26.

**Annual return re insurers other than provincial insurers and reciprocal insurance exchanges**

**87(1)** In this section, “**annual return**” means the annual return required by subsection (2).

(2) Every insurer licensed pursuant to this Act that is not a licensed provincial insurer or licensed reciprocal insurance exchange shall submit an annual return that sets out the particulars of the insurer's insurance business written in Saskatchewan during that year.

(3) The annual return must be filed:

(a) in the case of an insurer that is limited by the superintendent pursuant to subsection 29(3) to the reinsurance of risks, within 105 days after the end of the financial year to which the return relates; or

(b) in the case of any other insurer, within 60 days after the end of the financial year to which the return relates.

(4) The annual return must be submitted to:

(a) the superintendent; or

(b) any other government, regulatory authority or person named by the superintendent if:

(i) the superintendent has entered into an information sharing agreement with that government, regulatory authority or person pursuant to section 10.2; and

(ii) the superintendent has notified the insurer in writing that the annual return is to be submitted to that government, regulatory authority or person.

2003, c.38, s.27.

**Interim financial statements**

**87.1** Every insurer licensed pursuant to this Act shall, on request, provide the superintendent with interim financial statements:

(a) for the period specified by the superintendent;

(b) containing any information the superintendent considers necessary; and

(c) within the period specified by the superintendent.

2003, c.38, s.27.

**88 to 92 Repealed.** 2003, c.38, s.28.

**Advertised statement**

**93** A statement purporting to show the financial condition of an insurer differing from the financial condition shown by the statement filed with the superintendent shall not be published or circulated, and every insurer publishing such a statement is guilty of an offence.

R.S.S. 1965, c.143, s.93; R.S.S. 1978, c.S-26, s.93.

**Statements that financial standing guaranteed by Government prohibited**

**94** Every person who represents orally or in writing that the issue of a licence to an insurer or the printing or publication of an annual statement in the report of the superintendent or in any other publication issued by the superintendent, or any other circumstance of the supervision or regulation of the business of the insurer by law or the superintendent, is a warranty or guarantee of the financial standing of the insurer or of its ability to provide for the payment of its contracts at maturity, is guilty of an offence.

R.S.S. 1965, c.143, s.94; R.S.S. 1978, c.S-26, s.94.

**Reports**

**94.1(1)** Every licensed insurer shall prepare and deliver to the superintendent a report in any form and containing any information that may be prescribed in the regulations.

(2) A report mentioned in subsection (1) is to be submitted to the superintendent within the time required by the superintendent.

1998, c.35, s.12.

**RESERVES**

**95 Repealed.** 2003, c.38, s.29.

**Hail insurance profits**

**96** Every provincial insurer transacting hail insurance shall each year set aside as a hail insurance reserve at least 50% of the profit realized from such business during the year, until the amount of the reserve in any given year is equal to at least 50% of the net hail premiums written during the preceding calendar year, at which proportion the reserve shall be maintained.

R.S.S. 1965, c.143, s.96; R.S.S. 1978, c.S-26, s.96.



## PAYMENTS TO AGENTS

**Payment to agent deemed payment to insurer**

**97** Payment in cash in whole or in part to an agent of an insurer of the amount of a premium or assessment due in respect of a contract issued by the insurer, shall be deemed a payment to the insurer, notwithstanding any condition or stipulation to the contrary; but this provision does not apply to life insurance.

R.S.S. 1965, c.143, s.97; R.S.S. 1978, c.S-26, s.97.

## UNDERWRITERS AGENCIES

**Licence necessary**

**98(1)** An insurer shall not issue a policy of insurance through an underwriters agency unless the insurer is licensed to transact insurance and has obtained from the superintendent a licence to issue contracts of insurance through the agency.

**Form of policy**

(2) Every policy of insurance issued through an underwriters agency shall be in a form approved by the superintendent, and shall bear upon its face the name and address of the insurer in a prominent and conspicuous manner, and the name of the underwriters agency shall not appear on the face of the policy except as a counter signature thereto.

**Name on back**

(3) On no other part of the policy shall the name of the underwriters agency appear except that for identification purposes the words "issued through the \_\_\_\_\_ Underwriters Agency" may be printed on the filing back of the policy, following the name of the insurer and in type not larger than half the depth of that used in printing such name.

**Evidence of adoption of form by insurer**

(4) Upon an application for a licence under this section the insurer shall furnish to the superintendent evidence of its approval and adoption of the form of policy to be issued through the underwriters agency and of the authority of the underwriters agency or its agents to bind the insurer.

**Annual return**

(5) Every licensed insurer that issues policies of insurance through an underwriters agency shall file an annual return showing the insurance transacted through the underwriters agency in a form prescribed by the superintendent.

**Form of licence**

(6) The licence shall be in such form as may be determined by the superintendent, and it shall specify the insurance that may be transacted by the insurer and shall expire at midnight on December 31 in each year.

R.S.S. 1965, c.143, s.98; R.S.S. 1978, c.S-26, s.98.

## FORFEITURE OF CORPORATE POWERS

**Forfeiture of corporate powers upon non-user, etc.**

**99(1)** Where a provincial insurer does not go into actual operation within two years after incorporation, or where, after a provincial insurer has undertaken contracts, it discontinues business for one year, or where its licence remains suspended for one year, or where its licence is cancelled and a new licence is not obtained within the period of 60 days after the cancellation, the insurer's corporate powers shall *ipso facto* cease, except for the sole purpose of winding up its affairs; and the court, upon the application of the Attorney General or of any person interested, may limit the time within which the insurer shall settle and close its accounts, and may, for that purpose or for the purpose of liquidation generally, appoint a receiver.

**Rights of creditors preserved**

(2) No such forfeiture shall affect prejudicially the rights of creditors as they exist at the date of the forfeiture.

**Onus of proof**

(3) In any action or proceeding where such non-user is alleged, proof of user shall be upon the insurer.

R.S.S. 1965, c.143, s.99; R.S.S. 1978, c.S-26, s.99.

## FEES

**Fees**

**100(1)** The fees payable to the superintendent by an insurer or other person mentioned in this Act shall be as prescribed by the regulations.

**When payable**

(2) Such fees shall be paid before a licence is issued.

R.S.S. 1965, c.143, s.100; R.S.S. 1978, c.S-26, s.100.

## PART III

**Insurance Contracts in Saskatchewan**

## APPLICATION OF PART

**Application**

**101** Except where otherwise provided and where not inconsistent with any other provision of this Act, this Part applies to every contract of insurance made in Saskatchewan other than contracts of:

- (a) accident insurance and sickness insurance; and
- (b) life insurance.

R.S.S. 1965, c.143, s.10; R.S.S. 1978, c.S-26, s.101.

**Contracts deemed made in Saskatchewan**

**102(1)** Where the subject-matter of a contract of insurance is property or an insurable interest in property in Saskatchewan the contract, if signed, countersigned, issued or delivered in Saskatchewan or committed to the post office or to any person to be delivered to the insured, his assign or agent in Saskatchewan, shall be deemed to be a contract made in Saskatchewan, and the contract shall be construed according to the law thereof, and all moneys payable thereunder shall be paid at the head office or chief office of the insurer in Saskatchewan, in lawful money of Canada.

**Non-effect of agreement, etc., to the contrary**

(2) This section has effect notwithstanding any agreement, condition or stipulation to the contrary.

R.S.S. 1965, c.143, s.102; R.S.S. 1978, c.S-26, s.102; 2015, c.21, s.64.

## POLICY OF INSURANCE

**Terms, etc., invalid unless set out in full**

**103(1)** All the terms and conditions of the contract of insurance shall be set out in full in the policy or by writing securely attached to it when issued, and unless so set out no term of the contract or condition, stipulation, warranty or proviso modifying or impairing its effect shall be valid or admissible in evidence to the prejudice of the insured or any beneficiary.

**Exception**

(2) Subsection (1) does not apply to an alteration or modification of the contract agreed upon in writing by the insurer and the insured after the issue of the policy.

**Renewal**

(3) Where a contract, whether it does or does not provide for its renewal, is renewed by a renewal receipt, it shall be a sufficient compliance with subsection (1) if the terms and conditions of the contract were set out as provided by that subsection and the renewal receipt refers to the contract by its number or date.

**Application not part of contract**

(4) The application of the insured shall not, as against him, be deemed a part of or be considered with the contract of insurance except insofar as the court may determine that it contains a material misrepresentation by which the insurer was induced to enter into the contract.

**Certain terms, etc., prohibited**

(5) No contract of insurance shall contain or have endorsed upon it, or be made subject to, any term, condition, stipulation, warranty or proviso to the effect that the contract is to be avoided by reason of any statement in the application therefor or of any inducement to the insurer to enter into the contract, unless the term, condition, stipulation, warranty or proviso is limited to cases in which the statement is material to the contract, and no contract shall be avoided by reason of the inaccuracy of any such statement unless it is material to the contract.

**Materiality a question of fact**

(6) The question of materiality in any contract of insurance shall be a question of fact for the jury, or for the court if there is no jury; and no admission, term, condition, stipulation, warranty or proviso to the contrary contained in the application for insurance, or in the instrument of contract, or in any agreement or document relating thereto shall have any force or validity.

**Statutory conditions not affected**

(7) Nothing in this section impairs the effect of any statutory condition required by this Act to be inserted in a contract of insurance.

R.S.S. 1965, c.143, s.103; R.S.S. 1978, c.S-26, s.103; 2015, c.21, s.64.

**Copy of application**

**104** Every insurer shall upon request furnish to the insured a true copy of his application for insurance.

R.S.S. 1965, c.143, s.104; R.S.S. 1978, c.S-26, s.104.

**No contract inconsistent with Act**

**105** No insurer shall make a contract of insurance inconsistent with the provisions of this Act.

R.S.S. 1965, c.143, s.105; R.S.S. 1978, c.S-26, s.105.

**Imperfect compliance**

**106** An Act or omission of the insurer resulting in imperfect compliance with any of the provisions of this Act does not render a contract invalid as against the insured.

R.S.S. 1965, c.143, s.106; R.S.S. 1978, c.S-26, s.106.

**Contents of policy**

**107(1)** Every policy shall contain the name of the insurer, the name of the insured, the name of the person or persons to whom the insurance money is payable, the amount, or the method of determining the amount, of the premium for the insurance, the subject-matter of the insurance, the indemnity for which the insurer may become liable, the event on the happening of which the liability is to accrue, the date upon which the insurance takes effect and the date it terminates or the method by which the latter is fixed or to be fixed.

(2) This section does not apply to contracts of guarantee insurance.

R.S.S. 1965, c.143, s.107; 1968, c.64, s.5; R.S.S. 1978, c.S-26, s.107; 2015, c.21, s.64.

**Application**

**108(1)** This section applies to a contract, other than a contract of hail insurance, containing a condition, statutory or otherwise, providing for an appraisal to determine specified matters in the event of a disagreement between the insured and the insurer.

**Appraisals**

(2) The insured and the insurer shall each appoint an appraiser, and the two appraisers so appointed shall appoint an umpire.

**Appraisers**

(3) The appraisers shall determine the matters in disagreement and, if they fail to agree, they shall submit their differences to the umpire, and the finding in writing of any two determines the matters.

**Costs**

(4) Each party to the appraisal shall pay the appraiser appointed by him and shall bear equally the expense of the appraisal and the umpire.

**Appointment by judge**

(5) Where:

- (a) a party fails to appoint an appraiser within seven clear days after being served with written notice to do so;
- (b) the appraisers fail to agree upon an umpire within 15 days after their appointment; or
- (c) an appraiser or umpire refuses to act or is incapable of acting or dies;

a judge of the Court of Queen's Bench sitting at the judicial centre nearest to the place where the appraisal is to be made may appoint an appraiser or umpire, as the case may be, upon the application of the insured or of the insurer.

1968, c.64, s.6; R.S.S. 1978, c.S-26, s.108; 1979-80, c.92, s.88; 2018, c.42, s.65.

**Relief from forfeiture**

**109** Subject to section 109.1, 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 considers 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 considers just.

1968, c.64, s.6; R.S.S. 1978, c.S-26, s.109; 1982, c.16, s.57; 1998, c.35, s.13.

**Relief from forfeiture on surety bond**

**109.1** Failure to provide notice of a claim within the time required by a surety bond constitutes, in the absence of evidence to the contrary, non-compliance and not imperfect compliance for the purposes of relief against forfeiture or avoidance as described in section 109.

1998, c.35, s.14.

**How policy payable**

**110** Insurance money is payable in Saskatchewan in lawful money of Canada.

1968, c.64, s.6; R.S.S. 1978, c.S-26, s.110.

**Waiver of term or condition**

**111(1)** 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 a person authorized for that purpose by the insurer.

**Appraisal acts not waiver**

(2) Neither the insurer nor the insured shall be deemed to have waived any term or condition of a contract by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs or to the investigation or adjustment of any claim under the contract.

1968, c.64, s.6; R.S.S. 1978, c.S-26, s.111.

**Effect of delivery of policy**

**112(1)** Where the policy has been delivered the contract shall be as binding on the insurer as if the premium had been paid, although it has not in fact been paid, and although delivered by an officer or agent of the insurer who had not authority to deliver it.

**Suit for premium**

(2) The insurer may sue for the unpaid premium and may deduct the amount thereof from the amount for which he is liable under the contract of insurance.

**Termination of contract**

(3) Where a cheque, bill of exchange or promissory note is given, whether originally or by way of renewal, for the whole or part of any premium and the cheque, bill of exchange or promissory note is not honoured according to its tenor, the insurer may terminate the contract forthwith by giving written notice by registered mail.

R.S.S. 1965, c.143, s.108; 1970, c.59, s.4; R.S.S.  
1978, c.S-26, s.112.

## LOSS UNDER POLICY

**Insurer to furnish forms**

**113(1)** Every insurer, immediately upon receipt of a request, and in any event not later than 60 days after receipt of notice of loss, shall furnish to the insured or person to whom the insurance money is payable forms upon which to make the proof of loss required under the contract.

**Offence**

(2) Every insurer that fails to comply with subsection (1) is guilty of an offence.

**Furnishing forms not an admission of contract, etc.**

(3) The furnishing by an insurer of forms to make proof of loss shall not be taken to constitute an admission by the insurer that a valid contract is in force or that the loss in question falls within the insurance provided by the contract.

R.S.S. 1965, c.143, s.109; 1970, c.59, s.5; R.S.S. 1978, c.S-26, s.113.

**When action may be brought under contract**

**114** No action shall be brought for the recovery of money payable under a contract of insurance until the expiration of sixty days, or such shorter period as may be fixed by the contract, after proof, in accordance with the provisions of the contract, of:

- (a) the loss; or
- (b) the happening of the event upon which the insurance money is to become payable.

R.S.S. 1965, c.143, s.110; R.S.S. 1978, c.S-26, s.114.

**Consolidation of actions**

**115(1)** Where several actions are brought for the recovery of money payable under a contract or contracts of insurance the court may consolidate or otherwise deal therewith so that there shall be but one action for and in respect of all the claims made in such actions.

**Where infants entitled to insurance money**

(2) Where an action is brought to recover the share of one or more infants, all the other infants entitled, or the trustees, executors or guardians entitled, to receive payment of the shares of such other infants, shall be made parties to the action, and the rights of all the infants shall be determined in one action.

**Apportionment of insurance money**

(3) In all actions where several persons are interested in the insurance money the court or judge may apportion among the persons entitled any sum directed to be paid, and may give all necessary directions and relief.

**Payment to payee domiciled or resident abroad**

(4) Where the person entitled to receive money due and payable under any contract of insurance, except insurance of the person, is domiciled or resides in a foreign jurisdiction and payment, valid according to the law of such jurisdiction, is made to such person, such payment shall be valid and effectual for all purposes.

R.S.S. 1965, c.143, s.111; R.S.S. 1978, c.S-26, s.115.

**Payment into court**

**116(1)** Where an insurer cannot obtain a sufficient discharge for insurance money for which it admits liability, the insurer may apply to the court without notice for an order for the payment thereof into court, and the court may order the payment into court to be made upon such terms as to costs and otherwise as the court directs, and may provide to what fund or name the amount shall be credited.

**Discharge to insurer**

(2) The receipt of the registrar or other proper officer of the court shall be sufficient discharge to the insurer for the insurance money shall be dealt with according to the orders of the court.

R.S.S. 1965, c.143, s.112; R.S.S. 1978, c.S-26, s.116; 2018, c 42, s.65.

## NOTICES

**Notices, how given**

**117(1)** Subject to any statutory condition, any notice given by an insurer for any of the purposes of this Act, when the mode thereof is not otherwise expressly provided, may be given in the case of a member or person insured by mailing it to his post office address given in his original application for insurance or otherwise notified in writing to the insurer.

**Same**

(2) Subject to any statutory condition, delivery of any written notice to an insurer for any of the purposes of this Act, where the mode thereof is not otherwise expressly provided, may be by letter delivered at the chief office of the insurer in Saskatchewan, or sent by registered mail addressed to the insurer, its manager or agents at such chief office or to an authorized agent of the insurer.

R.S.S. 1965, c.143, s.113; R.S.S. 1978, c.S-26, s.117.

## INSURANCE AS COLLATERAL SECURITY

**Insurance clauses in financing agreements**

**118(1)** Where a contract of insurance is given as security to a lender, or where the contract of insurance given as security is about to expire, a term in the agreement between the lender and the borrower requiring the borrower to insure is sufficiently satisfied, except as to amount, by the borrower's production of a subsisting policy of insurance issued by an insurer licensed in Saskatchewan, whether or not a specific insurer is named in the agreement.



- (2) No person shall, directly or indirectly, require, as a condition precedent to any financing agreement or as a condition prerequisite for the renewal or extension of any financing agreement, that the borrower must negotiate, take out or pay the premium for a policy of insurance with a specified insurer or with any one or more of a designated group of the insurers licensed in Saskatchewan.
- (3) The lender is to be named in the policy produced pursuant to subsection (1) as payee by assignment, endorsement or otherwise, and the lender may require the insurer to attach an endorsement to the policy evidencing that:
- (a) no act or default of the insured before or after the production of the policy in violation of the law or of the terms of the policy prejudices the right of the lender to recover its interest under the policy or is available to the insurer as a defence to any action by the lender; and
  - (b) where the insurer pays to the lender any sum for loss under the policy and claims that as to the insured no liability exists, the insurer:
    - (i) is at once legally subrogated to all rights of the lender under the financing agreement for the balance of money owing to the extent of that payment; or
    - (ii) may, at its option, pay to the lender the whole amount owing to the lender under the financing agreement and receive a full assignment and transfer of the financing agreement and any securities held as collateral to that agreement.
- (4) Nothing in clause (3)(b) is to be construed so as to impair the rights of the lender to recover in priority the full amount of its claim.
- (5) The lender may take out or pay the premium for the policy of insurance or renewal to the amount agreed with any insurer licensed in Saskatchewan where the borrower:
- (a) has not placed the insurance that was agreed to be given as security in the financing agreement and has not lodged the policy with the lender within the agreed time; or
  - (b) in the case of a subsisting policy, has not renewed the policy or has not substituted another policy and lodged it with the lender at least 10 days before the expiry date of the subsisting policy in accordance with this section.
- (6) Where the lender has placed the contract of insurance in accordance with this section, the lender shall immediately provide to the borrower a copy of that contract of insurance.
- (7) This section has effect notwithstanding any agreement, condition or stipulation to the contrary.

### CONTRACTS COUNTERSIGNED BY AGENTS

#### Agents to sign contracts

**119(1)** No insurer shall undertake a contract of fire or hail insurance upon property situated in Saskatchewan or described as situated therein, unless the contract, completed in accordance with this Act, is signed or countersigned by a licensed agent who is resident in Saskatchewan and who is to receive the commission or some part thereof when the premium stipulated in the contract is paid.

#### Exception

(2) Where the policy is issued upon an application procured and submitted to the insurer and signed by the agent, it need not be signed or countersigned by him.

#### Same

(3) This section does not apply to insurance covering the rolling stock of railroad corporations of property in transit that is in the possession and custody of railroad corporations or other common carriers or to moveable property of common carriers used or employed by them in their business as such.

#### Same

(4) This section does not apply to that class of insurers commonly known as reciprocal insurance exchanges.

#### Offence

(5) An insurer that issues a contract of insurance except as mentioned in this section is guilty of an offence in respect of each contract of insurance so issued.

R.S.S. 1965, c.143, s.115; R.S.S. 1978, c.S-26,  
s.119; 2003, c.38, s.30.

### MISCELLANEOUS

#### Payment of refund to assignee in certain cases

**120(1)** Where an insured assigns the right to refund of premium that may accrue by reason of the cancellation or termination of a contract of insurance under the terms thereof and notice of the assignment is given by the assignee to the insurer, the insurer shall pay any such refund to the assignee notwithstanding any condition in the contract, whether prescribed under this Act or not, requiring the refund to be paid to the insured or to accompany any notice of cancellation or termination to the insured.

#### Statement by insurer

(2) Where the condition in the contract dealing with cancellation or termination by the insurer provides that the refund shall accompany the notice of cancellation or termination, the insurer shall include in the notice a statement that in lieu of payment of the refund in accordance with the condition the refund is being paid to the assignee under this section.

R.S.S. 1965, c.143, s.116; R.S.S. 1978, c.S-26,  
s.120.

**Effect upon contracts of violation of law**

**121(1)** Unless the contract otherwise provides, a violation of any criminal or other law in force in Saskatchewan or elsewhere shall not, *ipso facto*, render unenforceable a claim for indemnity under a contract of insurance except where the violation is committed by the insured, or by another person with the consent of the insured, with intent to bring about loss or damage.

**Exception**

(2) In the case of a contract of life insurance this section applies only to disability insurance undertaken as part of the contract.

R.S.S. 1965, c.143, s.117; R.S.S. 1978, c.S-26, s.121.

**Right of action of judgment creditor against insurer in certain cases**

**122(1)** Where a judgment has been granted against a person with respect to liability against which the person is insured and the judgment has not been satisfied, the judgment creditor may recover, by action against the insurer, the lesser of:

- (a) the unpaid amount of the judgment; and
- (b) the amount that the insurer would have been liable under the policy to pay to the insured had the insured satisfied the judgment.

(1.1) The insurer has any defense against the claim of a judgment creditor made pursuant to subsection (1) that the insurer would have had against the insured had the insured satisfied the judgment.

**Exception**

(2) This section does not apply to contracts of automobile insurance.

R.S.S. 1965, c.143, s.118; 1998, c.35, s.17; R.S.S. 1978, c.S-26, s.122.

**Recovery by innocent persons**

**122.1(1)** If a contract contains a term or condition excluding coverage for loss or damage to property caused by a criminal or intentional act or omission of an insured or any other person, the exclusion applies only to the claim of a person:

- (a) whose act or omission caused the loss or damage;
- (b) who abetted or colluded in the act or omission;
- (c) who:
  - (i) consented to the act or omission; and
  - (ii) knew or ought to have known that the act or omission would cause the loss or damage; or
- (d) who is a member of any class of persons other than individuals.

(2) Nothing in subsection (1) allows a person whose property is insured under the contract to recover more than the person's proportionate interest in the lost or damaged property.

(3) A person whose coverage under a contract would be excluded but for subsection (1) must:

- (a) cooperate with the insurer with respect to the investigation of the loss, including, without limitation, by submitting to an examination under oath or on affirmation, if requested by the insurer; and
- (b) produce for examination, at a reasonable place and time that is designated by the insurer, all documents that relate to the loss in addition to those required by the contract.

2018, c 14, s.26.

#### PART IV Fire Insurance

##### Application of Part

**123(1)** This Part applies to insurance against loss of or damage to property arising from the peril of fire in any contract made in Saskatchewan except:

- (a) insurance falling within the classes of aircraft, automobile, boiler and machinery, inland transportation, marine, plate glass, sprinkler leakage and theft insurance;
- (b) where the subject-matter of the insurance is rents, charges or loss of profits;
- (c) where the peril of fire is an incidental peril to the coverage provided; or
- (d) where the subject-matter of the insurance is property that is insured by an insurer or group of insurers primarily as a nuclear risk under a policy covering against loss of or damage to the property resulting from nuclear reaction or nuclear radiation and from other perils.

##### Automobiles

(2) Notwithstanding subsection (1), this Part applies to insurance of an automobile as provided in subsection 33(2).

R.S.S. 1965, c.143, s.119; R.S.S. 1978, c.S-26, s.123; 1980-81, c.83, s.47.

##### Extent of coverage by contract

**124(1)** Subject to subsection (4) in any contract to which this Part applies the contract shall be deemed to cover the insured property:

- (a) against fire (whether resulting from explosion or otherwise) not occasioned by or happening through:
  - (i) in the case of goods, their undergoing any process involving the application of heat;
  - (ii) riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;

(b) against lightning, but excluding destruction or loss to electrical devices or appliances caused by lightning or other electrical currents unless fire originates outside the article itself and only for such destruction or damage as occurs from such fire;

(c) against explosion (not occasioned by or happening through any of the perils specified in subclause (a)(ii)) of natural, coal or manufactured gas in a building not forming part of a gas works, whether fire ensues therefrom or not.

**Exception respecting contamination by radio-active material**

(2) Unless a contract to which this Part applies otherwise specifically provides, it does not cover the insured property against loss or damage caused by contamination by radio-active material directly or indirectly resulting from fire, lightning or explosion within the meaning of subsection (1).

**Removal to prevent loss**

(3) Where property insured under a contract covering at a specified location is necessarily removed to prevent loss or damage or further loss or damage thereto, that part of the insurance under the contract that exceeds the amount of the insurer's liability for any loss incurred shall, for seven days only or for the unexpired term of the contract if less than seven days, cover the property removed and any property remaining in the original location in the proportions which the value of the property in each of the respective locations bears to the value of the property in them all.

**Extended insurance**

(4) Nothing in subsection (1) precludes an insurer giving more extended insurance against the perils mentioned therein, but in that case this Part does not apply to the extended insurance.

**Special provision respecting live stock**

(5) An insurer licensed to transact fire insurance may include in its contracts a clause or endorsement providing that, in the case of live stock insured against death or injury caused by fire or lightning, the word "lightning" is deemed to include other electrical currents.

R.S.S. 1965, c.143, s.120; R.S.S. 1978, c.S-26, s.124.

**Renewal of contract**

**125** A contract may be renewed by the delivery of a renewal receipt identifying the policy by number, date or otherwise or by a new premium note.

R.S.S. 1965, c.143, s.121; R.S.S. 1978, c.S-26, s.125.

**Form of contract**

**126** After an application for insurance is made, if it is in writing, any policy sent to the insured shall be deemed to be intended to be in accordance with the terms of the application, unless the insurer points out in writing the particulars wherein it differs from the application, in which case the insured may, within two weeks from the receipt of the notification, reject the policy.

R.S.S. 1965, c.143, s.122; R.S.S. 1978, c.S-26, s.126.

**Restriction on cancellation**

**127(1)** Where the loss, if any, under a contract has, with the consent of the insurer, been made payable to a person other than the insured, the insurer shall not cancel or alter the policy to the prejudice of that person without notice to him.

**Notice of cancellation**

(2) The length of and manner of giving the notice under subsection (1) shall be the same as notice of cancellation to the insured under the statutory conditions in the contract.

R.S.S. 1965, c.143, s.123; R.S.S. 1978, c.S-26, s.127.

**Statutory conditions**

**128(1)** The conditions set forth in this section shall be deemed to be part of every contract in force in Saskatchewan and shall be printed on every policy with the heading "Statutory Conditions" and no variation or omission of or addition to any statutory condition shall be binding on the insured.

**Meaning of "policy"**

(2) In this section, "**policy**" does not include interim receipts or binders.

## STATUTORY CONDITIONS

**Misrepresentation**

**1** If any person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance which is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract shall be void as to any property in relation to which the misrepresentation or omission is material.

**Property of others**

**2** Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

**Change of interest**

**3** The insurer shall be liable for loss or damage occurring after an authorized assignment pursuant to the *Bankruptcy and Insolvency Act* (Canada) or change of title by succession, by operation of law, or by death.

**Material change**

**4** Any change material to the risk and within the control and knowledge of the insured shall avoid the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent; and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if he desires the contract to continue in force, he must, within 15 days of the receipt of the notice, pay to the insurer an additional premium; and in default of such payment the contract shall no longer be in force and the insurer shall return the unearned portion, if any, of the premium paid.

**Termination of contract**

- 5(1)** This contract may be terminated:
- (a) by the insurer giving to the insured 15 days' notice of termination by registered mail, or five days' written notice of termination personally delivered;
  - (b) by the insured at any time on request.
- (2) Where this contract is terminated by the insurer:
- (a) the insurer shall refund the excess of premium actually paid by the insured over the *pro rata* premium for the expired time, but in no event, shall the *pro rata* premium for the expired time be deemed to be less than any minimum retained premium specified; and
  - (b) the refund shall accompany the notice unless the premium is subject to adjustment or termination as to amount, in which case the refund shall be made as soon as practicable.
- (3) Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- (4) The refund may be made by money, postal or express company money order, or by cheque payable at par.
- (5) The 15 days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

**Requirements after loss**

- 6(1)** Upon the occurrence of any loss of or damage to the insured property, the insured shall, if such loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:
- (a) forthwith give notice thereof in writing to the insurer;
  - (b) deliver as soon as practicable to the insurer a proof of loss verified by statutory declaration;
    - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed;
    - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes;
    - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured;
    - (iv) showing the amount of other insurances and the names of other insurers;

- (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
  - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
  - (vii) showing the place where the property insured was at the time of loss;
- (c) if required give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
- (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- (2) The evidence furnished under clauses (c) and (d) of subparagraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

**Fraud**

**7** Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.

**Who may give notice and proof**

**8** Notice of loss may be given, and proof of loss may be made, by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and 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.

**Salvage**

**9(1)** The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

(2) The insurer shall contribute *pro rata* towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph 1 of this condition according to the respective interests of the parties.

**Entry, control, abandonment**

**10** After any loss or damage to insured property, the insurer shall have an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer shall not be entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.



**Appraisal**

**11** In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under *The Saskatchewan Insurance Act* before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

**When loss payable**

**12** The loss shall be payable within 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

**Replacement**

**13(1)** The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within 30 days after receipt of the proofs of loss.

(2) In that event the insurer shall commence to so repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

**14 Repealed.** 2004, c.L-16.1, s.76.

**Notice**

**15** Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province; and written notice may be given to the insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the insurer; and in this condition, the expression “registered” means registered in or outside Canada.

R.S.S. 1965, c.143, s.124; 1968, c.64, s.7; 1970, c.59, s.6; R.S.S. 1978, c.S-26, s.128; 2003, c.38, s.31; 2004, c.L-16.1, s.76.

**Limitation of liability clauses**

**129** A contract containing;

- (a) a deductible clause; or
- (b) a co-insurance, average or similar clause; or
- (c) a clause limiting recover by the insured to a specified percentage of the value of any property insured at the time of loss, whether or not that clause is conditional or unconditional;

shall have printed or stamped upon its face in red ink or in bold type at least 12 points in size the words: “This policy contains a clause which may limit the amount payable”, and unless those words are so printed or stamped the clause shall not be binding upon the insured.

R.S.S. 1965, c.143, s.126; R.S.S. 1978, c.S-26, s.129; 1998, c.35, s.18.

**Rateable contribution excluded only by consent**

**130(1)** Where, on the happening of any loss or damage to property insured, there is in force more than one contract covering the same interest, the insurers under the respective contracts shall each be liable to the insured for its rateable proportion of the loss unless it is otherwise expressly agreed in writing between the insurers.

**Contract in force notwithstanding contrary provision**

(2) For the purpose of subsection (1), a contract shall be deemed to be in force notwithstanding any term thereof that the policy shall not cover, come into force, attach, or become insurance with respect to the property until after full or partial payment of any loss under any other policy.

**Division into items, etc., valid**

(3) Nothing in subsection (1) affects the validity of any divisions of the sum insured into separate items, or any limits of insurance on specified property, or any clause referred to in section 129 or any contract condition limiting or prohibiting the having or placing of other insurance.

**Operation of deductible clauses**

- (4) Nothing in subsection (1) affects the operation of any deductible clause and:
- (a) where one contract contains a deductible, the *pro rata* proportion of the insurer under that contract shall be first ascertained without regard to the clause and then the clause shall be applied only to affect the amount of recovery under that contract; and
  - (b) where more than one contract contains a deductible, the *pro rata* proportion of the insurers under those contracts shall be first ascertained without regard to the deductible clauses and then the highest deductible shall be pro-rated among the insurers with deductibles and these pro-rated amounts shall affect the amount of recovery under those contracts.

**Construction of subsection (4)**

(5) Nothing in subsection (4) shall be construed to have the effect of increasing the *pro rata* contribution of an insurer under a contract that is not subject to a deductible clause.

**Priority respecting identified articles**

(6) Notwithstanding subsection (1), insurance on identified articles shall be a first loss insurance as against all other insurance.

R.S.S. 1965, c.143, s.127; R.S.S. 1978, c.S-26, s.130.

**Special stipulations**

**131** Where a contract:

- (a) excludes any loss that would otherwise fall within the coverage prescribed by section 124; or
- (b) contains any stipulation, condition or warranty that is or may be material to the risk including, but not restricted to, a provision in respect to the use, condition, location or maintenance of the insured property;

the exclusion, stipulation, condition or warranty shall not be binding upon the insured if it is held to be unjust or unreasonable by the court before which a question relating thereto is tried.

R.S.S. 1965, c.143, s.129; R.S.S. 1978, c.S-26, s.131.

**Subrogation**

**132(1)** The insurer, upon making any payment or assuming liability therefor under a contract, shall be subrogated to all rights of recovery of the insured against any person, and may bring action in the name of the insured to enforce such rights.

**Same**

(2) Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the insurer and the insured in the proportions in which the loss or damage has been borne by them respectively.

R.S.S. 1965, c.143, s.131; R.S.S. 1978, c.S-26, s.132.

PART V  
**Life Insurance**  
INTERPRETATION

**Interpretation of Part**

**133** In this Part:

- (a) **“application”** means an application for insurance or for reinstatement of insurance;
- (b) **“beneficiary”** means a person, other than the insured or his personal representative, to whom or for whose benefit insurance money is made payable in a contract or by declaration;
- (c) **“contract”** means a contract of life insurance;
- (d) **“creditor’s group insurance”** means insurance effected by a creditor in respect of the lives of his debtors whereby the lives of the debtors are insured severally under a single contract;
- (e) **“declaration”** means an instrument signed by the insured:
  - (i) with respect to which an endorsement is made on the policy; or
  - (ii) that identifies the contract; or
  - (iii) that describes the insurance or insurance fund or a part thereof;

in which he designates, or alters or revokes the designation of, his personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable;

- (f) **“family insurance”** means insurance whereby the lives of the insured and one or more persons related to him by blood, marriage or adoption or cohabiting with him or her in a spousal relationship are insured under a single contract between an insurer and the insured;
- (g) **“group insurance”** means insurance, other than creditor’s group insurance and family insurance, whereby the lives of a number of persons are insured severally under a single contract between an insurer and an employer or other person;

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

R.S.S. 1965, c.143, s.132; R.S.S. 1978, c.S-26, s.133; 2001, c.50, s.14.

## APPLICATION OF PART

### Application

**134(1)** Notwithstanding any agreement, condition or stipulation to the contrary, this Part applies to a contract made in Saskatchewan on or after July 1, 1962, and, subject to subsections (2) and (3), applies to a contract made in Saskatchewan before that day.

### Beneficiary for value

(2) The rights and interests of a beneficiary for value under a contract that was in force immediately prior to July 1, 1962, are those provided in Part V of *The Saskatchewan Insurance Act* then in force.

### Preferred beneficiary

(3) Where the person who would have been entitled to the payment of insurance money if the money had become payable immediately prior to July 1, 1962, was a preferred beneficiary within the meaning of Part V of *The Saskatchewan Insurance Act* then in force, the insured may not, except in accordance with that Part:

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

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

R.S.S. 1965, c.143, s.133; R.S.S. 1978, c.S-26, s.134.

**Group insurance**

**135** In the case of a contract of group insurance made with an insurer authorized to transact insurance in Saskatchewan at the time the contract was made, this Part applies in determining:

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

R.S.S. 1965, c.143, s.134; R.S.S. 1978, c.S-26, s.135.

## ISSUANCE OF POLICY AND CONTENTS THEREOF

**Insurer to issue policy**

**136(1)** An insurer entering into a contract shall issue a policy.

**Documents forming contract**

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

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

constitute the entire contract.

**Contract of fraternal society**

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

**Copy of application**

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

R.S.S. 1965, c.143, s.135; R.S.S. 1978, c.S-26, s.136.

**Exceptions**

**137(1)** This section does not apply to a contract:

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

**Contents of policy**

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

R.S.S. 1965, c.143, s.136; R.S.S. 1978, c.S-26, s.137.

**Contents of group policy**

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

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

R.S.S. 1965, c.143, s.137; R.S.S. 1978, c.S-26, s.138.

**Contents of group certificate**

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

- (a) the name of the insurer and an identification of the contract;

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

R.S.S. 1965, c.143, s.138; R.S.S. 1978, c.S-26,  
s.139.

### CONDITIONS GOVERNING FORMATION OF CONTRACT

#### **Insurable interest**

**140(1)** Subject to subsection (2), where at the time a contract would otherwise take effect the insured has no insurable interest, the contract is void.

#### **Exceptions**

(2) A contract is not void for lack of insurable interest:

- (a) if it is a contract of group insurance; or
- (b) if the person whose life is insured has consented in writing to the insurance being placed on his life.

#### **Consent of minor**

(3) Where the person whose life is insured is under the age of 16 years, consent to insurance being placed on his life may be given by one of his parents or by a person standing in *loco parentis* to him.

R.S.S. 1965, c.143, s.139; R.S.S. 1978, c.S-26,  
s.140.

#### **Insurable interest defined**

**141** Without restricting the meaning of the expression “**insurable interest**”, a person has an insurable interest in his own life and in the life of:

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

R.S.S. 1965, c.143, s.140; R.S.S. 1978, c.S-26,  
s.141.

**Contract taking effect**

**142(1)** Subject to any provision to the contrary in the application or the policy, a contract does not take effect unless:

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

**Delivery to agent**

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

R.S.S. 1965, c.143, s.141; R.S.S. 1978, c.S-26, s.142.

**Default in paying premium**

**143(1)** Where a cheque or other bill of exchange, or a promissory note or other written promise to pay, is given for the whole or part of a premium and payment is not made according to its tenor, the premium or part thereof shall be deemed not to have been paid.

**Payment by registered letter**

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

R.S.S. 1965, c.143, s.142; R.S.S. 1978, c.S-26, s.143.

**Who may pay premium**

**144(1)** Except in the case of group insurance, an assignee of a contract, a beneficiary or a person acting on behalf of one of them or of the insured may pay any premium that the insured is entitled to pay.

**Period of grace**

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

- (a) 30 days, or in the case of an industrial contract 28 days, from and excluding the day on which the premium is due; or
- (b) the number of days, if any, specified in the contract for payment of an overdue premium;

whichever is the longer period.



**Contract in force during grace period**

(3) Where the happening of the event upon which the insurance money becomes payable occurs during the period of grace and before the overdue premium is paid, the contract shall be deemed to be in effect as if the premium had been paid at the time it was due, but the amount of the premium, together with interest at the rate specified in the contract, but not exceeding 6% per annum, and the balance, if any, of the current year's premium, may be deducted from the insurance money.

R.S.S. 1965, c.143, s.143; R.S.S. 1978, c.S-26, s.144.

**Duty to disclose**

**145(1)** An applicant for insurance and a person whose life is to be insured shall each disclose to the insurer in the application, on a medical examination, if any, and in any written statements or answers furnished as evidence of insurability, every fact within his knowledge that is material to the insurance and is not so disclosed by the other.

**Failure to disclose**

(2) Subject to section 146, a failure to disclose, or a misrepresentation of, such a fact renders the contract voidable by the insurer.

R.S.S. 1965, c.143, s.144; R.S.S. 1978, c.S-26, s.145.

**Exceptions**

**146(1)** This section does not apply to a mis-statement of age or to disability insurance.

**Incontestability**

(2) Subject to subsection (3), where a contract has been in effect for two years during the lifetime of the person whose life is insured, a failure to disclose, or a misrepresentation of, a fact required to be disclosed by section 145 does not, in the absence of fraud, render the contract voidable.

**Incontestability in group insurance**

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

R.S.S. 1965, c.143, s.145; R.S.S. 1978, c.S-26, s.146.

**Non-disclosure by insurer**

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

R.S.S. 1965, c.143, s.146; R.S.S. 1978, c.S-26, s.147.

**Exceptions**

**148(1)** This section does not apply to a contract of group insurance or of creditor's group insurance.

**Mis-statement of age**

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

**Limitation of insurable age**

(3) Where a contract limits the insurable age, and the correct age of the person whose life is insured at the date of application exceeds the age so limited, the contract is, during the lifetime of that person but not later than five years from the date the contract takes effect, voidable by the insurer within 60 days after it discovers the error.

R.S.S. 1965, c.143, s.147; R.S.S. 1978, c.S-26, s.148.

**Mis-statement of age in group insurance**

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

R.S.S. 1965, c.143, s.148; R.S.S. 1978, c.S-26, s.149.

**Effect of suicide**

**150(1)** Where a contract contains an undertaking, express or implied, that insurance money will be paid if a person whose life is insured commits suicide, the undertaking is lawful and enforceable.

**Suicide and reinstatement**

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

R.S.S. 1965, c.143, s.149; R.S.S. 1978, c.S-26, s.150.

**Medical assistance in dying**

**150.1(1)** In this section, "**medical assistance in dying**" means medical assistance in dying as defined in section 241.1 of the *Criminal Code*.

(2) Section 150 does not apply to an insured who receives medical assistance in dying.

(3) If a contract contains an undertaking, express or implied, that insurance money will be paid if a person whose life is insured receives medical assistance in dying, the undertaking is lawful and enforceable.

(4) For the purposes of this Act, if an insured receives medical assistance in dying, that insured is deemed to have died as a result of the illness, disease or disability for which he or she was determined to be entitled to receive that assistance, in accordance with clause 241.2(3)(a) of the *Criminal Code*.

2018, c 14, s.26.

#### Exceptions

**151(1)** This section does not apply to a contract of group insurance or to a contract made by fraternal society.

#### Reinstatement

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

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

(b) produces:

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

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

of the person whose life was insured;

the insurer shall reinstate the contract.

#### Exceptions

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

#### Application of other sections

(4) Sections 145 and 146 apply *mutatis mutandis* to reinstatement of a contract.

R.S.S. 1965, c.143, s.150; R.S.S. 1978, c.S-26,  
s.151.

## DESIGNATION OF BENEFICIARIES

#### Designation of beneficiary

**152(1)** An insured may in a contract or by a declaration designate his personal representative or a beneficiary to receive insurance money.

#### Change in designation

(2) Subject to section 153, the insured may alter or revoke the designation by a declaration.

**Meaning of “heirs”, etc.**

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

R.S.S. 1965, c.143, s.151; R.S.S. 1978, c.S-26, s.152.

**Designation of beneficiary irrevocably**

**153(1)** An insured may in a contract or by a declaration, other than a declaration that is part of a will, filed with the insurer at its head office in Canada during the lifetime of the person whose life is insured, designate a beneficiary irrevocably and in that event the insured, while the beneficiary is living, may not alter or revoke the designation without the consent of the beneficiary and the insurance money is not subject to the control of the insured or of his creditors and does not form part of his estate.

**Attempted designation**

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

R.S.S. 1965, c.143, s.152; R.S.S. 1978, c.S-26, s.153.

**Designation in invalid will**

**154(1)** A designation in an instrument purporting to be a will is not ineffective by reason only of the fact that the instrument is invalid as a will or that the designation is invalid as a bequest under the will.

**Priorities**

(2) Notwithstanding *The Wills Act, 1996*, a designation in a will is of no effect against a designation made later than the making of the will.

**Revocation**

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

**Same**

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

R.S.S. 1965, c.143, s.153; R.S.S. 1978, c.S-26, s.154; 2003, c.38, s.32.

**Trustees for beneficiary**

**155(1)** An insured may in a contract or by a declaration appoint a trustee for a beneficiary and may alter or revoke the appointment by a declaration.

**Payment to trustee**

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

R.S.S. 1965, c.143, s.154; R.S.S. 1978, c.S-26, s.155.

**Beneficiary predeceasing life insured**

**156(1)** Where a beneficiary predeceases the person whose life is insured, and no disposition of the share of the deceased beneficiary in the insurance money is provided in the contract or by a declaration, the share is payable:

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

**Several beneficiaries**

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

R.S.S. 1965, c.143, s.155; R.S.S. 1978, c.S-26, s.156.

**Right to sue**

**157** A beneficiary may enforce for his own benefit, and a trustee appointed pursuant to section 155 may enforce as trustee, the payment of insurance money made payable to him in the contract or by a declaration and in accordance with the provisions thereof, but the insurer may set up any defence that it could have set up against the insured or his personal representative.

R.S.S. 1965, c.143, s.156; R.S.S. 1978, c.S-26, s.157.

**Insurance money free from creditors**

**158(1)** Where a beneficiary is designated, the insurance money, from the time of the happening of the event upon which the insurance money becomes payable, is not part of the estate of the insured and is not subject to the claims of the creditors of the insured.

**Contract exempt from seizure**

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

R.S.S. 1965, c.143, s.157; R.S.S. 1978, c.S-26, s.158.

## DEALINGS WITH CONTRACT DURING LIFETIME OF INSURED

**Insured dealing with contract**

**159** Where a beneficiary:

- (a) is not designated irrevocably; or
- (b) is designated irrevocably but has attained the age of 18 years and consents;

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

R.S.S. 1965, c.143, s.158; 1970, c.8, s.16; 1972, c.1, s.29; R.S.S. 1978, c.S-26, s.159.

**Insured entitled to dividends**

**160(1)** Notwithstanding the designation of a beneficiary irrevocably, the insured is entitled while living to the dividends or bonuses declared on a contract, unless the contract otherwise provides.

**Insurer may use dividends**

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

R.S.S. 1965, c.143, s.159; R.S.S. 1978, c.S-26, s.160.

**Transfer of ownership**

**161(1)** Notwithstanding *The Wills Act, 1996*, where in a contract or in an agreement in writing between an insurer and an insured it is provided that a person named in the contract or in the agreement has, upon the death of the insured, the rights and interests of the insured in the contract:

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

**Successive owners**

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

**Saving**

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

R.S.S. 1965, c.143, s.160; R.S.S. 1978, c.S-26, s.161; 2003, c.38, s.33.

**Interest of assignee**

**162(1)** Where an assignee of a contract gives notice in writing of the assignment to the insurer at its head office in Canada, he has priority of interest as against:

- (a) any assignee other than one who gave notice earlier in like manner; and
- (b) a beneficiary other than one designated irrevocably as provided in section 153 prior to the time the assignee gave notice to the insurer of the assignment in the manner prescribed in this subsection.

**Effect on beneficiary's rights**

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

**Assignee deemed to be insured**

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

**Prohibition against assignment**

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

R.S.S. 1965, c.143, s.161; R.S.S. 1978, c.S-26, s.162.

**Group life insured enforcing rights**

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

R.S.S. 1965, c.143, s.162; R.S.S. 1978, c.S-26, s.163.

## MINORS

**Capacity of minors**

**164** Except in respect of his rights as beneficiary, a minor who has attained the age of 16 years has the capacity of a person of the age of 18 years:

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

R.S.S. 1965, c.143, s.163; R.S.S. 1978, c.S-26, s.164.

**165 Repealed.** 2003, c.38, s.34.

## PROCEEDINGS UNDER CONTRACT

**Proof of claim**

**166** Where an insurer receives sufficient evidence of:

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

it shall, within 30 days after receiving the evidence, pay the insurance money to the person entitled thereto.

R.S.S. 1965, c.143, s.165; R.S.S. 1978, c.S-26, s.166.

**Place of payment**

**167(1)** Subject to subsection (4), insurance money is payable in Saskatchewan.

**Dollars**

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

**Payment outside Saskatchewan**

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

**Exceptions for group insurance**

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

R.S.S. 1965, c.143, s.166; R.S.S. 1978, c.S-26, s.167.

**Action in Saskatchewan**

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

R.S.S. 1965, c.143, s.167; R.S.S. 1978, c.S-26, s.168.

**169 Repealed.** 2004, c.L-16.1, s.76.



**Documents affecting title**

**170(1)** Until an insurer receives at its head office in Canada an instrument or an order of a court affecting the right to receive insurance money, or a notarial copy, or a copy verified by statutory declaration, of any such instrument or order, it may make payment of the insurance money and shall be as fully discharged to the extent of the amount paid as if there were no such instrument or order.

**Saving**

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

R.S.S. 1965, c.143, s.169; R.S.S. 1978, c.S-26, s.170.

**Declaration as to sufficiency of proof**

**171** Where an insurer admits the validity of the insurance but does not admit the sufficiency of the evidence required by section 166 and there is no other question in issue except a question under section 172, the insurer or the claimant may, before or after action is brought and upon at least 30 days' notice, apply to the court for a declaration as to the sufficiency of the evidence furnished, and the court may make the declaration or may direct what further evidence shall be furnished and on the furnishing thereof may make the declaration or, in special circumstances, may dispense with further evidence.

R.S.S. 1965, c.143, s.170; R.S.S. 1978, c.S-26, s.171.

**Declaration as to presumption of death**

**172** Where a claimant alleges that the person whose life is insured should be presumed to be dead by reason of his not having been heard of for seven years, and there is no other question in issue except a question under section 171, the insurer or the claimant may, before or after action is brought and upon at least 30 days' notice, apply to the court for a declaration as to presumption of the death and the court may make the declaration.

R.S.S. 1965, c.143, s.171; R.S.S. 1978, c.S-26, s.172.

**Court may make order**

**173(1)** Upon making a declaration under section 171 or 172, the court may make such order respecting the payment of the insurance money and respecting costs as it deems just and, subject to section 174, an order made under this subsection is binding upon the applicant and upon all persons to whom notice of the application has been given.

**Payment under order**

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

**Stay of proceedings**

(3) Unless the court otherwise orders, an application made under section 171 or 172 operates as a stay of any pending action with respect to the insurance money.

R.S.S. 1965, c.143, s.172 and 173; R.S.S. 1978, c.S-26, s.173.

**Appeal**

**174** An appeal lies to the Court of Appeal from any declaration, direction or order made under section 171, section 172 or subsection (1) of section 173.

R.S.S. 1965, c.143, s.174; R.S.S. 1978, c.S-26, s.174.

**Power of court**

**175** Where the court finds that the evidence furnished under section 166 is not sufficient or that a presumption of death is not established, it may order that the matters in issue be decided in an action brought or to be brought, or may make such other order as it deems just respecting further evidence to be furnished by the claimant, publication of advertisements, further inquiry or any other matter or respecting costs.

R.S.S. 1965, c.143, s.175; R.S.S. 1978, c.S-26, s.175.

**Payment into court**

**176** Where an insurer admits liability for insurance money and it appears to the insurer that:

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

the insurer may, at any time after 30 days from the date of the happening of the event upon which the insurance money becomes payable, apply to the court without notice for an order for payment of the money into court, and the court may upon such notice, if any, as it thinks necessary make an order accordingly.

R.S.S. 1965, c.143, s.176; R.S.S. 1978, c.S-26, s.176; 2018, c.42, s.65.

**Simultaneous deaths**

**177** Unless a contract or a declaration otherwise provides, where the person whose life is insured and a beneficiary die at the same time or in circumstances rendering it uncertain which of them survived the other, the insurance money is payable in accordance with subsection 156(1) as if the beneficiary had predeceased the person whose life is insured.

R.S.S. 1965, c.143, s.177; R.S.S. 1978, c.S-26, s.177.

**Insurance money payable in instalments**

**178(1)** Subject to subsection (2) and (3), where insurance money is payable in instalments and a contract, or an instrument signed by the insured and delivered to the insurer, provides that a beneficiary has not the right to commute the instalments or to alienate or assign his interest therein, the insurer shall not, unless the insured subsequently directs otherwise in writing, commute the instalments or pay them to any person other than the beneficiary, and the instalments are not, in the hands of the insurer, subject to any legal process except an action to recover the value of necessaries supplied to the beneficiary or his infant children.

**Commutation by beneficiary**

(2) A court may, upon the application of a beneficiary and upon at least 10 days' notice, declare that in view of special circumstances:

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

**Commutation after death of beneficiary**

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

**Interpretation**

(4) In this section “**instalments**” includes insurance money held by the insurer under section 179.

R.S.S. 1965, c.143, s.178; R.S.S. 1978, c.S-26, s.178.

**Insurer holding insurance money**

**179(1)** An insurer may hold insurance money:

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

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

**Exception**

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

R.S.S. 1965, c.143, s.179; R.S.S. 1978, c.S-26, s.179.

**Court may order payment**

**180** Where an insurer does not within thirty days after receipt of the evidence required by section 166 pay the insurance money to some person competent to receive it or into court, the court may, upon application of any person, order that the insurance money or any part thereof be paid into court, or may make such other order as to the distribution of the money as it deems just, and payment made in accordance with the order discharges the insurer to the extent of the amount paid.

R.S.S. 1965, c.143, s.180; R.S.S. 1978, c.S-26, s.180.

**Costs**

**181** The court may fix without taxation the costs incurred in connection with an application or order made under section 176 or 180, and may order them to be paid out of the insurance money or by the insurer or the applicant or otherwise as it deems just.

R.S.S. 1965, c.143, s.181; R.S.S. 1978, c.S-26, s.181.

**Where beneficiary a minor**

**182(1)** Where an insurer admits liability for insurance money payable to a minor and there is no person capable of giving and authorized to give a discharge therefor, who is willing to do so, the insurer may at any time after thirty days from the date of the happening of the event upon which the insurance money becomes payable pay the money, less the applicable costs mentioned in subsection (2), into court to the credit of the minor.

**Costs**

(2) The insurer may retain out of the insurance money for costs incurred upon payment into court under subsection (1) the sum of \$10 where the amount does not exceed \$1,000 and the sum of \$15 in other cases, and payment of the remainder of the money into court discharges the insurer.

**Procedure**

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

R.S.S. 1965, c.143, s.182; R.S.S. 1978, c.S-26, s.182; 1983, c.80, s.20; 2001, c.33, s.23

**Beneficiary under disability**

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

R.S.S. 1965, c.143, s.183; R.S.S. 1978, c.S-26, s.183.

## MISCELLANEOUS PROVISIONS

**Presumption against agency**

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

R.S.S. 1965, c.143, s.184; R.S.S. 1978, c.S-26, s.184.

**Insurer giving information**

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

R.S.S. 1965, c.143, s.185; R.S.S. 1978, c.S-26, s.185.

## PART VI Automobile Insurance

### INTERPRETATION

**Interpretation of Part**

**186** In this Part:

- (a) **“contract”** means a contract of automobile insurance;
- (b) **“insured”** means a person insured by contract whether named or not.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.186.

## APPLICATION OF PART

**Application of Part**

**187(1)** This Part applies to contracts providing automobile insurance made or renewed in Saskatchewan on or after January 1, 1969.

**Exception**

- (2) This Part does not apply to contracts insuring only against:
- (a) loss of or damage to an automobile while in or on described premises;
  - (b) loss of or damage to property carried on or upon an automobile; or
  - (c) liability for loss of or damage to property carried in or upon an automobile.

**Idem**

(3) This Part does not apply to a contract providing insurance in respect of an automobile not required to be registered under *The Traffic Safety Act* unless it is insured under a contract evidenced by a form of policy approved under this Part.

**Idem**

(4) This Part does not apply to a contract insuring solely the interest of a person who has a lien upon, or has as security legal title to, an automobile and who does not have possession of the automobile.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.187; 1986, c.33, s.22; 2004, c.T-18.1, s.297.

## APPROVAL OF FORMS

**Approval of forms by superintendent**

**188(1)** No insurer shall use a form of application, policy, endorsement or renewal or continuation certificate in respect of automobile insurance other than a form approved by the superintendent.

**Insurer requiring additional information**

(2) An insurer may require additional information in an approved application form, but such additional information does not constitute part of the application for the purposes of section 191.

**Approval of policies in special cases**

(3) Where, in the opinion of the superintendent, any provision of this Part, including any statutory condition, is wholly or partly inappropriate to the requirements of a contract or is inapplicable by reason of the requirements of any Act, he may approve a form of policy, or part thereof, or endorsement evidencing a contract sufficient or appropriate to insure the risks required or proposed to be insured, and the contract evidenced by the policy or endorsement in the form so approved is effective and binding according to its terms notwithstanding that those terms are inconsistent with, vary, omit or add to any provision or condition of this Part.

**Approval of extensions**

(4) Except as to matters mentioned in section 200, the superintendent may, if he considers it to be in the public interest, approve a form of motor vehicle liability policy or endorsement thereto that extends the insurance beyond that prescribed in this Part.

**Condition of approval of extension**

(5) The superintendent in granting an approval under subsection (4), may require the insurer to charge an additional premium for the extension and to state that fact in the policy or in any endorsement.

**Revocation of approval**

(6) The superintendent may revoke an approval given under this section, and, upon notification of the revocation in writing, no insurer shall thereafter use or deliver a form that contravenes the notification.

**Reason for decision**

(7) The superintendent shall, on request of any interested insurer, specify in writing his reasons for granting, refusing or revoking an approval of a form.

**Insurance card**

(8) An insurer that issues or delivers an owner's policy in Saskatchewan, or any renewal thereof, or any evidence of the continuation of the policy, shall issue to the insured a card evidencing the insurance, and the card shall be in a form approved by the superintendent.

**Non-application of subsection (8)**

(9) Subsection (8) does not apply in the case of an owner's policy where the insurance provided under the policy is in excess of that provided under *The Automobile Accident Insurance Act*.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.188.

## APPLICATION AND POLICY

**Persons forbidden to act as agent**

**189** 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 such a person, dealer, agent or broker shall act as the agent of an applicant for the purpose of signing an application for automobile insurance.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.189.

**Copy of application in policy**

**190(1)** A copy of the written application, signed by the insured or his agent, or, if no signed application is made, a copy of the purported application, or a copy of such part of the application or purported application as is material to the contract, shall be embodied in, endorsed upon or attached to the policy when issued by the insurer.

**Policy issued where no signed application**

(2) If no signed written application is received by the insurer prior to the issue of the policy, the insurer shall deliver or mail to the insured named in the policy, or to the agent for delivery or mailing to the insured, a form of application to be completed and signed by the insured and returned to the insurer.

**Insured entitled to copy**

(3) The insurer shall deliver or mail to the insured named in the policy, or to the agent for delivery or mailing to the insured, the policy or a true copy thereof and every endorsement or other amendment to the contract.

**Form of policy**

(4) Where a written application signed by the insured or his agent is made for a contract, the policy evidencing the contract 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.

**Endorsement on forms**

(5) Upon every application form and policy, there shall be printed or stamped in conspicuous type a copy of subsection (1) of section 191.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.190.

**Misrepresentation or violation of conditions renders claim invalid**

**191(1)** Where:

- (a) an applicant for a contract:
  - (i) gives false particulars of the described automobile to be insured to the prejudice of the insurer; or
  - (ii) knowingly misrepresents or fails to disclose in the application any fact required to be stated therein;
- (b) the insured contravenes a term of the contract or commits a fraud; or
- (c) the insured wilfully makes a false statement in respect of a claim under the contract;

a claim by the insured is invalid and the right of the insured to recover indemnity is forfeited.

**Use of application as defence**

(2) No statement of the applicant shall be used in defence of a claim under the contract unless it is contained in the signed written application therefor or, where no signed written application is made, in the purported application, or part thereof, that is embodied in, endorsed upon or attached to the policy.

**Idem**

(3) No statement contained in a purported copy of the application, or part thereof, other than a statement describing the risk and the extent of the insurance, shall be used in defence of a claim under the contract unless the insurer proves that the applicant made the statement attributed to him in the purported application, or part thereof.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.191.

**Statutory conditions**

**192(1)** Subject to subsection (3) of section 188, section 193 and section 213:

- (a) the conditions set forth in this section are statutory conditions and shall be deemed to be part of every contract and shall be printed in every policy with the heading "Statutory Conditions", and
- (b) no variation or omission of or addition to a statutory condition is binding on the insured.



**Interpretation**

- (2) In this section, “**policy**” does not include an interim receipt or binder.

**STATUTORY CONDITIONS**

In these statutory conditions, unless the context otherwise requires, the word insured means a person insured by this contract whether named or not.

**Material change in risk**

1(1) The insured named in this contract 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.

(2) Without restricting the generality of the foregoing, the words “change in the risk material to the contract” include:

- (a) any change in the insurable interest of the insured named in this contract in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings pursuant to the *Bankruptcy and Insolvency Act* (Canada); and in respect of insurance against loss or damage to the automobile:
- (b) any mortgage, lien or encumbrance affecting the automobile after the application for this contract;
- (c) any other insurance of the same interest, whether valid or not, covering loss or damage insured by this contract or any portion thereof.

**Prohibited use by insured**

2(1) The insured shall not drive or operate the automobile:

- (a) while under the influence of intoxicating liquor or drugs to such an extent as to be for the time being incapable of the proper control of the automobile; or
- (b) unless he is for the time being either authorized by law or qualified to drive or operate the automobile; or
- (c) while he is under the age of 16 years or under such other age as is prescribed by the law of the province in which he resides at the time this contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to him; or
- (d) for any illicit or prohibited trade or transportation; or
- (e) in any race or speed test.

(2) The insured shall not permit, suffer, allow or connive at the use of the automobile:

- (a) by any person under the influence of intoxicating liquor or drugs to such an extent as to be for the time being incapable of the proper control of the automobile; or

- (b) by any person:
  - (i) unless that person is for the time being either authorized by law or qualified to drive or operate the automobile; or
  - (ii) while that person is under the age of 16 years or under such other age as is prescribed by the law of the province in which he resides, at the time this contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to him; or
- (c) for any illicit or prohibited trade or transportation; or
- (d) in any race or speed test.

**Requirements where loss or damage to persons or property**

**3(1) The insured shall:**

- (a) 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 the accident;
  - (b) verify by statutory declaration, if required by the insurer, that the claim arose out of the use or operation of the automobile and that the person operating or responsible for the operation of the automobile at the time of the accident is a person insured under this contract; and
  - (c) forward immediately to the insurer every letter, document, advice or writ received by him from or on behalf of the claimant.
- (2) The insured shall not:**
- (a) voluntarily assume any liability or settle any claim except at his own cost, or
  - (b) interfere in any negotiations for settlement or in any legal proceeding.
- (3) The insured shall, whenever requested; by the insurer, aid in securing information and evidence and the attendance of any witnesses 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.**

**Requirements where loss or damage to automobile**

**4(1) Where loss of or damage to the automobile occurs, the insured shall, if the loss or damage is covered by this contract:**

- (a) promptly give notice thereof in writing to the insurer with the fullest information obtainable at the time;
- (b) at the expense of the insurer, and as far as reasonably possible, protect the automobile from further loss or damage; and
- (c) deliver to the insurer within ninety days after the date of the loss or damage a statutory declaration stating, to the best of his knowledge and belief, 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.

- (2) Any further loss or damage accruing to the automobile directly or indirectly from a failure to protect it as required under subcondition (1) of this condition is not recoverable under this contract.
- (3) No repairs, other than those that are immediately necessary for the protection of the automobile from further loss or damage, shall be undertaken and no physical evidence of the loss or damage shall be removed:
- (a) without the written consent of the insurer; or
  - (b) until the insurer has had a reasonable time to make the examination for which provision is made in statutory condition 5.
- (4) The insured shall submit to examination under oath, and shall produce for examination at such reasonable place and time as is designated by the insurer or its representative all documents in his possession or control that relate to the matters in question, and he shall permit extracts and copies thereof to be made.
- (5) The insurer shall not be liable for more than 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 that actual cash value with proper deduction for depreciation, however caused, and shall not exceed the amount that it would cost to repair or replace the automobile, or any part thereof, with material of like kind and quality but, if any part of the automobile is obsolete and out of stock, the liability of the insurer in respect thereof shall be limited to the value of that part at the time of loss or damage, not exceeding the maker's latest list price.
- (6) Except where an appraisal has been made, the insurer, instead of making payment, may, within a reasonable time, repair, rebuild or replace the property damaged or lost with other of like kind and quality if, within seven days after the receipt of the proof of loss, it gives written notice of its intention to do so.
- (7) There shall be no abandonment of the automobile to the insurer without the insurer's consent. If the insurer exercises the option to replace the automobile or pays the actual cash value of the automobile, the salvage, if any, shall vest in the insurer.
- (8) In the event of disagreement as to the nature and extent of the repairs and replacements required, or as to their adequacy, if affected, or as to the amount payable in respect of any loss or damage, those questions shall be determined by appraisal as provided under *The Saskatchewan Insurance Act* before there can be recovery under this contract, whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

**Inspection of automobile**

- 5** The insured shall permit the insurer at all reasonable times to inspect the automobile and its equipment.

**Time and manner of payment of insurance money**

6(1) The insurer shall pay the insurance money for which it is liable under this contract within 60 days after the proof of loss has been received by it or, where an appraisal is made under subcondition (8) of statutory condition 4, within 15 days after the award is rendered by the appraisers.

(2) The insured shall not bring an action to recover the amount of a claim under this contract unless the requirements of statutory conditions 3 and 4 are complied with or until the amount of the loss has been ascertained as therein provided 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.

(3) **Repealed.** 2004, c.L-16.1, s.76.

**Who may give notice and proofs of claim**

7 Notice of claim may be given and proofs of claim may be made by the agent of the insured named in this contract in case of absence or inability of the insured 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.

**Termination**

8(1) This contract may be terminated:

- (a) by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
- (b) by the insured at any time on request.

(2) Where this contract is terminated by the insurer:

- (a) the insurer shall refund the excess of premium actually paid by the insured over the *pro rata* premium for the expired time, but in no event shall the *pro rata* premium for the expired time be deemed to be less than any minimum retained premium specified; and
- (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as the amount, in which case the refund shall be made as soon as practicable.

(3) Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

(4) The refund may be made by money, postal or express company money order or cheque payable at par.

(5) The 15 days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

**Notice**

**9** Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province. Written notice may be given to the insured named in this contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the insurer. In this condition, the expression “registered” means registered in or outside Canada.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.192; 2003, c.38, s.35; 2004, c.L-16.1, s.76.

**Exceptions respecting statutory conditions**

**193(1)** Except as otherwise provided in the contract, the statutory conditions set forth in section 192 do not apply to insurance coming within section 213, 215 or 217.

**Idem**

(2) Where a contract does not insure against liability for loss or damage to persons and property, statutory condition 3 in section 192 is not a part of the policy and may be omitted from the printing of the conditions in the policy.

**Idem**

(3) Where a contract does not insure against loss of or damage to the automobile, statutory condition 4 in section 192 is not a part of the policy and may be omitted from the printing of the conditions in the policy.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.193.

## MOTOR VEHICLE LIABILITY POLICIES

**Coverage of owner’s policy, specific automobile**

**194(1)** Every contract evidenced by an owner’s policy insures the person named therein and every other person who with his consent personally drives an automobile owned by the insured named in the contract and within the description or definition thereof in the contract against liability imposed by law upon the insured named in the contract or that other person for loss or damage:

- (a) arising from the ownership, use or operation of any such automobile; and
- (b) resulting from bodily injury to or the death of any person, and damage to property.

**Item, other automobiles**

(2) Where the contract evidenced by an owner’s policy also provides insurance against liability in respect of an automobile not owned by the insured named in the contract, an insurer may stipulate in the contract that the insurance is restricted to such persons as are specified in the contract.

**Death of person named in owner's policy**

(3) Where the insured named in an owner's policy dies, the following persons shall be deemed to be the insured under the policy:

- (a) the spouse of the deceased insured if residing in the same dwelling premises at the time of his death;
- (b) in respect of the described automobile, a newly-acquired automobile that was acquired by the deceased insured prior to his death and a temporary substitute automobile, all as defined by the policy:
  - (i) any person having proper temporary custody thereof until grant of probate or administration to the personal representative of the deceased insured;
  - (ii) the personal representative of the deceased insured.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.194.

**Coverage of non-owner's policy**

**195** Every contract evidenced by a non-owner's policy insures the person named therein and such other person, if any, as is specified in the policy against liability imposed by law upon the insured named in the contract or that other person for loss or damage:

- (a) arising from the use or operation of an automobile within the definition thereof in the policy, other than an automobile owned by him or registered in his name; and
- (b) resulting from bodily injury to or the death of any person and damage to property.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.195.

**Persons deemed not owners**

**196** For the purposes of this Part, a person shall not be deemed to be the owner of an automobile for the reason only that he has a lien on the automobile or has legal title to the automobile as security.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.196.

**Territorial limits**

**197** Insurance under sections 194 and 195 applies to the ownership, use or operation of the insured automobile within Canada and the United States of America and upon a vessel plying between ports of those countries.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.197.

**Rights of unnamed insured**

**198** Any person insured by but not named in a contract to which section 194 or 195 applies 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.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.198.

**Additional agreements**

**199** Every contract evidenced by a motor vehicle liability policy shall provide that, where a person insured by the contract is involved in an accident resulting from the ownership, use or operation of an automobile in respect of which insurance is provided under the contract and resulting in loss or damage to persons or property, the insurer shall:

- (a) upon receipt of notice of loss or damage caused to persons or property, make such investigations, conduct such negotiations with the claimant and effect such settlement of any resulting claims as are deemed expedient by the insurer;
- (b) defend in the name and on behalf of the insured and at the cost of the insurer any civil action that is at any time brought against the insured on account of loss or damage to persons or property;
- (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 that is within the limits of the insurer's liability; and
- (d) where the injury is to a person, reimburse the insured for outlay for such medical aid as is immediately necessary at the time.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.199.

**Exceptions from liability**

**200** The insurer is not liable under a contract evidenced by a motor vehicle liability policy for any liability:

- (a) imposed by any workmen's compensation law upon any person insured by the contract; or
- (b) **Repealed.** 1984-85-86, c.47, s.6.
- (c) resulting from bodily injury to or the death of any employee of any person insured by the contract while engaged in the operation or repair of the automobile.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.200; 1984-85-86, c.47, s.6.

**Certain exclusions from liability prohibited**

**200.1** Any provision in a contract evidenced by a motor vehicle liability policy that the insurer shall not be liable for loss or damage resulting from bodily injury to or the death of any person being carried in or upon or entering or getting onto or alighting from an automobile, except as provided for in this Act, is void.

1984-85-86, c.54, s.3.

**Idem**

**201** The insurer may provide under a contract evidenced by a motor vehicle liability policy, in either or both of the following cases, that it shall not be liable:

- (a) to indemnify any person engaged in the business of selling, repairing, maintaining, servicing, storing or parking automobiles for any loss or damage sustained while engaged in the use or operation of or while working upon the automobile in the course of that business unless the person is the owner of the automobile or is his employee;
- (b) for loss or damage to property carried in or upon the automobile or to any property owned or rented by or in the care, custody or control of the insured.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.201.

**Same**

**202** Subject to the limitations and exclusions of the endorsement, the insurer may provide by endorsement to a contract evidenced by a motor vehicle liability policy, in either or both of the following cases, that it shall not be liable for loss or damage:

- (a) **Repealed.** 1984-85-86, c.54, s.3.
- (b) resulting from the ownership, use or operation of any machinery or apparatus, including its equipment, mounted on or attached to the automobile while such automobile is at the site of the use or operation of that machinery or apparatus.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.202; 1984-85-86, c.54, s.3.

**Same**

**203(1)** The insurer may provide under a contract evidenced by a motor vehicle liability policy, in one or more of the following cases, that it shall not be liable while:

- (a) the automobile is rented or leased to another person;
- (b) the automobile is used to carry explosives or to carry radioactive material for research, education, development or industrial purposes or for purposes incidental thereto;



(c) the automobile is used as a taxi-cab, public omnibus, livery, jitney or sightseeing conveyance or for carrying passengers for compensation or hire.

(d) **Repealed.** 1986-87-88, c.55, s.7.

(e) **Repealed.** 1986-87-88, c.55, s.7.

**Interpretation, “radioactive material”**

(2) In clause (1)(b), “**radioactive material**” means:

(a) spent nuclear fuel rods that have been exposed to radiation in a nuclear reactor;

(b) radioactive waste material;

(c) unused enriched nuclear fuel rods; or

(d) any other radioactive material of such quantity and quality as to be harmful to persons or property if its container were destroyed or damaged.

**Exemption**

(3) Clause (1)(a) does not include the use by an employee of his automobile on the business of his employer and for which he is paid.

**Certain rules excepted**

(4) Clause (1)(c) does not include:

(a) the use by a person of his automobile for the carriage of another person in return for the former’s carriage in the automobile of the latter;

(b) the occasional and infrequent use by a person of his automobile for the carriage of another person who shares the cost of the trip;

(c) the use by a person of his automobile for the carriage of a temporary or permanent domestic servant of the insured or his spouse; or

(d) the use by a person of his automobile for the carriage of a client or customer or a prospective client or customer.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.203; 1982, c.16, s.57; 1986-87-88, c.55, s.7.

**Minimum liability**

**204(1)** Every contract evidenced by a motor vehicle liability policy insures, in respect of any one accident, to the limit of at least:

(a) in the case of accidents that occurred before May 1, 1981, \$35,000;

(b) in the case of accidents that occur on or after May 1, 1981 but before January 1, 1985, \$100,000; and

(c) in the case of accidents that occur on or after January 1, 1985, \$200,000;

exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons and loss of or damage to property.

**Priorities**

(2) The contract shall be interpreted to mean that where, by reason of any one accident, liability results from bodily injury or death and from loss of or damage to property:

(a) claims against the insured arising out of bodily injury or death have priority to the extent of:

- (i) in the case of accidents that occurred before May 1, 1981, \$30,000;
- (ii) in the case of accidents that occur on or after May 1, 1981 but before January 1, 1985, \$95,000; and
- (iii) in the case of accidents that occur on or after January 1, 1985, \$190,000;

over claims arising out of loss of or damage to property; and

(b) claims against the insured arising out of loss of or damage to property have priority to the extent of:

- (i) in the case of accidents that occurred before January 1, 1985, \$5,000; and
- (ii) in the case of accidents that occur on or after January 1, 1985, \$10,000;

over claims arising out of bodily injury or death.

**Separate limits**

(3) The insurer may, instead of specifying a limit in the policy for an inclusive amount, specify a limit of liability of at least:

- (a) in the case of accidents that occurred before May 1, 1981, \$35,000;
- (b) in the case of accidents that occur on or after May 1, 1981 but before January 1, 1985, \$100,000; and
- (c) in the case of accidents that occur on or after January 1, 1985, \$200,000;

exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons and a limit of liability of at least:

- (d) in the case of accidents that occurred before May 1, 1981, \$35,000;
- (e) in the case of accidents that occur on or after May 1, 1981 but before January 1, 1985, \$100,000; and
- (f) in the case of accidents that occur on or after January 1, 1985, \$200,000;

exclusive of interest and costs, against liability for loss of or damage to property.

**Variation of limits**

(4) Nothing in this Part precludes an insurer, with respect to a limit or limits in excess of those specified in subsection (1) or (3) from increasing or reducing the limit or limits specified in the contract with respect to the use or operation of the automobile by a named person, but no reduction is effective for a limit less than that required under subsection (1) or (3).

**Stipulation in motor vehicle liability policy**

**205(1)** Every motor vehicle liability policy issued in Saskatchewan shall provide that, in the case of liability arising out of the ownership, use or operation of the automobile in any province or territory of Canada:

- (a) the insurer shall be liable up to the minimum limits prescribed for that province or territory if those limits are higher than the limits prescribed by the policy;
- (b) the insurer shall not set up any defence to a claim that might not be set up if the policy were a motor vehicle liability policy issued in that province or territory; and
- (c) the insured, by acceptance of the policy, constitutes and appoints the insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which an action is brought against the insured arising out of the ownership, use or operation of the automobile.

**Power of attorney binding**

(2) A provision in a motor vehicle liability policy in accordance with clause (1)(c) is binding on the insured.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.205.

**Excess insurance**

**206(1)** Nothing in this Part precludes an insurer from providing insurance under a contract evidenced by a motor vehicle liability policy restricted to a limit in excess of that provided by *The Automobile Accident Insurance Act* or by another designated contract evidenced by a motor vehicle liability policy, whether the designated contract is a first loss insurance or an excess insurance.

**Termination of excess insurance**

(2) Where the insurance provided under *The Automobile Accident Insurance Act* or under the contract designated in the excess contract, as the case may be, terminates or is terminated, the excess contract is also automatically terminated.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.206.

**Agreement for partial payment of claim by insured**

**207** Nothing in this Part precludes an insurer from entering into an agreement with its insured under a contract evidenced by a motor vehicle liability policy providing that the insured will reimburse the insurer in an agreed amount in respect of any claim by or judgment in favour of a third party against the insured, and the agreement may be enforced against the insured according to its tenor.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.207.

**Interpretation**

**208(1)** In this section, “**nuclear energy hazard**” means the radioactive, toxic, explosive or other hazardous properties of prescribed substances pursuant to the *Nuclear Safety and Control Act* (Canada).

**Liability when nuclear energy contract also in force**

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

(a) the motor vehicle liability insurance is excess to the nuclear energy hazard liability insurance, and the insurer under the contract of motor vehicle liability insurance is not liable to pay beyond the minimum limits prescribed by section 204; and

(b) the unnamed insured under the contract of nuclear energy liability insurance may, in respect of such loss or damage, recover indemnity under that contract in the same manner and to the same extent as if named therein as the insured, and for that purpose he shall be deemed to be a party to the contract and to have given consideration therefor.

**When contract deemed in force**

(3) For the purpose of this section, a contract of nuclear energy hazard liability insurance shall be deemed to be in force at the time of the event giving rise to the loss or damage, notwithstanding that the limits of liability thereunder have been exhausted.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.208; 2003, c.38, s.36.

**Defence where more than one contract**

**209(1)** Where a person is insured under more than one contract evidenced by a motor vehicle liability policy, whether the insurance is first loss insurance or excess, and a question arises under clause 199(b) between an insurer and the insured or between the insurers as to which insurer shall undertake the obligation to defend in the name and on behalf of the insured, whether or not any insurer denies liability under its contract, the insured or any insurer may apply to the court and the court shall give such directions as may appear proper with respect to the performance of the obligation.

**Hearing**

(2) On an application under subsection (1), the only parties entitled to notice thereof and to be heard thereon are the insured and his insurers, and no material or evidence used or taken upon such an application is admissible upon the trial of an action brought against the insured for loss or damage to persons or property arising out of the use or operation of the automobile in respect of which the insurance is provided.

**Order**

(3) An order under subsection (1) does not affect the rights and obligations of the insurers in respect of payment of any indemnity under their respective policies.

**Contribution**

(4) Where indemnity is provided to the insured under two or more contracts and one or more of them are excess insurance, the insurers shall, as between themselves, contribute to the payment of expenses, costs and reimbursement for which provision is made in section 199 in accordance with their respective liabilities for damages awarded against the insured.

1968, c.64, s.209; R.S.S. 1978, c.S-26, s.209.

**Application of insurance money under motor vehicle liability policy**

**210(1)** Any person who has a claim against an insured for which indemnity is provided by a contract evidenced by a motor vehicle liability policy, notwithstanding that such person is not a party to the contract, may, upon recovering a judgment therefor in any province or territory of Canada against the insured, have the insurance money payable under the contract applied in or towards satisfaction of his judgment and of any other judgments or claims against the insured covered by the contract 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.

**Limitation**

(2) For the purpose of applying *The Limitations Act* to an action against an insurer pursuant to subsection (1), the day on which the act or omission on which the claim is based takes place is the date of the final determination of the action against the insured, including appeals if any.

**Other creditors excluded**

(3) A creditor of the insured is not entitled to share in the insurance money payable under any contract unless his claim is one for which indemnity is provided for by that contract.

**Insurer absolutely liable**

(4) The right of a person who is entitled under subsection (1) to have insurance money applied upon his judgment or claim is not prejudiced by:

- (a) an assignment, waiver, surrender, cancellation or discharge of the contract, 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 contract;
- (b) any act or default of the insured before or after that event in contravention of this Part or of the terms of the contract; or
- (c) any contravention of the *Criminal Code* or a statute of any province or territory of Canada or of any state or the District of Columbia of the United States of America by the owner or driver of the automobile;

and nothing mentioned in clause (a), (b) or (c) is available to the insurer as a defence in an action brought under subsection (1).

**Section applicable to purported policy**

(5) It is not a defence to an action under this section that an instrument issued as a motor vehicle liability policy by a person engaged in the business of an insurer and alleged by a party to the action to be such a policy is not a motor vehicle liability policy, and this section applies *mutatis mutandis* to the instrument.

**Contribution among insurers**

(6) The insurer may require any other insurers liable to indemnify the insured in whole or in part in respect of judgments or claims to which reference is made in subsection (1) to be made parties to the action and contribute according to their respective liabilities, whether the contribution is ratably or by way of first loss or excess insurance, as the case may be, and the insured shall on demand furnish the insurer with particulars of all other insurance covering the subject-matter of the contract.

**Payment into court**

(7) Where any person has recovered a judgment against the insured and is entitled to bring action under subsection (1), and the insurer admits liability to pay the insurance money under the contract and the insurer considers that:

- (a) there are or may be other claimants; or
- (b) there is no person capable of giving and authorized to give a valid discharge for payment who is willing to do so;

the insurer may apply to the court without notice for an order for payment of the money into court, and the court may, upon such notice, if any, as it thinks necessary, make an order accordingly.

**Effect of order**

(8) The receipt of the proper officer of the court is sufficient discharge to the insurer for the insurance money paid into court under subsection (7), and the insurance money shall be dealt with as the court may order upon application of any person interested therein.

**Defence to passenger claim and re excess limits relating to section 203 coverage**

(9) Notwithstanding anything contained therein to the contrary, every contract evidenced by a motor vehicle liability policy shall, for the purposes of this section, be deemed to provide all the types of coverage mentioned in section 203, but the insurer is not liable to a claimant:

- (a) **Repealed.** 1984-85-86, c.54, s.3.
- (b) with respect to such coverage in excess of the limits mentioned in section 204.

**Defence where coverage under sections 201 and 202**

(10) Where one or more contracts provide for coverage of a type mentioned in section 201 or 202, except as provided in subsection (12), the insurer may:

- (a) with respect to that type of coverage; and
- (b) as against a claimant;

avail itself of any defence that it is entitled to set up against the insured notwithstanding subsection (4).

**Defence where excess limits**

(11) Where one or more contracts provide for coverage in excess of the limits mentioned in section 204, except as provided in subsection (12), the insurer may:

- (a) with respect to the coverage in excess of those limits; and
- (b) as against a claimant;

avail itself of any defence that it is entitled to set up against the insured, notwithstanding subsection (4).

**Insurer's defence re passengers**

(12) Where a contract in respect of an automobile operated in the business of carrying passengers for compensation or hire and insured for that purpose provides coverage for loss or damage resulting from bodily injury to or death of any person being carried in or upon, entering into, getting onto or alighting from the automobile, the insurer may:

- (a) with respect to that type of coverage; and
- (b) as against a claimant;

only avail itself of a defence that it is entitled to set up against the insured in respect of that part of the coverage, if any, that exceeds the greater of:

- (c) the limits mentioned in section 204; or
- (d) the minimum limits required for that type of coverage by or pursuant to any other Act.

**Insured's liability to reimburse insurer**

(13) The insured shall reimburse the insurer upon demand in the amount that the insurer has paid by reason of this section and that it would not otherwise be liable to pay.

**Insurer may be made third party**

(14) Where an insurer denies liability under a contract evidenced by a motor vehicle liability policy, it shall, upon application to the court, be made a third party in any action to which the insured is a party and in which a claim is made against the insured by any party to the action in which it is or might be asserted that indemnity is provided by the contract, whether or not the insured enters an appearance or defence in the action.

**Rights of insurer**

(15) Upon being made a third party, the insurer may:

- (a) contest the liability of the insured to any party claiming against the insured;
- (b) contest the amount of any claim made against the insured;
- (c) deliver any pleadings in respect of the claim of any party claiming against the insured;

- (d) have production and discovery from any party adverse in interest; and
- (e) examine and cross-examine witnesses at the trial;

to the same extent as if it were a defendant in the action.

**Idem**

(16) An insurer may avail itself of subsection (15) notwithstanding that another insurer is defending in the name and on behalf of the insured an action to which its insured is a party.

1968, c.64, s.29; R.S.S. 1978, c.S-26, s.210; 1984-85-86, c.54, s.3; 2004, c.L-16.1, s.76; 2018, c.42, s.65.

**Insured to give notice of action**

**211(1)** Every insured against whom an action is commenced for damages occasioned by an automobile shall give notice thereof in writing to the insurer within five days after service of every notice or process in the action.

**Insured to disclose insurance**

(2) Every insured against whom an action is commenced for damages occasioned by an automobile shall, upon recovery of a judgment against the insured, disclose to a judgment creditor entitled to the benefit of any motor vehicle liability policy particulars of such contract within 10 days after written demand therefor.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.211.

## PHYSICAL DAMAGE COVER

**Stipulations in physical damage cover**

**212** Subject to subsection 188(1), the insurer may provide in a contract such exclusions and limitations, in respect of loss of or damage to or the loss of use of the automobile, as it considers necessary.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.212.

**Partial payment of loss clause**

**213(1)** A contract or part of a contract providing insurance against loss of or damage to an automobile and the loss of use thereof may contain a clause to the effect that, in the event of loss, the insurer shall pay only:

- (a) an agreed portion of any loss that may be sustained; or
- (b) the amount of the loss after deduction of a sum specified in the policy;

and in either case not exceeding the amount of the insurance.



**Stamping required**

(2) Where a clause is inserted in accordance with subsection (1), there shall be printed or stamped upon the face of the policy in bold type at least 12 points in size the words: "This policy contains a partial payment of loss clause".

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.213; 1998, c.35, s.19.

**Claims to be adjusted with insured**

**214(1)** Where a claim is made under any contract other than a contract evidenced by a motor vehicle liability policy, the insurer shall, notwithstanding any agreement, adjust the amount of the claim with the insured named in the contract as well as with any person having an interest indicated in the contract.

**Exception**

(2) Where notice is given or proof of loss is made by a person other than the insured, because the insured cannot be located or neglects or refuses or is unable to give notice and make claim under statutory conditions 4 and 7 in section 192, the insurer may, notwithstanding subsection (1) but in any event not earlier than 60 days from delivery of the proof required under clause (c) of subcondition (1) of said statutory condition 4, adjust and pay the claim to the other person having an interest indicated in the contract.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.214.

## LIMITED ACCIDENT INSURANCE

**Uninsured motorist cover**

**215(1)** Where an insurer provides in a contract insurance against loss resulting from bodily injury to or the death of a person insured arising out of an accident involving an automobile where:

- (a) there is legal liability of another person for the injury or death; and
- (b) the other person has no insurance against his liability therefor or that person cannot be identified;

that insurance applies only in respect of:

- (c) any person who sustains bodily injury or death while driving, being carried in or upon or entering or getting on to or alighting from the described automobile in respect of which insurance of the class mentioned in sub-clause 2(i)(i) is provided under the contract; and
- (d) the insured named in the contract and his or her spouse and any dependent relative residing in the same dwelling premises as the insured named in the contract who sustains bodily injury or death while driving, being carried in or upon or entering or getting on to or alighting from or as a result of being struck by any other automobile that is defined in the contract for the purposes of that insurance.

**Limited application**

(2) The insurance mentioned in subsection (1) does not apply in respect of a person specified therein who has a right of recovery under sections 51 to 60 of *The Automobile Accident Insurance Act* or similar legislation of any other province or territory of Canada or of any state or the District of Columbia of the United States of America.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.215.

**Medical expense coverage**

**216(1)** Where in a contract an insurer provides insurance against expenses for medical, surgical, dental, ambulance, hospital, professional nursing or funeral services, the insurance applies only in respect of reasonable expenses:

(a) of or incurred for any person who sustains bodily injury or death while driving or being carried in or upon or entering or getting on to or alighting from or, if not the occupant of another automobile, as a result of being struck by an automobile owned by the insured named in the contract in respect of which insurance of the class mentioned in subclause 2(i)(i) is provided under the contract; and

(b) of the insured named in the contract and his or her spouse and any dependent relative residing in the same dwelling premises as the insured named in the contract who sustains bodily injury or death while driving or being carried in or upon or entering or getting on to or alighting from or as a result of being struck by any other automobile that is defined in the contract for the purposes of that insurance.

**Release by claimant**

(2) Where an insurer makes a payment under a contract of insurance referred to in subsection (1), the payment constitutes, to the extent of such payment, a release by the insured person or his personal representatives of any claim that the insured person or his personal representatives or any person claiming through or under him or by virtue of *The Fatal Accidents Act* may have against the insurer and any other person who may be liable to the insured person or his personal representatives if that other person is insured under a contract of the same type as is specified in subsection (1), but nothing in this subsection precludes an insurer from demanding, as a condition precedent to payment, a release to the extent of the payment from the person insured or his personal representatives or any other person.

**First loss and excess insurance**

(3) Subject to subsection 224(3), the insurance mentioned in clause (1)(a) is a first loss insurance, and any other automobile insurance of the same type available to the injured person or in respect of a deceased person is excess insurance only.

**Excess insurance**

(4) The insurance mentioned in clause (1)(a) is excess insurance to any other insurance not being automobile insurance of the same type indemnifying the injured person or in respect of a deceased person for the expenses.

**Idem**

(5) The insurance mentioned in clause (1)(b) is excess insurance to any other insurance indemnifying the injured person or in respect of a deceased person for the expenses.

1968, c.64, s.9; 1970, c.59, s.7; R.S.S. 1978,  
c.S-26, s.216.

**Accident benefits**

**217(1)** Where in a contract an insurer provides accident insurance benefits in respect of the death of or injury to an insured person arising out of an accident involving an automobile, the insurance applies only in respect of:

- (a) any person who sustains bodily injury or death while driving or being carried in or upon or entering or getting on to or alighting from or, if not the occupant of another automobile, as a result of being struck by an automobile owned by the insured named in the contract in respect of which insurance of the class mentioned in subclause 2(i)(i) is provided under the contract; and
- (b) the insured named in the contract and his or her spouse and any dependent relative residing in the same dwelling premises as the named insured who sustains bodily injury or

death while driving or being carried in or upon or entering or getting on to or alighting from or as a result of being struck by any other automobile that is defined in the policy for the purposes of the insurance.

**Release by claimant**

(2) Where an insurer makes a payment under a contract of insurance to which subsection (1) refers, the payment constitutes, to the extent of such payment, a release by the insured person or his personal representatives of any claim that the insured person or his personal representatives or any person claiming through or under him or by virtue of *The Fatal Accidents Act* may have against the insurer and any other person who may be liable to the insured person or his personal representatives if that other person is insured under a contract of the same type as is specified in subsection (1), but nothing in this subsection precludes an insurer from demanding, as a condition precedent to payment, a release to the extent of the payment from the person insured or his personal representatives or any other person.

**First loss and excess insurance**

(3) Subject to subsection (5), the insurance mentioned in clause (1)(a) is a first loss insurance, and any other automobile insurance of the same type available to the injured person or in respect of a deceased person is excess insurance only.

**Excess insurance**

(4) Subject to subsection (5), the insurance mentioned in clause (1)(b) is excess insurance over any other automobile insurance of the same type available to the injured person or in respect of a deceased person.

**Limit of benefit payable**

(5) Where a person is entitled to benefits under more than one contract providing insurance of the type mentioned in this section, he or his personal representative or any person claiming through or under him or by virtue of *The Fatal Accidents Act* may recover only an amount equal to:

- (a) one benefit, if the benefits under the contracts are of the same limit; or
- (b) the highest benefit, if the benefits under the contracts are not of the same limit.

1968, c.64, s.9; 1970, c.59, s.8; R.S.S. 1978, c.S-26, s.217.

**Demand for particulars of insurance**

**218(1)** Where a person is injured or killed in an accident in Saskatchewan involving an automobile, that person or his personal representative may serve:

- (a) a demand by registered mail on the owner of the automobile; or
- (b) a demand by registered mail on the insurer of the owner of the automobile;

requiring the owner or insurer, as the case may be, to state in writing to the person making the demand whether or not that owner has insurance of the type mentioned in section 216 or 217 or either of them, and, where the demand is made under clause (a), requiring the owner, if he has such insurance, to state the name of the insurer.

**Offence**

(2) An owner or insurer who does not, within 10 days after receiving a demand made under subsection (1), comply with the demand is guilty of an offence.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.218.

**Rights of unnamed insured**

**219** Any person insured by but not named in a contract to which section 215, or 217 applies may recover under the contract 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.

1968, c.64, s.9; 1970, c.59, s.9; R.S.S. 1978, c.S-26, s.219.

**Payment into court**

**220(1)** Where an insurer admits liability for insurance money payable under section 215, 216 or 217 and it appears that:

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

the insurer may, at any time after 30 days after the date upon which the insurance money becomes payable, apply to the court without notice for an order for payment of the money into the court and the court may upon such notice, if any, as it thinks necessary make an order accordingly.

**Discharge of insurer**

(2) The receipt of the proper officers of the court is sufficient discharge to the insurer for the insurance money paid into the court and the insurance money shall be dealt with as the court orders.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.220; 2018, c.42, s.65.

**Limitation of action**

**221** Every action or proceeding against an insurer under a contract in respect of insurance provided under section 215, 216 or 217 shall be commenced within the limitation period specified in the contract, but in no event shall the limitation period be less than the limitation period established by *The Limitations Act* that would otherwise apply.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.221; 2004, c.L-16.1, s.76.

**Demand on claimant**

**222** Where any person make a claim for damages in respect of bodily injury or death sustained by the person or any other person while driving or being carried in or upon or entering or getting on to or alighting from or as a result of being struck by an automobile, he shall, if required by the person against whom the claim is made or by someone acting on his behalf, furnish to or for that person full particulars of all insurance available to the claimant under contracts falling within the scope of section 216 or 217 and of any payments of insurance money made or to be made thereunder.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.222.

**Terms of certain insurances**

**223** Subject to subsection 188(1), an insurer may in a policy:

- (a) provide insurance that is less extensive in scope than the insurance mentioned in section 215, 216 or 217; and
- (b) provide the terms of the contract that relate to the insurance mentioned in section 215, 216 or 217.

1968, c.64, s.9; R.S.S. 1978, c.S-26, s.223.

**OTHER INSURANCE****Other insurance**

**224(1)** Subject to section 208, insurance under a contract evidenced by a valid owner's policy of the kind mentioned in clause 2(1)(tt) is, in respect of liability arising from or occurring in connection with the ownership, use or operation of an automobile owned by the insured named in the contract and within the description or definition thereof in the policy, a first loss insurance, and insurance attaching under any other valid motor vehicle liability policy is excess insurance only.

**Idem**

(2) Subject to section 208, 216 and 217 and to subsection (1) of this section, if the insured named in a contract has or places any other valid insurance, whether against liability for the ownership, use or operation of or against loss of or damage to an automobile or otherwise, of his interest in the subject-matter of the contract or any part thereof, the insurer is liable only for its rateable proportion of any liability, expense, loss or damage.

**Idem**

(3) The insurance provided under sections 215, 216 and 217 is excess insurance to that provided pursuant to *The Automobile Accident Insurance Act*.

**“Rateable proportion” defined**

(4) The expression “**rateable proportion**” as used in subsection (2) means:

- (a) if there are two insurers liable and each has the same policy limits, each of the insurers shall share equally in any liability, expense, loss or damage;
- (b) if there are two insurers liable with different policy limits, the insurers shall share equally up to the limit of the smaller policy limit;
- (c) if there are more than two insurers liable, clauses (a) and (b) apply *mutatis mutandis*.

1968, c.64, s.9; 1970, c.59, s.10; R.S.S. 1978,  
c.S-26, s.224; 2003, c.38, s.40.

## SUBROGATION

**Subrogation**

**225(1)** An insurer who makes any payment or assumes liability therefor under a contract is subrogated to all rights of recovery of the insured against any person and may bring action in the name of the insured to enforce those rights.

**Pro-rating recovery**

(2) Where the net amount recovered whether by action or on settlement is, after deduction of the costs of the recovery, not sufficient to provide complete indemnity for the loss or damage suffered the amount remaining shall be divided between the insurer and the insured in the proportion in which the loss or damage has been borne by them.

**Action when section 213 applies**

(3) Where the interest of an insured in any recovery is limited to the amount provided under a clause in the contract to which section 213 applies, the insurer shall have control of the action.

**Application to court**

(4) Where the interest of an insured in any recovery exceeds that referred to in subsection (3) and the insured and the insurer cannot agree as to:

- (a) the solicitors to be instructed to bring the action in the name of the insured;
- (b) the conduct and carriage of the action or any matters pertaining thereto;

- (c) any offer of settlement or the apportionment thereof, whether action has been commenced or not;
- (d) the acceptance of any money paid into court or the apportionment thereof;
- (e) the apportionment of costs; or
- (f) the launching or prosecution of an appeal; either party may apply to the court for the determination of the matters in question, and the court shall make such order as it considers reasonable having regard to the interests of the insured and the insurer in any recovery in the action or proposed action or in any offer of settlement.

**Idem**

- (5) On an application under subsection (4), the only parties entitled to notice and to be heard thereon are the insured and the insurer, and no material or evidence used or taken upon the application is admissible upon the trial of an action brought by or against the insured or the insurer.

**Concurrence in settlement or release**

- (6) A settlement or release given before or after an action is brought does not bar the rights of the insured or the insurer as the case may be, unless they have concurred therein.

1968, c.64, s.9; 1970, c.59, s.11; R.S.S. 1978,  
c.S-26, s.225.

PART VII  
**Accident and Sickness Insurance**

INTERPRETATION

**Interpretation of Part****226** In this Part:

- (a) **“application”** means a written application for insurance or for the reinstatement of insurance;
- (b) **“beneficiary”** means a person designated or appointed in a contract or by a declaration, other than the insured or his personal representative, to whom or for whose benefit insurance money payable in the event of death by accident is to be paid;
- (c) **“blanket insurance”** means that class of group insurance that covers loss arising from specific hazards incident to or defined by reference to a particular activity or activities;
- (d) **“contract”** means a contract of insurance;
- (e) **“creditor’s group insurance”** means insurance effected by a creditor whereby the lives or well-being, or the lives and well-being, of a number of his debtors are insured severally under a single contract;

- (f) **“declaration”** means an instrument signed by the insured:
- (i) with respect to which an endorsement is made on the policy; or
  - (ii) that identifies the contract; or
  - (iii) that describes the insurance or insurance fund or a part thereof;
- in which he designates or alters or revokes the designation of his personal representative or a beneficiary as one to whom or for whose benefit shall be paid the insurance money which is payable in the event of death by accident;
- (g) **“family insurance”** means insurance whereby the lives or well-being, or the lives and well-being, of the insured and one or more persons related to him by blood, marriage or adoption or cohabiting with him or her in a spousal relationship are insured under a single contract between an insurer and the insured;
- (h) **“group insurance”** means insurance other than creditor’s group insurance and family insurance, whereby the lives or well-being, or the lives and well-being, of a number of persons are insured severally under a single contract between an insurer and an employer or other person;
- (i) **“group person insured”** means a person who is insured under a contract of group insurance and upon whom a right is conferred by the contract, but does not include a person who is insured thereunder as a person dependent upon or related to him;
- (j) **“instrument”** includes a will;
- (k) **“insurance”** means accident insurance, sickness insurance, or accident insurance and sickness insurance;
- (l) **“insured”**:
- (i) in the case of group insurance means, in the provisions of this Part relating to the designation of beneficiaries or of personal representatives as recipients of insurance money and their rights and status, the group person insured; and
  - (ii) in all other cases means the person who makes a contract with an insurer;
- (m) **“person insured”** means a person in respect of an accident to whom, or in respect of whose sickness, insurance money is payable under a contract, but does not include a group person insured;
- (n) **“will”** includes a codicil.



**Application of Part**

**227(1)** Notwithstanding any agreement, condition or stipulation to the contrary, this Part applies to a contract made in Saskatchewan on and after November 1, 1970, and sections 226 to 229, 236, 239 to 241, 245 and 247 to 263, apply also to a contract made in Saskatchewan before that day.

**Application of sections of prior Act**

(2) Sections 229 to 232, 234, 241 and 244 of *The Saskatchewan Insurance Act*, being chapter 143 of *The Revised Statutes of Saskatchewan, 1965*, as those sections were in force on October 31, 1970, continue to apply to a contract made in Saskatchewan before that day.

**Exceptions**

(3) This Part does not apply to:

- (a) accidental death insurance; or
- (b) creditor's group insurance; or
- (c) disability insurance; or
- (d) insurance provided under section 215, 216 or 217.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.227.

**Group insurance**

**228** In the case of a contract of group insurance made with an insurer authorized to transact insurance in Saskatchewan at the time the contract was made, this Part applies in determining:

- (a) the rights and status of beneficiaries and personal representatives as recipients of insurance money, if the group person insured was resident in Saskatchewan at the time he became insured; and
- (b) the rights and obligations of the group person insured if he was resident in Saskatchewan at the time he became insured.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.228.

**Issue of policy**

**229** An insurer entering into a contract shall issue a policy.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.229.

**Exceptions**

**230(1)** This section does not apply to:

- (a) a contract of group insurance; or
- (b) a contract made by a fraternal society.

**Contents of policy**

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

- 1 The name or a sufficient description of the insured and of the person insured.
- 2 The amount or the method of determining the amount of the insurance money payable and the conditions under which it becomes payable.
- 3 The amount or the method of determining the amount of the premium and the period of grace, if any, within which it may be paid.
- 4 The conditions upon which the contract may be reinstated if it lapses.
- 5 The term of the insurance or the method of determining the day upon which the insurance commences and terminates.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.230.

**Contents of group policy**

**231** In the case of a contract of group insurance, an insurer shall set forth the following particulars in the policy:

- 1 The name or a sufficient description of the insured.
- 2 The method of determining the group persons insured and persons insured.
- 3 The amount or the method of determining the amount of the insurance money payable and the conditions under which it becomes payable.
- 4 The period of grace, if any, within which the premium may be paid.
- 5 The term of the insurance or the method of determining the day upon which the insurance commences and terminates.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.231.

**Contents of group certificates**

**232(1)** Except as provided in subsection (2), in the case of a contract of group insurance an insurer shall issue for delivery by the insured to each group person insured a certificate or other document in which are set forth the following particulars:

- 1 The name of the insurer and a sufficient identification of the contract.
- 2 The amount or the method of determining the amount of insurance on the group person insured and on any person insured.
- 3 The circumstances under which the insurance terminates, and the rights, if any, upon such termination of the group person insured and of any person insured.

**Exception**

(2) This section does not apply to a contract of blanket insurance or to a contract of group insurance of a non-renewable type issued for a term of six months or less.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.232.

**Exceptions or reductions**

**233(1)** Subject to section 234 and except as otherwise provided in this section, the insurer shall set forth in the policy every exception or reduction affecting the amount payable under the contract, either in the provision affected by the exception or reduction, or under a heading such as “Exceptions” or “Reductions”.

**Same**

(2) Where the exception or reduction affects only one provision in the policy it shall be set forth in that provision.

**Same**

(3) Where the exception or reduction is contained in an endorsement, insertion or rider, the endorsement, insertion or rider shall, unless it affects all amounts payable under the contract, make reference to the provisions in the policy affected by the exception or reduction.

**Same**

(4) The exception or reduction mentioned in section 246 need not be set forth in the policy.

**Same**

(5) The section does not apply to a contract made by a fraternal society.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.233.

**Statutory conditions**

**234** Subject to section 235, the conditions set forth in this section shall be deemed to be part of every contract other than a contract of group insurance, and shall be printed on or attached to the policy forming part of such contract with the heading “Statutory Conditions”.

**STATUTORY CONDITIONS****The contract**

**1(1)** The application, this policy, any document attached to this policy when issued, and any amendments to the contract agreed upon in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

**Waiver**

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

**Copy of application**

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

**Material facts**

**2** No statement made by the insured or person insured at the time of application for this contract shall be used in defence of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

**Changes in occupation**

**3(1)** If after the contract is issued the person insured engages for compensation in an occupation that is classified by the insurer as more hazardous than that stated in this contract, the liability under this contract is limited to the amount that the premium paid would have purchased for the more hazardous occupation according to the limits, classification of risks and premium rates in use by the insurer at the time the person insured engaged in the more hazardous occupation.

(2) If the person insured changes his occupation from that stated in this contract to an occupation classified by the insurer as less hazardous and the insurer is so advised in writing, the insurer shall either.

- (a) reduce the premium rate; or
- (b) issue a policy for the unexpired term of this contract at the lower rate of premium applicable to the less hazardous occupation;

according to the limits, classification of risks, and premium rates used by the insurer at the date of receipt of advice of the change in occupation, and shall refund to the insured the amount by which the unearned premium on this contract exceeds the premium at the lower rate for unexpired term.

**Relation of earnings to insurance**

**4** Where the benefits for loss of time payable hereunder, either alone or together with benefits for loss of time under another contract, including a contract of group accident insurance or group sickness insurance, or of both and life insurance contract providing disability insurance, exceed the money value of the time of the person insured, the insurer is liable only for that proportion of the benefits for loss of time stated in this policy that the money value of the time of the person insured bears to the aggregate of the benefits for loss of time payable under all such contracts and the excess premium, if any, paid by the insured shall be returned to him by the insurer.

**Termination by insured**

**5** The insured may terminate this contract at any time by giving written notice of termination to the insurer by registered mail to its head office or chief agency in the province, or by delivery thereof to an authorized agent of the insurer in the province, and the insurer shall upon surrender of this policy refund the amount of premium paid in excess of the short rate premium calculated to the date of receipt of such notice according to the table in use by the insurer at the time of termination.

**Termination by insurer**

**6(1)** The insurer may terminate this contract at any time by giving written notice of termination to the insured and by refunding concurrently with the giving of notice the amount of premium paid in excess of the *pro rata* premium for the expired time.

(2) The notice of termination may be delivered to the insured, or it may be sent by registered mail to the latest address of the insured on the records of the insurer.

(3) Where the notice of termination is delivered to the insured, five days' notice of termination shall be given; where it is mailed to the insured, 10 days' notice of termination shall be given, and the 10 days shall begin on the day following the date of mailing of notice.

**Notice and proof of claim**

7(1) The insured or a person insured, or a beneficiary entitled to make a claim, or the agent of any of them, shall:

- (a) give written notice of claim to the insurer:
  - (i) by delivery thereof, or by sending it by registered mail to the head office or chief agency of the insurer in the province; or
  - (ii) by delivery thereof to an authorized agent of the insurer in the province;

not later than 30 days from the date a claim arises under the contract on account of an accident, sickness or disability;

- (b) within 90 days from the date a claim arises under the contract on account of an accident, sickness or disability, furnish to the insurer such proof as is reasonably possible in the circumstances of the happening of the accident or the commencement of the sickness or disability, and the loss occasioned thereby, the right of the claimant to receive payment, his age, and the age of the beneficiary if relevant; and

- (c) if so required by the insurer, furnish a satisfactory certificate as to the cause or nature of the accident, sickness or disability for which claim may be made under the contract and as to the duration of such disability.

**Failure to give notice of proof**

(2) Failure to give notice of claim or furnish proof of claim within the time prescribed by this statutory condition does not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident or the date a claim arises under the contract on account of sickness or disability if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

**Insurer to furnish forms for proof of claim**

8 The insurer shall furnish forms for proof of claim within 15 days after receiving notice of claim, but where the claimant has not received the forms within that time he may submit his proof of claim in the form of a written statement of the cause or nature of the accident, sickness or disability giving rise to the claim and of the extent of the loss.

**Rights of examination**

- 9** As a condition precedent to recovery of insurance moneys under this contract:
- (a) the claimant shall afford to the insurer an opportunity to examine the person of the person insured when and so often as it reasonably requires while the claim hereunder is pending; and
  - (b) in the case of death of the person insured, the insurer may require an autopsy subject to any law of the applicable jurisdiction relating to autopsies.

**When moneys payable other than for loss of time**

- 10** All moneys payable under this contract, other than benefits for loss of time, shall be paid by the insurer within 60 days after it has received proof of claim.

**When loss of time benefits payable**

- 11** The initial benefits for loss of time shall be paid by the insurer within 30 days after it has received proof of claim, and payment shall be made thereafter in accordance with the terms of the contract but not less frequently than once in each succeeding 60 days while the insurer remains liable for the payments if the person insured when required to do so furnishes before payment proof of continuing disability

- 12 Repealed.** 2004, c.L-16.1, s.76.

1970, c.59, s. 12; R.S.S. 1978, c.S-26, s.234;  
2004, c.L-16.1, s.76.

**Omission or variation of conditions**

- 235(1)** Where a statutory condition is not applicable to the benefits provided by the contract it may be omitted from the policy or varied so that it will be applicable.

**Same**

- (2) Statutory conditions 3, 4 and 9 may be omitted from the policy if the contract does not contain any provisions respecting the matters dealt with therein.

**Same**

- (3) Statutory conditions 5 and 6 shall be omitted from the policy if the contract does not provide that it may be terminated by the insurer prior to the expiry of any period for which a premium has been accepted.

**Same**

- (4) Statutory conditions 3, 4, 5, 6 and 9, and subject to the restriction in subsection (5), statutory condition 7, may be varied but, if by reason of the variation the contract is less favourable to the insured, a person insured or a beneficiary, than it would be if the condition had not been varied, the condition shall be deemed to be included in the policy in the form in which it appears in section 234.

**Same**

- (5) Clauses (a) and (b) of subcondition (1) of statutory condition 7 may not be varied in policies providing benefits for loss of time.

**Same**

- (6) Statutory conditions 10 and 11 may be varied by shortening the periods of time prescribed therein.

**Same**

(7) The title of a statutory condition shall be reproduced in the policy along with the statutory condition, but the number of a statutory condition may be omitted.

**Contract by fraternal society**

(8) In the case of a contract made by a fraternal society:

(a) the following provision shall be printed on every policy in substitution for subcondition (1) of statutory condition 1:

**The contract**

“1(1) This policy, the Act or instrument of incorporation of the fraternal society, its constitution, bylaws and rules, and the amendments made from time to time to any of them, the application for the contract and the medical statement of the applicant constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.”

and

(b) statutory condition 5 shall not be printed on the policy.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.235; 2003, c.38, s.41; 2004, c.L-16.1, s.76.

**Notice of statutory conditions**

**236** In the case of a policy of accident insurance of a nonrenewable type issued for a term of six months or less or in relation to a ticket of travel, the statutory conditions need not be printed on or attached to the policy if the policy contains the following notice printed in conspicuous type:

Notwithstanding any other provision herein contained, this contract is subject to the statutory conditions in *The Saskatchewan Insurance Act* respecting contracts of accident insurance.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.236.

**Termination for non-payment of initial or renewal premium**

**237(1)** Where a policy evidencing a contract or a certificate evidencing the renewal of a contract is delivered to the insured and the initial premium or in the case of a renewal certificate the renewal premium therefor has not been fully paid:

(a) the contract or the renewal thereof evidenced by the certificate is as binding on the issuer as if such premium had been paid although delivered by an officer or an agent of the insurer who did not have authority to deliver it; and

(b) the contract may be terminated for the non-payment of the premium by the insurer upon 10 days' notice of termination given in writing to the insured and mailed postage prepaid and registered to the latest address of the insured on the records of the insurer and the ten days shall begin on the day following the date of mailing such notice.

**Exception**

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.237.

**Right where premium unpaid**

**238(1)** An insurer may:

- (a) deduct unpaid premiums from an amount that it is liable to pay under a contract; or
- (b) sue the insured for unpaid premiums.

**Where cheque or note for premium not paid**

(2) Where a cheque or other bill of exchange or a promissory note or other written promise to pay is given for the whole or part of a premium and payment is not made according to its tenor the premium or part thereof shall be deemed never to have been paid.

**Exception**

(3) Clause (1)(a) does not apply to a contract of group insurance.

**Same**

(4) This section does not apply to a contract made by a fraternal society.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.238.

**Insurable interest**

**239** Without restricting the meaning of the expression “insurable interest”, a person has an insurable interest in his own life and well-being and in the life and well-being of:

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.239.

**Lack of insurable interest**

**240(1)** Subject to subsection (2), where at the time a contract would otherwise take effect, the insured has no insurable interest, the contract is void.

**Exceptions**

(2) A contract is not void for lack of insurable interest:

- (a) if it is a contract of group insurance; or
- (b) if the person insured has consented in writing to the insurance.



**Consent of minors**

(3) Where the person insured is under the age of 16 years, consent to the insurance may be given by one of his parents or by a person standing *in loco parentis* to him.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.240.

## POLICIES ON LIVES OF MINORS

**Capacity of minors**

**241** Except in respect of his rights as beneficiary, a minor who has attained the age of 16 years has the capacity of a person of the age of 18 years:

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.241.

## MISREPRESENTATION AND NON-DISCLOSURE

**Duty to disclose**

**242(1)** An applicant for insurance on his own behalf and on behalf of each person to be insured, and each person to be insured, shall disclose to the insurer in any application, on a medical examination, if any, and in any written statements or answers furnished as evidence of insurability, every fact within his knowledge that is material to the insurance and is not so disclosed by the other.

**Failure to disclose**

(2) Subject to sections 243 and 246, a failure to disclose, or a misrepresentation of, such a fact renders a contract voidable by the insurer.

**Group insurance failure to disclose**

(3) In the case of a contract of group insurance, a failure to disclose or a misrepresentation of such a fact within respect to a group person insured or a person insured under the contract does not render the contract voidable, but if evidence of insurability is specifically requested by the insurer, the insurance in respect of such a person is, subject to section 243, voidable by the insurer.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.242.

**Incontestability**

**243(1)** Subject to section 246 and except as provided in subsection (2):

- (a) where a contract, including renewals thereof, except a contract of group insurance, has been in effect continuously for two years with respect to a person insured, a failure to disclose or a misrepresentation of a fact with respect to that person required by section 242 to be disclosed does not, except in the case of fraud, render the contract voidable;

(b) where a contract of group insurance, including renewals thereof, has been in effect continuously for two years with respect to a group person insured or a person insured, a failure to disclose or a misrepresentation of a fact with respect to that group person insured or person insured required by section 242 to be disclosed does not, except in the case of fraud, render the contract voidable with respect to that group person insured or person insured.

**Exception**

(2) Where a claim arises from a loss incurred or a disability beginning before a contract, including renewals thereof, has been in force for two years with respect to the person in respect of whom the claim is made, subsection (1) does not apply to that claim.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.243.

**Application of incontestability to reinstatement**

**244** Sections 242 and 243 apply *mutatis mutandis* to a failure at the time of reinstatement of a contract to disclose or a misrepresentation at that time, and the period of two years to which reference is made in section 243 commences to run in respect of a reinstatement from the date of reinstatement.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.244.

**Pre-existing conditions**

**245** Where a contract contains a general exception or reduction with respect to pre-existing disease or physical conditions and the person insured or group person insured suffers or has suffered from a disease or physical condition that existed before the date the contract came into force with respect to that person and the disease or physical condition is not by name or specific description excluded from the insurance respecting that person:

(a) the prior existence of the disease or physical condition is not, except in the case of fraud, available as a defence against liability in whole or in part for a loss incurred or a disability beginning after the contract, including renewals thereof, has been in force continuously for two years immediately prior to the date of loss incurred or commencement of disability with respect to that person; and

(b) the existence of the disease or physical condition is not, except in the case of fraud, available as a defence against liability in whole or in part if the disease or physical condition was disclosed in the application for the contract.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.245.

**Misstatement of age**

**246(1)** Subject to subsections (2) and (3), if the age of the person insured has been mis-stated to the insurer then, at the option of the insurer, either:

- (a) the benefits payable under the contract shall be increased or decreased to the amount that would have been provided for the same premium at the correct age; or
- (b) the premium may be adjusted in accordance with the correct age as of the date the person insured became insured.

**Misstatement of age in group insurance**

(2) In the case of a contract of group insurance, if there is a misstatement to the insurer of the age of a group person insured or person insured, the provisions, if any, of the contract with respect to age or mis-statement of age shall apply.

**True age governs**

(3) Where the age of a person affects the commencement or termination of the insurance, the true age governs.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.246.

## BENEFICIARIES

**Designation of beneficiary**

**247(1)** Unless otherwise provided in the policy, an insured may in a contract or by a declaration designate his personal representative or a beneficiary to receive insurance money payable in the event of death by accident, and may from time to time alter or revoke the designation by declaration.

**Designation in invalid will**

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

**Priorities**

(3) A designation in a will is of no effect against a designation made later than the making of the will.

**Revocation**

(4) If a designation is contained in a will and subsequently the will is revoked by operation of law or otherwise, the designation is thereby revoked.

**Same**

(5) If a designation is contained in an instrument that purports to be a will and subsequently the instrument, if it had been valid as a will would have been revoked by operation of law or otherwise, the designation is thereby revoked.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.247.

**Meaning of “heirs”, etc.**

**248(1)** A designation in favour of the “heirs”, “next-of-kin” or “estate”, or the use of words of like import in a designation shall be deemed to be a designation of the personal representative.

**Death of beneficiary**

(2) Where a beneficiary predeceases the person insured or group person insured, as the case may be, and no disposition of the share of the deceased beneficiary in the insurance money is provided in the contract or by declaration, the share is payable:

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

**Right to sue**

(3) A beneficiary designated under section 247 may upon the death by accident of the person insured or group person insured enforce for his own benefit, and a trustee appointed pursuant to section 249 may enforce as trustee, the payment of insurance money payable to him, and the payment to the beneficiary or trustee discharges the insurer to the extent of the amount paid, but the insurer may set up any defence that it could have set up against the insured or his personal representative.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.248.

**Trustee for beneficiary**

**249** An insured may in a contract or by a declaration appoint a trustee for a beneficiary, and may alter or revoke the appointment by a declaration.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.249.

**Documents affecting title**

**250(1)** Until an insurer receives at its head or principal office in Canada an instrument or an order of any court of competent jurisdiction affecting the right to receive insurance money, or a notarial copy or a copy verified by statutory declaration of any such instrument or order, it may make payment of the insurance money and shall be as fully discharged to the extent of the amount paid as if there were no such instrument or order.

**Saving**

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

**Interest of assignee**

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

- (a) any assignee other than one who gave notice earlier in like manner; and
- (b) a beneficiary.

**Assignee deemed to be insured**

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

**Prohibition against assignment**

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.250.

**Insurance money free from creditors**

**251(1)** Where a beneficiary is designated, any insurance money payable to him is not, from the time of the happening of the event upon which it becomes payable, part of the estate of the insured, and is not subject to the claims of the creditors of the insured.

**Contract exempt from seizure**

(2) While there is in effect a designation of beneficiary in favour of any one or more of a spouse, child, grandchild or parent of the person insured or group person insured, the rights and interests of the insured in the insurance money and in the contract so far as either relate to accidental death benefits are exempt from execution or seizure.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.251.

**Group person insured enforcing rights**

**252** A group person insured may, in his own name, enforce a right given by a contract to him, or to a person insured thereunder as a person dependent upon or related to him, subject to any defence available to the insurer against him or such person insured or against the insured.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.252.

**Simultaneous deaths**

**253** Unless a contract or a declaration otherwise provides, where a person insured or group person insured and a beneficiary die at the same time or in circumstances rendering it uncertain which of them survived the other, the insurance money is payable in accordance with subsection 248(2) as if the beneficiary had predeceased the person insured or group person insured.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.253.

**Payment into court**

**254(1)** Where the insurer admits liability for the insurance money or any part thereof, and it appears to the insurer that:

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

the insurer may apply without notice to the court for an order for payment of money into court, and the court may upon such notice, if any, as it deems necessary, make an order accordingly.

**Costs of proceedings**

(2) The court may fix without taxation the costs incurred upon or in connection with any application or order made under subsection (1), and may order the costs to be paid out of the insurance money or by the insurer or otherwise as it deems just.

**Discharge of insurer**

(3) A payment made pursuant to an order under subsection (1) discharges the insurer to the extent of the payment.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.254; 2018, c.42, s.65.

**Where beneficiary a minor**

**255(1)** Where an insurer admits liability for insurance money payable to a minor and there is no person capable of giving and authorized to give a valid discharge therefor who is willing to do so, the insurer may at any time after thirty days from the date of the happening of the event upon which the insurance money becomes payable, pay the money less the applicable costs mentioned in subsection (2) into court to the credit of the minor.

**Costs**

(2) The insurer may retain out of the insurance money for costs incurred upon payment into court under subsection (1) the sum of \$10 where the amount does not exceed \$1,000, and the sum of \$15 in other cases, and payment of the remainder of the money into court discharges the insurer.

**Procedure**

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.255; 1983, c.80, s.20; 2001, c.33, s.23.

**Beneficiary under disability**

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.256.

**Payments not exceeding \$2,000**

**257** Notwithstanding that insurance money is payable to a person, the insurer may if the contract so provides, but subject always to the rights of an assignee, pay an amount not exceeding \$2,000 to:

- (a) a relative by blood or connection by marriage or cohabitation in a spousal relationship of a person insured or the group person insured; or
- (b) any person appearing to the insurer to be equitably entitled thereto by reason of having incurred expense for the maintenance, medical attendance or burial of a person insured or the group person insured, or to have a claim against the estate of a person insured or the group person insured in relation thereto;

and any such payment discharges the insurer to the extent of the amount paid.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.257; 2001, c.50, s.14.

**Place of payment**

**258(1)** Subject to subsection (2), insurance money is payable in Saskatchewan.

**Exception for group insurance**

(2) In the case of a contract of group insurance, insurance money is payable in the province or territory of Canada in which the group person insured was resident at the time he became insured.

**Dollars**

(3) Unless a contract otherwise provides, a reference therein to dollars means Canadian dollars whether the contract by its terms provides for payment in Canada or elsewhere.

**Payment outside Saskatchewan**

(4) Where a person entitled to receive insurance money is not domiciled in Saskatchewan the insurer may pay the insurance money to that person or to any person who is entitled to receive it on his behalf by the law of the domicile of the payee and any such payment discharges the insurer to the extent of the amount paid.

**Payment to personal representative**

(5) Where insurance money is by the contract payable to a person who has died or to his personal representative and such deceased person was not at the date of his death domiciled in Saskatchewan, the insurer may pay the insurance money to the personal representative of such person appointed under the law of his domicile, and any such payment discharges the insurer to the extent of the amount paid.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.258.

**Action in Saskatchewan**

**259** Regardless of the place where a contract was made, a claimant who is a resident of Saskatchewan may bring an action in Saskatchewan if the insurer was authorized to transact insurance in Saskatchewan at the time the contract was made or at the time the action is brought.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.259.

**Insurer giving information**

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.260.

**Undue prominence**

**261** The insurer shall not in the policy give undue prominence to any provision or statutory condition as compared to other provisions or statutory conditions, unless the effect of that provision or statutory condition is to increase the premium or decrease the benefits otherwise provided for in the policy.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.261.

**Relief from forfeiture**

**262** Where there has been imperfect compliance with a statutory condition as to any matter or thing to be done or omitted by the insured, person insured or claimant with respect to the loss insured against and a consequent forfeiture or avoidance of the insurance in whole or in part, and a court before which a question relating thereto is tried 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 deems just.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.262.

**Presumption against agency**

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

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.263.

**Definition of "machine"**

**264(1)** In this section "**machine**" means a vending machine whereby, on depositing therein the premium payable for a policy of accident insurance, the person to be insured may obtain the policy therefrom.



**Permit required for vending machines**

(2) Unless it holds a subsisting permit for the purpose granted by the superintendent, no insurer shall issue a policy of accident insurance through the medium of a machine.

**Form of permit**

(3) The permit shall in such form as shall be determined by the superintendent.

**Term of policy**

(4) Notwithstanding any other provision of this Act, the term of a policy issued through the medium of a machine may be expressed as the duration of a journey, trip, voyage or flight to be made by the insured by any means of transportation or conveyance.

**Delivery of policy**

(5) The issue of a policy through the medium of a machine shall constitute delivery thereof of all purposes under this Act.

**Inclusion of insurance of personal property**

(6) An insurer that holds a subsisting permit under this section may include in a policy issued through the medium of a machine, or attach thereto, a provision insuring the insured against loss of, or damage to, personal property carried on the railway train, ship, aircraft, motor vehicle or other means of transportation in or on which the insured makes the journey, trip, voyage or flight in respect of which the policy is issued.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.264.

**Payments to hospital under *Provincial Health Authority Act* or *Saskatchewan Medical Care Insurance Act***

**265**(1) Unless otherwise specifically provided in a contract, any moneys expended providing health services from a facility, other than a special-care home, operated by the provincial health authority or an affiliate, as defined in *The Provincial Health Authority Act*, to a person insured under a contract of accident, or sickness, or accident and sickness insurance are deemed to be moneys paid and expended by the insured and not by the provincial health authority or affiliate, and the insured is deemed to have incurred expense by reason of that expenditure and to the amount of that expenditure.

(2) **Repealed.** 2002, c.R-8.2, s.112.

**Payments to medical practitioner or other person under *Saskatchewan Medical Care Insurance Act***

(3) Unless otherwise specifically provided in a contract, any moneys paid under *The Saskatchewan Medical Care Insurance Act* to a duly qualified medical practitioner or any other person for the account of, or on behalf of, a person insured under a contract of accident, or sickness, or accident and sickness insurance shall be deemed to be moneys paid and expended by the insured and not under the said Act; and the insured shall be deemed to have incurred expense by reason of that payment and to the amount thereof.

1970, c.59, s.12; R.S.S. 1978, c.S-26, s.265; 2002, c.R-8.2, s.112; 2017, cP-30.3, s.11-27.

**PART VIII  
Live Stock Insurance**

**Application of Part**

**266** This Part applies to live stock insurance and to any insurer transacting live stock insurance in Saskatchewan.

R.S.S. 1965, c.143, s.244; R.S.S. 1978, c.S-26,  
s.266.

**Extent of insurance**

**267** Every insurer licensed to transact live stock insurance may, within the limits and subject to the conditions prescribed by its licence, insure against loss of live stock, by fire, lightning, accident, disease or other means, except that of design on the part of the insured, or by the invasion of any enemy or by insurrection.

R.S.S. 1965, c.143, s.245; R.S.S. 1978, c.S-26,  
s.267.

**Part IV statutory conditions apply**

**268** The statutory conditions set out in Part IV, except where inapplicable to the nature of the risk, apply to live stock insurance contracts.

R.S.S. 1965, c.143, s.246; R.S.S. 1978, c.S-26,  
s.268.

**Term of insurance**

**269(1)** A contract of live stock insurance shall not exceed the term of three years.

**Renewal of policy for one year or less**

(2) A contract made for one year or any shorter period may be renewed from time to time, at the discretion of the insurer, by renewal receipt instead of by policy, on the insured paying the required premium; and all payments for renewals shall be made at or before the end of the period for which the policy was granted or renewed, otherwise the policy shall be void.

R.S.S. 1965, c.143, s.247; R.S.S. 1978, c.S-26,  
s.269.

**PART IX  
Hail Insurance  
APPLICATION OF PART**

**Application of Part**

**270(1)** This Part applies to hail insurance and to every insurer transacting hail insurance in Saskatchewan.

**Interpretation of Part**

(2) For the purpose of this Part “premium” as defined in clause 2(1)(yy) includes a negotiable instrument accepted by the insurer or its general agent as payment of the premium.

R.S.S. 1965, c.143, s.248; R.S.S. 1978, c.S-26,  
s.270; 2003, c.38, s.42.

## HAIL COVERAGE

**Powers of insurers**

**271(1)** Every insurer licensed to transact hail insurance may, unless its licence expressly provides otherwise, insure:

- (a) crops of wheat, oats, barley, flax, rye or speltz, field peas, buckwheat, grasses or clover grown for seed, field corn or sunflower grown for seed or fodder; or
- (b) field or garden or horticultural crops other than those specified in clause (a).

**Superintendent may approve form of contract**

(2) In the case of the crops mentioned in clause (1)(b) the superintendent may approve a form of contract appropriate to insure such crops and in that event the statutory conditions shall be read with such modification as is necessary to give effect to the terms and conditions of a contract in the form so approved.

**Additional coverage**

(3) The insurer may by an endorsement on the policy, and in consideration of an additional premium, insure the crop:

- (a) for any period during which it is lying in windrows; or
- (b) for any period during which it is in sheaves either on the ground or in stooks.

**Same**

(4) The insurer may by an endorsement on the policy, and in consideration of an additional premium, insure the crop against loss or damage arising from other losses incidental to crops and in such case the statutory conditions shall be read with such modification as is necessary to give effect to the terms and conditions of the endorsement.

R.S.S. 1965, c.143, s.249; R.S.S. 1978, c.S-26, s.271.

**Insurable interest**

**272(1)** The contract shall be void, if at the time at which it would otherwise take effect, the insured has not an insurable interest in the crop insured.

**Payee of insurance money need not have insurable interest**

(2) If the insured has an insurable interest in the crop insured when the contract takes effect, it shall not be necessary for the validity of the contract that any person to whom the insurance money is payable, whether by the terms of the contract or by assignment, have an insurable interest in the crop.

R.S.S. 1965, c.143, s.250; R.S.S. 1978, c.S-26, s.272.

## APPLICATION FOR INSURANCE

**Application for insurance**

**273(1)** No insurer shall undertake a contract of insurance unless such insurer has been tendered an application therefor in writing signed by the applicant or his agent.

**Copy of application to be embodied in policy**

(2) A copy of the application or of 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, and shall form part thereof.

**Contents of application**

(3) The application shall set forth:

- (a) the name and address of the applicant;
- (b) an itemized description of the location and acreage of each part of the crop to be insured and the amount of insurance applied for on each acre;
- (b.1) the details respecting any other insurance that the applicant has or may acquire with respect to the crops and location to be insured;
- (c) whether or not the crop has been hailed prior to the time of the application;
- (d) the insurable interest of the applicant;
- (e) the name of the person or persons to whom the insurance money is payable; and
- (f) with the approval of the superintendent, such further information as the insurer requires.

**Additional contents of application and policy**

(4) There shall also appear on every application and on every policy in a prominent position and in prominent type, the name and address of the insurer's head or branch office or general agency from which the policy is to be or is issued.

R.S.S. 1965, c.143, s.251; R.S.S. 1978, c.S-26, s.273; 1998, c.35, s.20.

**Duty of agents to forward applications**

**274** Every agent who takes an application on behalf of an insurer shall deliver it to the insurer, or forward it to the insurer by mail, not later than the day following the day on which it is taken.

R.S.S. 1965, c.143, s.252; R.S.S. 1978, c.S-26, s.274.

## COMMENCEMENT OF LIABILITY

**Time at which contract takes effect**

**275(1)** If an agent of an insurer mails an application for insurance on crops mentioned in clause 271(1)(a) to the head or branch office or the general agent of the insurer in Saskatchewan and tenders therewith payment of the premium in cash, or by post office order, postal note, express order, bank money order, certificate of deposit of a chartered bank or certified cheque, a contract of insurance in accordance with the application shall take effect at noon of the day following the date of such mailing.

**Date of mailing of application**

(2) In such case the post office date stamp shall determine the date of mailing.

**Application may be declined**

(3) The insurer may decline the application on its receipt.

**Notice where application declined**

(4) Where the application is declined the insurer shall forthwith give notice thereof by registered letter, or by prepaid telegram if possible, to the applicant at his address as is given in the application and to the agent tendering the application, in which case the contract of insurance mentioned in subsection (1) shall continue in force only until noon of the day following the receipt of the notice by the applicant.

**Alternative manner of giving notice**

(5) Notwithstanding subsection (4), notice in writing that the application has been declined may be personally delivered to the applicant by the agent, and in that event the contract of insurance mentioned in subsection (1) shall continue in force only until noon of the day following receipt of the notice by the applicant.

**Disposition of premium**

(6) The premium tendered with the application shall be returned to the applicant or held by the insurer for the applicant for the premium purposes solely and payable on the direction of the application to any insurer to whom an application for insurance is subsequently tendered.

**Premium held by insurer deemed tendered with subsequent application**

(7) Where the applicant subsequently tenders an application for insurance to another insurer, and endorses on the application a notice that the premium is held as mentioned in subsection (6), then the amount so held shall, for the purpose of this section, be deemed to have been tendered with the application.

R.S.S. 1965, c.143, s.253; 1966, c.86, s.6; R.S.S. 1978, c.S-26, s.275.

**Procedure where wrong premium tendered**

**276** If the amount of premium tendered with an application made in accordance with section 275 is not the correct amount, the insurance shall, unless readjusted before loss occurs, be either reduced or increased to such amount as the premium actually tendered would pay for according to the correct rate of premium applicable to the risk.

R.S.S. 1965, c.143, s.254; R.S.S. 1978, c.S-26, s.276.

**Procedure by insurer on receipt of application**

**277(1)** Where an agent of an insurer tenders an application, with payment of the premium otherwise than as specified in section 275, or if the applicant tenders his application and payment of the premium, to the head or branch office or the general agent of the insurer in Saskatchewan, the application shall immediately be stamped with the date of its receipt.

**Time for acceptance or rejection of application**

(2) Subject to subsection (3), the application shall be accepted or declined not later than the day following the date of its receipt and shall be so stamped.

**Same**

(3) Where the applicant tenders with his application an order on a third party as payment of the premium, the application shall be accepted or declined on the day following the date of receipt from the third party of notice of acceptance of or refusal to accept the order for payment.

**When insurance effective**

(4) Where accepted, the insurance applied for shall take effect at noon of the day on which the application is accepted.

**Manner of giving notice of rejection**

(5) Where declined, the applicant shall be so notified on the day on which the application is declined, at his address as given in the application; and where there is a telegraph office at such address, the notice shall be given by telegram prepaid, otherwise it shall be forwarded in writing by a registered letter.

**When acceptance presumed**

(6) Where the insurer does not so notify the applicant that his application has been declined the insurer shall be conclusively presumed to have accepted the application.

R.S.S. 1965, c.143, s.255; 1966, c.86, s.6; R.S.S. 1978, c.S-26, s.277.

**Policy deemed to be in accordance with application**

**278** A policy issued to an insured upon an application in writing shall be deemed to be in accordance therewith, unless the insurer forthwith gives notice to the insured in writing of the particulars wherein the policy and application differ.

R.S.S. 1965, c.143, s.256; R.S.S. 1978, c.S-26, s.278.

**Expiry of contracts**

**279(1)** Subject to subsection (2), all policies of hail insurance shall expire at noon on October 1 in the year in which they are made.

**Cessation of liability of insurer**

(2) Where any portion of the insured crop is cut before that date the liability of the insurer shall cease in respect of that portion when it is cut, and the insurance on each acre of the remaining acreage shall continue until the crop thereon is cut but not beyond the said date unless extended pursuant to subsection (3).

**Extension of term of contract**

(3) The insurer may, by an endorsement on the policy, in consideration of an additional premium agreed to at the time the endorsement is made, extend the term of the contract beyond the said date.

R.S.S. 1965, c.143, s.257; R.S.S. 1978, c.S-26, s.279; 1998, c.35, s.21.

**Partial payment of loss clause**

**280(1)** A policy may contain a partial payment of loss clause to the effect that the insurer shall pay only an agreed proportion 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 or stamped upon the face of the policy in conspicuous type in red ink or in bold type at least 12 points in size, the words: "This policy contains a partial payment of loss clause".

**Statutory conditions not affected**

(2) Such partial payment of loss clause shall not be deemed a variation of or addition to the statutory conditions.

R.S.S. 1965, c.143, s.258; R.S.S. 1978, c.S-26, s.280; 1998, c.35, s.22.

**Premium rates**

**281(1)** Every insurer shall, before May 1 in each year, file with the superintendent the rates of premium to be charged in designated areas in Saskatchewan and such rates shall be effective during the current calendar year unless changed in the meantime and notice of the change is given to the superintendent at least 10 days before becoming effective.

**Effect of reduction of rate**

(2) Where a rate has been reduced after notification the new rate shall be applicable to all contracts issued by the insurer within such designated areas; and the insurer shall return to each insured within such designated areas the amount by which the premium paid by each insured exceeds the premium at the lower rate.

R.S.S. 1965, c.143, s.259; R.S.S. 1978, c.S-26, s.281.

**Agents' commission**

**282(1)** Every insurer shall, before May 1 in each year, file with the superintendent the rate of commission payable to its agents in respect of its contracts issued during the current year.

**Discrimination between agents prohibited**

(2) No insurer or its general agent for Saskatchewan shall, directly or indirectly, pay or allow or offer or agree to pay or allow any compensation or anything of value to any person for acting or attempting or assuming to act as its agent in excess of that offered, paid or allowed to any one of its agents on risks for which like rates of premium are payable.

**Effect of violation of subsection (2)**

(3) Where on investigation by the superintendent an insurer or its general agent for Saskatchewan is found to have contravened subsection (2), the same rate of commission shall be paid to all agents on risks for which such like rates of premium are charged.

R.S.S. 1965, c.143, s.260; R.S.S. 1978, c.S-26, s.282.

**Notice of termination when loss payable to third party**

**283** Where the loss has, with the consent of the insurer, been made payable to a person other than the insured, the contract shall not be cancelled or altered to the prejudice of such person without reasonable notice to him by the insurer.

R.S.S. 1965, c.143, s.261; R.S.S. 1978, c.S-26, s.283.

**Copy of adjustment given to insured**

**284** Where an adjustment of loss under a contract has been made, a copy of the adjustment, duly signed by the adjuster and the insured or his agent, shall be given to the insured or his agent.

R.S.S. 1965, c.143, s.262; R.S.S. 1978, c.S-26, s.284.

**Procedure where acreage less than stated in application**

**285(1)** Where the actual acreage of the crop insured under any item of the policy is found to be less than the acreage mentioned in the application under such item, the insurer shall repay to the insured the premium paid on the excess acreage.

**Procedure where acreage more than stated in application**

(2) Where the actual acreage of the crop insured under any item of the policy is found to be greater than the acreage mentioned in the application, the amount of insurance on each acre shall be reduced *pro rata* in its relation to the actual acreage, unless the acreage insured is clearly identified in the application or by a diagram on the application.

R.S.S. 1965, c.143, s.263; R.S.S. 1978, c.S-26, s.285.

**Statutory conditions part of every policy**

**286(1)** Subject to subsections (2) and (3), the conditions set forth in this section shall be deemed to be part of every contract and shall be printed on every policy with the heading "Statutory Conditions", and no stipulations to the contrary, or provisions for a variation, addition or omission, shall be binding on the insured, nor shall anything contained in the description of the subject-matter of the insurance be effective insofar as it is inconsistent with, varies, modifies or avoids any such condition.



## STATUTORY CONDITIONS

**Misdescription, misrepresentation or omission**

1 Where an applicant in his application falsely describes the location and acreage of the crop, to the prejudice of the insurer, or knowingly misrepresents or fails to disclose in the application any fact required to be stated therein, the insurance shall be void as to the item of the application in respect of which the misdescription, misrepresentation or omission is made.

**Waiver of condition**

2 No term or condition of this policy shall be deemed to have been waived by the insurer, either in whole or in part, unless the waiver is clearly expressed in writing signed by or on behalf of the insurer at its head or branch office or general agency from which the policy was issued.

**Officers of insurer deemed agents**

3 Any officer or general agent of the insurer who assumes on behalf of the insurer to enter into a written agreement relating to any matter connected with the insurance shall be deemed prima facie, to be the agent of the insurer for the purpose.

**Minimum amount of damage**

4 No claimant shall be entitled to indemnity under the policy for any loss or damage which is found to be less than 5% of the crop upon the hailed acreage or any portion thereof and in no case for less than ten dollars, except where the acreage insured is forty acres or less.

**Injury by causes other than hail**

5 No claimant shall be entitled to indemnity under the policy

- (a) when the crop is wholly destroyed by any agency other than hail; or
- (b) when the crop is over-ripe; or
- (c) when the crop or any portion thereof has been so injured by causes other than hail that the crop or such portion, as the case may be, would not yield profit over and above the actual cost of cutting, threshing and marketing it.

**Notice of claim**

6 Any person claiming under the policy shall give notice of claim in writing to the head or branch office or the general agency of the insurer from which the policy was issued within three days of the occurrence of loss, stating the number of the policy, the day and hour of the storm, the estimated damage to each portion of the insured crop and the names of other insurers carrying insurance on the hailed area; provided that failure to give notice within such time shall, subject to condition 9, not invalidate the claim if it is shown that it was not reasonably possible to give notice within such time and that notice was given as soon as was reasonably possible.

**Right of access of insurer**

7 After any loss or damage to the insured crop, the insurer shall have immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the crop and to make an estimate of the loss or damage.

**Ascertainment of damage**

8 Within 30 days after the receipt of notice of loss or damage the insurer and the insured or their accredited representatives shall together ascertain and agree upon the percentage of loss or damage sustained on the acreage of the crop or any portion thereof insured under any item of the policy. The amount of indemnity shall be ascertained on the agreed percentage of the insurance on each acre of acreage sustaining loss or damage by hail, subject to any partial payment of loss clause contained in the policy or subject to the determination of the amount of the loss or damage by appraisal as hereinafter provided. No account shall be taken of the cost of cutting or threshing the portion not destroyed or damaged. The determination of the percentage of loss or damage may be deferred to a later date agreed upon by the insurer and the insured.

**Proof of loss**

9 A person making a claim under the policy shall, within 30 days after the occurrence of a loss or within 30 days of the deferred adjustment date, unless such time is extended in writing by the insurer, furnish a statutory declaration, hereinafter called proof of loss, on a form furnished by the insurer, setting forth the date and number of the policy, the date of the occurrence of the loss or damage, the location and acreage of the crop damaged, the estimated percentage of loss or damage sustained on the acreage of the crop or any portion thereof insured under any item of the policy and whether the crop was damaged by hail prior to the time of the application. If the claimant fails to furnish proof of loss he shall forfeit any claim under the policy:

Provided that if the insurer, within the said 30 days or at the time of the deferred adjustment, has ascertained the loss acceptably to the claimant or if the amount of loss has been determined by appraisal as hereinafter provided, the insurer shall be deemed to have waived proof of loss, unless proof of loss is requested by the insurer in writing.

**Proof to be made by insured personally**

10 Proof of loss must be made by the insured, although the loss is payable to a third person, except that, in case of the absence of the insured or his inability to make the same, proof may be made by his agent, such absence or inability being satisfactory 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.

**Fraud or false statement vitiates claim**

11 Any fraud or wilfully false statement in a proof of loss shall vitiate the claim of the person making such proof of loss.

**Payment of loss**

12 The insurer shall pay the insurance money for which it is liable under the policy within sixty days after the proof of loss has been received by it or where an appraisal is had under condition 15, within 30 days after the award is rendered by the appraisers.

**When insured liable for expenses of adjustment**

13 If the insured claims for loss or damage under the policy and it is found that he is not entitled to indemnity under the conditions of the policy the insured shall be liable for the expenses incurred in the adjustment of his claim.

**Cancellation of policy**

**14** A policy may be cancelled at any time by the insured named therein by giving written notice to that effect to the head or branch office or the general agency of the insurer from which the policy was issued 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. If a note or other undertaking was accepted as payment of the premium the insured shall pay the insurer the earned portion as payment of the premium and on payment or tender of such amount the insurer shall return such note or undertaking to pay, or if the insured does not pay or tender the amount, the insurer shall endorse on the note or other undertaking a credit of the amount of the unearned portion of the premium.

**Appraisal in case of disagreement**

**15** In the event of a disagreement as to the percentage of damage by hail to any of the crops insured, whether the right to recover on the policy is disputed or not, such percentage shall, when so required by either party, be ascertained by an appraisal which shall be conducted as follows:

- (i) the party desiring appraisal shall within three days of such disagreement deliver or cause to be delivered by mail or otherwise to the other party a notice in writing requiring an appraisal to be made and appointing an appraiser who is a taxpayer in Saskatchewan, who shall act either alone or with an appraiser chosen by the other party to estimate the percentage of the damage;
- (ii) not later than three days after receipt of such notice the other party shall, if he so desires, appoint an appraiser to represent him and, within the said period, shall notify the first party of such appointment by notice in writing delivered by mail or otherwise;
- (iii) in the latter case the appraisers shall together estimate the percentage of damage, and failing to agree shall submit their differences to an umpire, and the award in writing of any two shall determine the percentage of the damage. Such umpire shall be chosen by the appraisers, or in case they cannot agree, then on the application of either appraiser, by the Superintendent of Insurance;
- (iv) if only one appraiser has been chosen, both parties shall share equally his expenses; if two, each party shall pay the expense of the appraiser chosen by him; both parties shall bear equally the expense of the umpire if an umpire is required;
- (v) should either party after receipt of written notice from the other, neglect or refuse to choose an appraiser within the time above specified the percentage of damage shall be estimated and determined by the appraiser chosen by the party giving notice;
- (vi) the actual appraisal of such damage shall be commenced within two days after both appraisers have been chosen, or after the expiration of the time herein allowed for such choice;
- (vii) the periods of time specified in this condition may on application be extended at the discretion of the Superintendent of Insurance.

**16 Repealed.** 2004, c.L-16.1, s.76.

**Assignment or change of property**

17 If the crop insured or the interest of the insured in such crop is assigned without the written permission of the head or branch office or general agency of the insurer from which the policy was issued, such assignment shall not be binding on the insurer; but this condition does not apply to change of title by succession or by operation of the law, or by reason of death.

**Substitution for condition 12 in certain cases**

(2) In the case of a contract undertaken by a mutual insurance company incorporated under the laws of Saskatchewan the following condition shall be printed on the policy in substitution for statutory condition 12 in subsection (1):

**Payment of loss**

“12. The insurer shall not later than November 1 in the year in which the policy is issued pay the insurance money for which it is liable, provided that where the assets and the total actual and estimated revenue of the insurer may not be sufficient to pay in full all losses incurred during the year the insurer shall pay the losses *pro rata* in accordance with the provisions of *The Saskatchewan Insurance Act*, applying to mutual insurance companies.”

**Power to vary condition 15**

(3) Statutory condition 15 may be varied but if by reason of a variation the contract is, in the opinion of the insured, less favourable to him than it would be if the condition had not been varied, the condition shall be deemed to be printed on the policy in the form in which it appears in subsection (1).

R.S.S. 1965, c.143, s.264; R.S.S. 1978, c.S-26, s.286; 2004, c.L-16.1, s.76; 2015, c.21, s.64.

**Relief from forfeiture**

287 Where there has been imperfect compliance with a statutory condition as to proof of loss to be given by the insured after the occurrence of the loss insured against, 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.

R.S.S. 1965, c.143, s.265; R.S.S. 1978, c.S-26, s.287.

## PART X Weather Insurance

**Application of part**

288 This Part applies to weather insurance and to any insurer transacting weather insurance in Saskatchewan, but does not apply to weather insurance provided by a contract of fire insurance.

R.S.S. 1965, c.143, s.266; R.S.S. 1978, c.S-26, s.288.

**Extent of insurance**

**289** Every insurer licensed to transact weather insurance may, unless its licence expressly provides otherwise, insure against loss or damage through atmospheric disturbances, discharges or conditions but not against loss of or damage to crops caused by hail.

R.S.S. 1965, c.143, s.267; R.S.S. 1978, c.S-26, s.289.

**Part IV statutory conditions apply**

**290** The statutory conditions set out in Part IV of this Act, except where inapplicable to the nature of the risk, apply to weather insurance contracts, together with the following additional conditions:

**1** The insurance may be terminated by the insurer by giving seven days' notice to that effect;

**2** The insurer is not liable for loss or damage occurring to buildings or structures or to their respective contents where they have been weakened by alterations made subsequently to the contract, unless permission to make the alterations was previously granted in writing signed by the insurer or its authorized agent.

R.S.S. 1965, c.143, s.268; R.S.S. 1978, c.S-26, s.290.

**Duration**

**291** A contract of weather insurance shall not exceed the term of three years.

R.S.S. 1965, c.143, s.269; R.S.S. 1978, c.S-26, s.291.

## PART XI

**Mutual Insurance Companies****Application to licensed companies**

**292(1)** This Part applies to every mutual insurance company incorporated under the laws of Saskatchewan.

**Application in case of conflict**

**(2)** Wherever the statutory conditions set out in Part IV or IX are in conflict with this Part this Part prevails.

R.S.S. 1965, c.143, s.270; R.S.S. 1978, c.S-26, s.292.

## POWERS AND RESTRICTIONS

**Power to undertake insurance**

**293** A mutual insurance company may, subject to this Act, undertake contracts of insurance in any of the classes of insurance specified in its licence.

R.S.S. 1965, c.143, s.271; R.S.S. 1978, c.S-26, s.293.

**Restriction on investments**

**294** A mutual insurance company may invest its funds only in securities authorized by clauses (a), (b), (c) and (g) of subsection (1) of section 81.

R.S.S. 1965, c.143, s.272; R.S.S. 1978, c.S-26, s.294.

**Power to make bylaws**

**295(1)** A mutual insurance company may make bylaws, not inconsistent with this Act, for the conduct of its affairs.

**Bylaws, alterations or additions not effective unless filed**

(2) No bylaw or alteration of or addition to any bylaw shall have any force or effect until two copies thereof have been forwarded to the superintendent and one copy has been returned bearing an endorsement by the superintendent to the effect that it has been accepted for filing.

R.S.S. 1965, c.143, s.273; R.S.S. 1978, c.S-26, s.295.

## MEMBERS

**Insured persons deemed members**

**296(1)** A person insured under a policy issued by a mutual insurance company shall from the date upon which the policy becomes effective be a member of the company; provided that a person insured under a policy of hail insurance shall be deemed to be a member until June 15 of the following year or until he withdraws from the company, whichever is earlier.

**Liability of members**

(2) Every member shall be liable in respect of any loss or other claim or demand against the company to the extent of the amount unpaid upon his premium note or to the extent of his cash premium, and no more.

**Withdrawal of members**

(3) A member may, with the consent of the directors, withdraw from the company upon such terms as the directors may lawfully prescribe; and upon such withdrawal his policy shall be cancelled, but he shall, subject to subsection (2), be liable to be assessed for and to pay his proportion of the losses, expense and reserve to the time of cancelling the policy.

R.S.S. 1965, c.143, s.274; R.S.S. 1978, c.S-26, s.296.

## MEETINGS

**Annual meetings**

**297(1)** The annual meeting of the members of the company shall be held before March 1 in every year at such time and place as may be prescribed by the directors or by the bylaws of the company.

**Reports to be submitted at meetings**

(2) At such meetings in addition to the election of directors there shall be submitted and considered a report of the transactions of the company for the preceding year, together with a full statement of its affairs, exhibiting in detail its receipts and expenditures and its assets and liabilities, and a report by the auditors of the company thereon.

**Power to postpone meetings**

(3) With the consent of the minister, the annual meeting may be held at a date later than that prescribed by subsection (1).

R.S.S. 1965, c.143, s.275; R.S.S. 1978, c.S-26, s.297.

**Special meetings**

**298** The directors may call a special general meeting of the company at any time and shall do so at the written request of 10 members of the company.

R.S.S. 1965, c.143, s.276; R.S.S. 1978, c.S-26, s.298.

**Notice of meetings**

**299** Notice of every annual or special meeting of the company shall be mailed to every member at least fourteen days before the date of the meeting, and a notice of the meeting shall be published in a newspaper published at or near the head office of the company at least seven days before the date of the meeting.

R.S.S. 1965, c.143, s.277; R.S.S. 1978, c.S-26, s.299.

**Members entitled to vote at meetings**

**300(1)** Each member of the company personally present shall be entitled at all meetings of the company to one vote on each question, but no member shall be entitled to vote while in arrear for any assessment or premium due by him to the company.

**Where two or more persons named in policy**

(2) Where two or more persons are named as the insured in a policy one only shall be entitled to vote, and the right of voting shall belong to the one first named in the policy if he is present, and if not present to the one who stands second and so on.

**Vote of corporation**

(3) Where the insured is a corporation any person duly appointed in writing pursuant to its resolution may vote on its behalf.

R.S.S. 1965, c.143, s.278; R.S.S. 1978, c.S-26, s.300.

**Quorum**

**301** Twelve members shall form a quorum at a meeting of the company.

R.S.S. 1965, c.143, s.279; R.S.S. 1978, c.S-26, s.301.

## DIRECTORS

**Number of directors**

**302(1)** The affairs of the company shall be managed by a board of directors which shall consist of six, nine, twelve or fifteen directors as determined by the company.

**Change in number**

(2) The number of directors may from time to time be increased or decreased if so determined at an annual or special meeting of the company where notice of the intention to propose a bylaw for that purpose is stated in the notice of the meeting; but the increased or decreased number of directors shall in any such case be six, nine, twelve or fifteen.

R.S.S. 1965, c.143, s.280; R.S.S. 1978, c.S-26,  
s.302.

**Persons eligible as directors**

**303(1)** No person shall be eligible to be or shall act as a director unless he is a member of the company.

**Same**

(2) Where a member is a corporation or a partnership one director of the corporation or one member of the partnership shall be eligible to be a director of the company.

R.S.S. 1965, c.143, s.281; R.S.S. 1978, c.S-26,  
s.303.

**Retirement of directors in rotation**

**304(1)** One-third of the directors shall retire annually in rotation, and at the first meeting of the directors, or as soon thereafter as possible, it shall be determined by lot which of them shall hold office until the first, second and third annual meeting, respectively, held after their election.

**Annual election to fill vacancies**

(2) At every annual meeting one-third of the total number of directors shall be elected to fill the places of the retiring directors, who shall be eligible for re-election.

**Election by ballot**

(3) The election shall be by ballot.

**Election of officers**

(4) The directors shall, at their first meeting after the annual meeting, elect from among themselves a president and vice-president, and the secretary shall preside at such election.

R.S.S. 1965, c.143, s.282; R.S.S. 1978, c.S-26,  
s.304.



**Vacancies**

**305** Where a vacancy occurs among the directors by reason of death, resignation, ceasing to have the prescribed qualification, insolvency, or absence without previous leave of the directors from three successive regular meetings which shall *ipso facto* create such vacancy, the vacancy, in the case of a board limited to six directors, shall be filled and, in the case of a board limited to a number of directors exceeding six, may be filled, until the next annual meeting, by any person duly qualified, chosen by a majority of the remaining directors as soon as possible after the vacancy occurs, and at the next annual meeting the vacancy shall be filled for the portion of the term still unexpired.

R.S.S. 1965, c.143, s.283; R.S.S. 1978, c.S-26, s.305.

**Manager may be a director and may be paid a salary**

**306** The manager of the company, although he is not a member of the company, may be a director and may be paid an annual salary for his services as manager.

R.S.S. 1965, c.143, s.284; R.S.S. 1978, c.S-26, s.306.

**Travelling expenses**

**307** The directors may be paid a reasonable allowance for travelling expenses to attend meetings of the board or to attend to the business of the company.

R.S.S. 1965, c.143, s.285; R.S.S. 1978, c.S-26, s.307.

## DUTIES AND POWERS OF BOARD OF DIRECTORS

**Duty to administer affairs of company, etc.**

**308(1)** The board of directors shall:

- (a) administer the affairs of the company and make rules, not inconsistent with this Act or the regulations thereunder or the bylaws of the company, for the conduct of such affairs;
- (b) perform faithfully the duties imposed upon it by this Act, the regulations and the bylaws and generally carry out its responsibilities in the best interests of the company.

**Duty to keep and preserve records**

(2) Without limiting the generality of subsection (1), the board shall:

- (a) keep a full and correct record of the proceedings at every meeting of the company and of the board in a minute book provided by the board for that purpose;
- (b) enter in the minutes of every meeting the names of the persons present;
- (c) preserve the books, records and documents of the company.

R.S.S. 1965, c.143, s.286; R.S.S. 1978, c.S-26, s.308.

**Appointment of officers and security for performance of their duties**

**309(1)** The board may appoint a manager, a secretary, a treasurer and such other officers, agents or assistants as are necessary, prescribe their duties, fix their compensations or allowances and take such security from them as is required for the faithful performance of their respective duties and remove them and appoint others instead.

**Security of treasurer**

(2) The treasurer or other officer having charge of the money of the company shall give security to the satisfaction of the board of directors, in a sum of not less than \$2,000, for the faithful discharge of his duties.

R.S.S. 1965, c.143, s.287; R.S.S. 1978, c.S-26, s.309.

**Table of rates**

**310** The board may, subject to the provisions of this Act, adopt a table of rates, premiums or premium notes, as the case may be, and vary such tables from time to time and may also prescribe the maximum amount of any risk to be undertaken.

R.S.S. 1965, c.143, s.288; R.S.S. 1978, c.S-26, s.310.

**Pro rata payments of losses**

**311(1)** In the event of the assets and the total actual and estimated revenue of the company for the year being considered by the board not to be sufficient to pay in full all losses incurred during the year the losses shall be paid *pro rata* and the board shall fix the percentage of such *pro rata* payment and shall file with the superintendent a statement showing how such *pro rata* percentage has been determined.

**Approval of superintendent**

(2) The percentage of *pro rata* payment shall be approved by the superintendent before any payments are made.

R.S.S. 1965, c.143, s.289; R.S.S. 1978, c.S-26, s.311.

**Distribution of profits**

**312** Subject to sections 96 and 330 and having regard to section 34, the board may, out of the earnings of the company, distribute equitably to the members of the company such sums as in the judgment of the board are proper and justifiable.

R.S.S. 1965, c.143, s.290; R.S.S. 1978, c.S-26, s.312.

**Reinsurance**

**313** The board may make arrangements with any insurer for the reinsurance of a risk or any portion thereof, and may accept reinsurance of a risk, or any portion thereof, from any insurer on such conditions with respect to the rate and payment of premiums thereon as may be agreed upon.

R.S.S. 1965, c.143, s.291; R.S.S. 1978, c.S-26, s.313.

**Loans to or by directors prohibited**

**314** The board shall not lend money to or borrow money from a director or enter into any contract with a director other than the issue of a contract of insurance in the ordinary course of business, but nothing in this section shall prevent a director from acting as agent of the company and accepting the regular commissions allowed to agents.

R.S.S. 1965, c.143, s.292; R.S.S. 1978, c.S-26, s.314.

**CANCELLATION AND TRANSFER OF CONTRACTS****Liability on cancellation of policy**

**315** Where a policy is cancelled or avoided by the company the liability of the insured on his premium note shall cease from the date of the cancellation or avoidance on account of any loss that occurs to the company thereafter; but the insured shall nevertheless be liable to pay his proportion of the losses and expenses of the company to the time of cancelling or avoiding the policy, and, on payment of his proportion of all assessments then payable and to become payable in respect of losses and expenses sustained up to that time, shall be entitled to a return of his premium note and to such portion of the premium paid by him as has not been absorbed by the losses and expenses of the company up to that time, and a condition to this effect shall be endorsed on the policy.

R.S.S. 1965, c.143, s.293; R.S.S. 1978, c.S-26, s.315.

**Assignment of policy**

**316(1)** Where the insured property or any interest therein is alienated or partly alienated and the assignee has the policy transferred to him, the company, upon application, and upon the assignee giving a new premium note or other proper security to its satisfaction for such portion of the premium note as remains unpaid, and, within 30 days next after the alienation, may accept the assignment; and thereupon the assignee shall be entitled to all the rights and privileges, and be subject to all the liabilities and conditions, to which the original party insured was entitled and subject.

**Assignment as collateral security**

(2) Where the assignee is a mortgagee, the company may permit the policy to remain in force, and to be transferred to him by way of additional security, without requiring any premium note from the assignee, or without his becoming in any manner personally liable for premiums or otherwise; but in that case the premium note and liability of the mortgagor in respect thereof shall continue and be in no wise affected by the assignment.

R.S.S. 1965, c.143, s.294; R.S.S. 1978, c.S-26, s.316.

**PREMIUM NOTES AND ASSESSMENTS****Company may accept premium notes**

**317** The company may accept premium notes for insurance and may issue policies thereon and the notes shall be assessed for the losses and expenses of the company in the manner hereinafter provided.

R.S.S. 1965, c.143, s.295; R.S.S. 1978, c.S-26, s.317.

**Premium notes not to create lien on land**

**318** No premium note, whether purporting to do so or not, shall create a lien upon the land on which the insured property is situated.

R.S.S. 1965, c.143, s.296; R.S.S. 1978, c.S-26, s.318.

**Part of premium may be in cash**

**319** The board may demand and collect a portion of the premium in cash and take a premium note for the remainder thereof; and if the amount so collected is more than sufficient to pay all losses and expenses during the continuance of the policy, then any surplus shall become part of the earnings of the company.

R.S.S. 1965, c.143, s.297; R.S.S. 1978, c.S-26, s.319.

**Power to make assessments on premium notes**

**320** The board may make assessments upon premium notes before losses have happened or expenses have been incurred, and any surplus from any such assessment shall become part of the earnings of the company.

R.S.S. 1965, c.143, s.298; R.S.S. 1978, c.S-26, s.320.

**Assessments**

**321(1)** All assessments on premium notes shall be made by the board and, subject to section 322, the assessments shall be made at such intervals and for such sums as the board determines to be necessary to meet losses, expenses and reserve of the company during the currency of the policies for which the notes were given and every insured shall pay the assessments from time to time payable by him to the insurer during the continuance of his policy.

**Notice of assessment**

(2) Notice of the assessment shall be mailed by the company to each member, directed to his post office address as given in his application, or otherwise given in writing to the company, and to each encumbrancer of the property insured known to the company, and the assessment shall be payable within 30 days after the date of payment specified in the notice.

**Contents of notice**

(3) A notice of assessment shall be deemed sufficient if it states the number of the policy, the period over which the assessment extends, the amount of the assessment and the time when and the place where payable.

R.S.S. 1965, c.143, s.299; R.S.S. 1978, c.S-26,  
s.321.

**Assessments in the case of hail insurance**

**322** In the case of insurance against loss or damage to crops by hail:

- (a) the board shall make the assessment in each year after the expiry of the crop season;
- (b) in making the assessment, the board may make such addition thereto, not to exceed 20% of the amount estimated to be necessary to pay the losses and expenses, as will enable it to allow a discount for prompt payment, and may compute the assessment on such basis as, in its opinion, will result in sufficient payment to meet the requirements of the company after allowing the discount; and the board may pass a bylaw allowing such a discount;
- (c) the aggregate amount of the assessment shall be such sum as the board estimates to be necessary to pay all losses incurred during the crop season, all expenses of the company for the whole of the year and such sum as the board decides to add to the company's surplus;
- (d) all premium notes applicable to the crop season of the year for which the assessment is made shall be liable for the proportionate part of the aggregate assessment irrespective of the fact that the policy of insurance issued in consideration of any such premium note is in force only during a portion of the crop season.

R.S.S. 1965, c.143, s.300; R.S.S. 1978, c.S-26,  
s.322.

**Policy void if assessment not paid**

**323(1)** Where the assessment in respect of a policy is not paid within 30 days after the date of payment specified in the notice the policy shall be void as to any claim for losses occurring during the time of the non-payment; but the policy shall be revived when the assessment is paid unless the secretary gives notice to the contrary to the person assessed.

**Continuance of liability for assessment**

(2) Nothing in this section relieves the insured from his liability to pay the assessment or any subsequent assessments, nor shall he be entitled to recover the amount of any loss or damage that happens to property insured under the policy while the assessment remains due and unpaid.

R.S.S. 1965, c.143, s.301; R.S.S. 1978, c.S-26, s.323.

**Assessments to be proportionate**

**324** The assessment shall always be in proportion to the amount of the premium notes held by the company having regard to the branch or department to which the policies respectively appertain; but where a company alters its rate and still holds in respect of subsisting contracts premium notes at the prior rate, the company, as between the respective premium notes so differing in rate, may make and levy such differential assessments as will, in risks of the same amount and of the same class of hazard, equalize the cost of insurance to the makers of the respective premium notes.

R.S.S. 1965, c.143, s.302; R.S.S. 1978, c.S-26, s.324.

## RECOVERY OF ASSESSMENTS

**Action for recovery**

**325** Where a member who has given a premium note neglects or refuses to pay the assessment within 30 days after the date of payment specified in the notice the company may sue for and recover the assessment with costs of suit, and the proceedings shall not be a waiver of any forfeiture incurred by such non-payment.

R.S.S. 1965, c.143, s.303; R.S.S. 1978, c.S-26, s.325.

**Evidence of amount due to company**

**326** Where an action is brought to recover the assessment, the certificate of the secretary of the company, specifying the assessment and the amount due on the note in respect of such assessment, shall be prima facie evidence thereof in any court.

R.S.S. 1965, c.143, s.304; R.S.S. 1978, c.S-26, s.326.

**Return of premium note after expiration of insurance**

**327** Forty days after the cancellation or expiration of a policy the premium note given for the policy shall, on application therefor, be given up to the signer thereof if all assessments levied and all losses and expenses with which the note is chargeable have been paid.

R.S.S. 1965, c.143, s.305; R.S.S. 1978, c.S-26, s.327.

**Judicial centre at which action may be brought**

**328(1)** An action upon a premium note or for an assessment thereon may be entered, tried and determined at the judicial centre nearest to which the head office or any agency of the company is situated. The word "action" in this section includes a proceeding under *The Small Claims Act, 2016*.

(2) **Repealed.** 1980-81, c.76, s.15.

**Endorsement of summons**

(3) The secretary of the company shall cause a copy of this section to be endorsed on or securely attached to the summons; and failure to do so shall render the summons void and of no effect.

R.S.S. 1965, c.143, s.306; R.S.S. 1978, c.S-26, s.328; 1979-80, c.92, s.88; 1980-81, c.76, s.15; 1988-89, c.54, s.6; 1997, c.S-50.11, s.54; 2016, c27, s.4.

## EXECUTIONS AGAINST COMPANY

**Restriction on issue of execution**

**329** No execution shall issue against a company upon a judgment until after the expiration of three months from the recovery thereof.

R.S.S. 1965, c.143, s.307; R.S.S. 1978, c.S-26, s.329.

## SURPLUS

**Yearly profits to be set aside as surplus**

**330(1)** Unless the surplus of a mutual insurance company transacting the fire insurance exceeds \$100,000 or such greater amount as the superintendent may determine having regard to the liabilities of the company, the company shall in each year set aside as surplus its net profit for that year.

**Surplus to be property of company**

(2) The surplus of every company shall be the property of the company as a whole and no member shall have a right to claim any share or interest therein in respect of any payment contributed by him towards it, except in the event of the company being wound up.

R.S.S. 1965, c.143, s.308; R.S.S. 1978, c.S-26, s.330.

**HAIL INSURANCE****Hail insurance company not to transact other insurance**

**331** A mutual insurance company licensed to transact hail insurance may not be licensed to transact any other class of insurance.

R.S.S. 1965, c.143, s.309; R.S.S. 1978, c.S-26, s.331.

**Premium rates subject to approval of superintendent**

**332** The rates of premium filed by a mutual insurance company under section 281 shall be subject to review by the superintendent and shall, before being put into operation, be approved by him as being reasonably adequate and nondiscriminatory, taking into consideration the location of the risk and the hazard thereof.

R.S.S. 1965, c.143, s.310; R.S.S. 1978, c.S-26, s.332.

**Setting off debts against hail losses**

**333(1)** Where a member with respect to a contract of hail insurance is indebted to the company, and a loss has occurred under the contract, no credit out of any moneys payable by reason of the loss may be applied on the indebtedness until the board has ascertained what percentage of its total losses the company will be able to pay, and in no case shall the credit exceed that percentage of the moneys so payable.

**Same**

(2) The company shall not deduct the amount of any indebtedness of a member from the amount of the loss sustained under a contract of hail insurance until the board has ascertained the percentage, and in such case the deduction shall be made from the amount of the percentage of the loss.

R.S.S. 1965, c.143, s.311; R.S.S. 1978, c.S-26, s.333.

**Members of company in case of winding up**

**334** Where a mutual insurance company is being wound up and the members thereof do not equal at least 25% of the number of members of the preceding year, the members of both the current and the preceding year shall from the date on which the winding up commenced be the members of the company.

R.S.S. 1965, c.143, s.312; R.S.S. 1978, c.S-26, s.334.



**Application and policy to set out certain information**

**335** Every application for a contract of hail insurance and every policy shall bear the words “mutual company-subject to *pro rata* distribution of assets and losses” printed or stamped in large type and in red ink or in bold type at least 12 points in size at the head thereof.

R.S.S. 1965, c.143, s.313; R.S.S. 1978, c.S-26,  
s.335; 1998, c.35, s.23.

**MISCELLANEOUS****Change of name of company**

**336(1)** Where a mutual insurance company is desirous of changing its name the superintendent may, upon being satisfied that the change desired is not objectionable, make an order changing the name.

**Order to be filed**

(2) Where an order is made under subsection (1) the company shall forthwith file the order in the office of the registrar.

**Evidence of change**

(3) A copy of an order filed pursuant to subsection (2), certified by the registrar to be a true copy, shall be prima facie evidence of the change of name.

**Effect of change**

(4) A change of the name of a company does not affect any rights or obligations of the company, or render defective any legal proceedings by or against the company, and any legal proceedings that might have been continued or commenced by or against the company by its former name may be continued or commenced by or against it by its new name.

R.S.S. 1965, c.143, s.314; R.S.S. 1978, c.S-26,  
s.336.

**Regulations**

**337** All mutual insurance companies shall be subject to such regulations as may be prescribed by the Lieutenant Governor in Council.

R.S.S. 1965, c.143, s.315; R.S.S. 1978, c.S-26,  
s.337.

PART XII  
**Fraternal Societies**  
 INTERPRETATION

**Interpretation of Part**

**338** In this Part, “**rates of contribution**” means the regular net premiums, dues, rates or contributions receivable from the members of a fraternal society for the purpose of the payment at maturity of the fraternal society’s certificates or contracts of insurance.

2003, c.38, s.43.

APPLICATION OF PART

**Application of Part**

**339** This Part applies to all fraternal societies, other than fraternal benefit societies authorized to commence and carry on business pursuant to the *Insurance Companies Act* (Canada), that hold a valid licence pursuant to this Act on the date on which section 44 of *The Saskatchewan Insurance Amendment Act, 2003* comes into force.

2003, c.38, s.44.

RESTRICTIONS ON LICENSING OF SOCIETIES

**Cases in which societies not to be licensed**

**340** No fraternal society shall be licensed:

- (a) if it undertakes insurance contracts with persons other than its own members; or
- (b) if it insures or indemnifies against contingencies other than sickness, disability, or death, or funeral expenses, or if the sum or sums payable on the death of any one member other than a funeral benefit exceed \$10,000; or
- (c) if it undertakes endowment insurance or annuities upon lives; or
- (d) if it has upon its books less than 75 members in good standing; or
- (e) if it is in effect the property of its officers or collectors, or of any other person for his own benefit, or is conducted as a mercantile or business enterprise, or for the purpose of mercantile profit, or if its funds are under the control of persons or officers appointed for a period exceeding four years; or
- (f) **Repealed.** 2003, c.38, s.45.
- (g) that undertakes contracts of insurance but is not formed exclusively for that purpose, and that does not for the purposes of those contracts keep distinct and separate funds, securities, books and vouchers.

R.S.S. 1965, c.143, s.318; R.S.S. 1978, c.S-26,  
s.340; 2003, c.38, s.45.

## CONSTITUTION, BYLAWS AND RULES

**341 to 347 Repealed.** 2003, c.38, s.46.

**Bylaws and rules deliverable on demand**

**348(1)** A copy of all bylaws or rules of a fraternal society relating to its insurance contracts and to the management and application of its insurance funds shall be delivered by the fraternal society to any person requiring it on payment of a reasonable fee.

**Penalty for fraudulent delivery**

(2) Where an officer or agent of a fraternal society, with intent to mislead or defraud, gives to any person a copy of bylaws or rules other than the bylaws or rules then in force on the pretence that they are the bylaws or rules then in force he is guilty of an offence.

R.S.S. 1965, c.143, s.326; R.S.S. 1978, c.S-26,  
s.348; 2003, c.38, s.47.

**349 Repealed.** 2003, c.38, s.48.

**350 Repealed.** 2003, c.38, s.48.

## MEMBERS' RIGHTS AND LIABILITIES

**Limitation of member's liability**

**351(1)** The liability of a member under his contract shall at any date be limited to the assessments, fees and dues that became payable within the preceding 12 months and of which, at such date, notice had been given in accordance with the constitution, bylaws and rules of the fraternal society.

**Withdrawal of member**

(2) A member may at any time withdraw from the fraternal society by delivering or sending by registered mail to the fraternal society notice in writing of his intention to withdraw and paying or tendering the assessments, fees and dues mentioned in subsection (1).

**Release from liability**

(3) Upon his withdrawal the member shall be released from all further liability under his contract.

**Subject to constitution, etc.**

(4) This section is subject to the constitution, bylaws or rules of the fraternal society.

R.S.S. 1965, c.143, s.329; R.S.S. 1978, c.S-26,  
s.351; 2003, c.38, s.49.

**Insurance policy and terms and conditions to be provided**

**351.1(1)** When a person becomes a member of a fraternal society, the fraternal society must provide that person with an insurance policy that contains or has attached all of the terms and conditions of the contract of insurance.

(2) If a fraternal society amends the terms and conditions of a contract of insurance, the fraternal society must provide notice of the amendment to each affected member as soon as is practicable.

(3) A term or condition of a contract of insurance is not enforceable against a member of a fraternal society unless:

(a) a copy of the term or condition has been previously provided to the member; or

(b) the fraternal society has made reasonable attempts to provide a copy of the term or condition to the member.

2003, c.38, s.50.

**Notice before forfeiture of benefit**

**352(1)** No forfeiture or suspension shall be incurred by reason of default in paying any contribution or assessment, except such as are payable in fixed sums and at fixed dates, until:

(a) after notice to the member stating the amount due by him, and that in case of default of payment within a reasonable time, not less than 30 days, to the proper officer, who shall be named in the notice, his interest or benefit will be forfeited or suspended; and

(b) default has been made by him in paying his contributions or assessment in accordance with the notice.

**“Fixed dates” defined**

(2) In subsection (1) the expression “**fixed dates**” includes any numbered day, or any Monday, Tuesday, or as the case may be, numbered, alternate or recurring, of a stated month or months.

R.S.S. 1965, c.143, s.330; R.S.S. 1978, c.S-26, s.352.

**Saving rights to reinstatement**

**353** Where under the constitution, bylaws or rules of the fraternal society a defaulting member is entitled to be reinstated on payment of arrears, after a stated number of days' default, section 360 shall not prejudice the rights of that member.

R.S.S. 1965, c.143, s.331; R.S.S. 1978, c.S-26, s.353; 2003, c.38, s.51.

**Conditions of forfeiture restricted**

**354** Where it is stipulated that the benefit of the contract shall be suspended or reduced or forfeited for any other reason than for non-payment of money, that condition shall not be valid unless it is held to be just and reasonable under the circumstances of the case.

R.S.S. 1965, c.143, s.332; R.S.S. 1978, c.S-26, s.354.

**355 Repealed.** 2003, c.38, s.52.

**How notice may be given to members**

**356(1)** Subject to subsection (2), a notice required to be given to a member for any purpose of this Act or of the rules of the fraternal society may be effectually given by written or printed notice delivered or sent by registered mail to the member or left at his last known place of abode or of business or by publication in the official paper of the fraternal society.

**Notice of reduction of benefit, etc.**

(2) A notice of the reduction of any benefit payable under a contract of insurance or of the increase of the premium payable thereunder shall be sent by registered mail to the member at his last known place of abode or of business.

R.S.S. 1965, c.143, s.334; R.S.S. 1978, c.S-26, s.356; 2003, c.38, s.53.

## REPORTS AND READJUSTMENT OF CONTRACTS

**357 Repealed.** 2003, c.38, s.54.

**358 Repealed.** 2003, c.38, s.54.

**Information to be provided when required**

**359(1)** The superintendent may require a fraternal society to provide to its members information respecting the financial condition of the fraternal society.

(2) A fraternal society must provide the information required by subsection (1) to its members:

- (a) at the times required by the superintendent; and
- (b) in a form acceptable to the superintendent.

2003, c.38, s.55.

**Insufficiency of assets**

**360(1)** Where it appears to the superintendent from the statement and reports filed with him or from an examination or valuation that the assets of a fraternal society applicable for the purpose are insufficient to provide for the payment of its contracts of insurance at maturity without deduction or abatement and without increase in its existing rates of contribution, he shall make a special report to the minister as to the financial condition of the fraternal society.

**Minister may request increase in rates or reduction in benefits**

(2) Where the minister, after consideration of the report concurs in the opinion of the superintendent, the minister shall request the fraternal society to make within such time as he prescribes, but not exceeding four years, such increase in its rates of contribution or such reduction in the benefits payable under its contracts, or such other changes, as will enable the fraternal society to provide for the payment of its contracts at maturity.

**Fraternal society to act on request**

(3) On receipt of the request the fraternal society shall in accordance with its constitution, bylaws or rules put into effect such changes as are approved by an actuary.

**Meeting to consider request**

(4) Where in the opinion of the governing executive authority of the fraternal society a special meeting of the fraternal society is desirable for the purpose of considering the request of the minister, the said authority may call a special meeting of the supreme legislative body of the fraternal society upon such notice as the authority may deem reasonable.

R.S.S. 1965, c.143, s.338; R.S.S. 1978, c.S-26, s.360; 2003, c.38, s.56.

**Reduction of benefits or increase of rates**

**361** A fraternal society may, by amendment of its constitution, bylaws and rules, reduce the benefits payable under its contracts of insurance or some of them, or increase the rates of contribution payable by its members as a whole or some class or classes thereof, or make such other changes as are necessary to comply with the request of the minister made under subsection 360(2); and such amendments, when adopted by a majority of the votes duly cast by the members of the supreme legislative body of the fraternal society at a regular or special meeting of that body duly called, shall be binding upon the members of the fraternal society and upon their beneficiaries or legal representatives and upon all persons deriving legal rights from any member or beneficiary.

R.S.S. 1965, c.143, s.339; R.S.S. 1978, c.S-26, s.361; 2003, c.38, s.57.

**Readjustment committee, appointment and duties**

**362** Where a fraternal society does not within the time allowed comply with the request of the minister made under subsection (2) of section 360 the superintendent shall report the default to the minister, who shall thereupon appoint a readjustment committee of three persons, of whom at least one shall be an actuary, who shall forthwith investigate the assets, liabilities, rates of contribution and plans of insurance of the fraternal society and prepare a report containing such amendments to the fraternal society's constitution and bylaws reducing the benefits payable under its contracts of insurance or some of them or increasing the rates of contribution payable by its members as a whole or some class or classes thereof, or making such other changes as are deemed necessary to provide for the payment of all its contracts as they mature.

R.S.S. 1965, c.143, s.340; R.S.S. 1978, c.S-26, s.362; 2003, c.38, s.58.

**Amendments of committee to become part of constitution**

**363** The readjustment committee shall file its report in the office of the superintendent and deliver to the fraternal society a certified copy thereof, whereupon the amendments contained therein shall be and become part of the constitution, bylaws and rules of the fraternal society and shall be valid and binding upon all its members, their beneficiaries, the legal personal representative of any of them and all persons deriving legal rights from any member or beneficiary.

R.S.S. 1965, c.143, s.341; R.S.S. 1978, c.S-26, s.363; 2003, c.38, s.59.

**Date to be fixed in report**

**364** The committee shall in the amendments fix a date not more than six months after the date of filing of the the report when the reduction of benefits or increase in the rate of contribution provided for by such amendments shall come into force.

R.S.S. 1965, c.143, s.342; R.S.S. 1978, c.S-26, s.364.

**Duty of fraternal society to furnish information and pay expenses**

**365** The fraternal society shall furnish the committee with any required information and bear the expense of the investigation and report.

R.S.S. 1965, c.143, s.343; R.S.S. 1978, c.S-26, s.365; 2003, c.38, s.60.

## SPECIAL RATES AND BENEFITS

**Separate accounts to be maintained**

**366** A fraternal society shall maintain a separate account with respect to each class of insurance for which it is authorized to insure risks.

2003, c.38, s.61.

**367 Repealed.** 2003, c.38, s.62.

**Epidemic or unforeseen contingency**

**368** Where an epidemic or other unforeseen contingency impairs the funds of a fraternal society the governing executive authority of the fraternal society may impose a special assessment or special assessments upon the members of the fraternal society or upon such class or classes thereof, and with such incidence, as in its opinion is deemed necessary and equitable, and such special assessment or assessments shall be binding on the members of the fraternal society, notwithstanding anything to the contrary in the constitution, bylaws or rules of the fraternal society, or in any contract of insurance issued by it.

R.S.S. 1965, c.143, s.346; R.S.S. 1978, c.S-26, s.368; 2003, c.38, s.63.

**Additional levies for general or expense fund**

**369** The governing executive authority of a fraternal society may make such additional levies from time to time upon all members of the fraternal society as are, in the opinion of the authority, necessary to carry on properly the work of the fraternal society and prevent any deficit in its general or expense fund, and such additional levies shall be binding on the members of the fraternal society notwithstanding anything to the contrary in the constitution, bylaws or rules of the fraternal society, or in any contract of insurance issued by the fraternal society.

R.S.S. 1965, c.143, s.347; R.S.S. 1978, c.S-26, s.369; 2003, c.38, s.64.

**370 Repealed.** 2003, c.38, s.65.

**New benefits or rates of contribution**

**371(1)** Subject to subsection (2), no fraternal society shall put into effect new or additional benefits or any new scale of rates of contribution under certificates of insurance until 30 days after the fraternal society files a notice of the changes with the superintendent.

(2) On receipt of the notice mentioned in subsection (1), the superintendent may require the fraternal society to do the following before the changes are put into effect:

- (a) obtain a certificate from an actuary that approves the benefits or rates of contribution;
- (b) provide the original certificate obtained in accordance with clause (a) to the superintendent.

2003, c.38, s.66.



## PART XIII

**Mutual Benefit Societies**

**Repealed.** 2003, c.38, s.67.

## PART XIV

**Reciprocal Insurance Exchanges****Interpretation of Part**

**374** In this Part, “**approved securities**” means, with respect to a reciprocal insurance exchange that has its head office:

- (a) in Saskatchewan, investments that a provincial insurer is permitted to make pursuant to this Act or the regulations;
- (b) in a jurisdiction inside Canada but outside Saskatchewan, investments that the reciprocal insurance exchange is permitted to make pursuant to the laws of that jurisdiction; and
- (c) in a jurisdiction outside Canada, investments that the reciprocal insurance exchange is permitted to make pursuant to Part XIII of the *Insurance Companies Act* (Canada).

2003, c.38, s.69.

**Authority for exchange of reciprocal contracts of insurance**

**375** Any person may exchange with other persons in Saskatchewan and elsewhere reciprocal contracts of indemnity or inter-insurance for any class of insurance for which an insurer may be licensed under this Act except life insurance, accident insurance, sickness insurance and guarantee insurance.

R.S.S. 1965, c.143, s.353; R.S.S. 1978, c.S-26, s.375.

**Subscriber not to be deemed an insurer**

**376** No person shall be deemed to be an insurer within the meaning of this Act by reason of exchanging with other persons reciprocal contracts of indemnity or inter-insurance through a reciprocal insurance exchange licensed under this Act.

R.S.S. 1965, c.143, s.354; R.S.S. 1978, c.S-26, s.376; 2003, c.38, s.70.

**Execution of contract**

**377** Reciprocal contracts of indemnity or inter-insurance may be executed on behalf of subscribers by any other person acting as attorney under a power of attorney, a copy of which has been duly filed pursuant to this Act or the regulations.

R.S.S. 1965, c.143, s.355; R.S.S. 1978, c.S-26, s.377; 2003, c.38, s.71.

**Who may maintain action**

**378** Notwithstanding any condition or stipulation in a power of attorney or in a contract of indemnity or inter-insurance, any action or proceeding in respect of such contract may be maintained in any court of competent jurisdiction in Saskatchewan.

R.S.S. 1965, c.143, s.356; R.S.S. 1978, c.S-26, s.378.

**379 Repealed.** 2003, c.38, s.72.

**Fire insurance**

**380** The superintendent shall not issue a licence to a reciprocal insurance exchange to exchange a reciprocal contract with respect to loss caused by fire unless the superintendent is satisfied that:

- (a) the reciprocal insurance exchange has received applications for reciprocal contracts for at least the number of separate risks in Saskatchewan or elsewhere prescribed in the regulations; and
- (b) the value of the property insured totals not less than the amount prescribed in the regulations.

2003, c.38, s.73.

**Automobile insurance**

**380.1** The superintendent shall not issue a licence to a reciprocal insurance exchange to exchange a reciprocal contract with respect to automobiles unless the superintendent is satisfied that:

- (a) the reciprocal insurance exchange has received applications for reciprocal contracts for at least the number of automobiles prescribed in the regulations; and
- (b) arrangements have been made for the re-insurance of all liabilities in excess of the limits prescribed in the regulations.

2003, c.38, s.73.

**381 Repealed.** 2003, c.38, s.74.

**Requirements for fire insurance**

**382(1)** A reciprocal insurance exchange that is licensed to exchange reciprocal contracts with respect to fire insurance must ensure that no subscriber has assumed, on any single fire insurance risk, an amount greater than 10% of the subscriber's net worth.

(2) The superintendent may require the attorney of a reciprocal insurance exchange that is licensed to exchange reciprocal contracts with respect to fire insurance to file a statement under oath that:

- (a) shows the maximum amount of indemnity on any single fire insurance risk; and
- (b) states that no subscriber has assumed, on any single fire insurance risk, an amount greater than 10% of the subscriber's net worth.

2003, c.38, s.75.

**Reserve fund**

**383** Every reciprocal insurance exchange must maintain a reserve fund in cash or approved securities in an amount calculated in accordance with the regulations.

2003, c.38, s.75.

**Guarantee fund**

**384(1)** Every reciprocal insurance exchange must maintain a guarantee fund in cash or approved securities in an amount calculated in accordance with the regulations.

(2) Cash or approved securities that are maintained in the reserve fund pursuant to section 383 are not to be included in the guarantee fund.

2003, c.38, s.75.

**Deficiency**

**385(1)** If at any time the amounts on hand are less than required under sections 383 and 384, the subscribers or the attorney shall forthwith make up the deficiency.

**Use of funds supplied to make up deficiency**

(2) Where funds other than those that accrued from premiums or deposits of subscribers are supplied to make up a deficiency as herein provided for, those funds shall be deposited and held for the benefit of subscribers under such terms and conditions as the superintendent may require so long as a deficiency exists, and may thereafter be returned to the depositor.

R.S.S. 1965, c.143, s.363; R.S.S. 1978, c.S-26, s.385.

**386 to 388 Repealed.** 2003, c.38, s.76.

**Investments**

**388.1** Every reciprocal insurance exchange must ensure that any funds it invests are invested in approved securities.

2003, c.38, s.77.

**Contracts must be on behalf of subscribers only**

**389** No reciprocal insurance exchange shall undertake any liability on a contract of indemnity, inter-insurance or insurance except on behalf of a subscriber.

R.S.S. 1965, c.143, s.367; R.S.S. 1978, c.S-26, s.389; 2003, c.38, s.78.

**No reinsurance in another exchange**

**390** No attorney or reciprocal insurance exchange shall reinsure the risks undertaken by the reciprocal insurance exchange in any other reciprocal insurance exchange.

2003, c.38, s.79.

**Attorney not to act until licence granted**

**391(1)** No person shall act as attorney, or for or on behalf of an attorney, in the exchange of reciprocal contracts of indemnity or inter-insurance, or in acts or transactions in connection therewith, unless and until a licence has been issued and unless the licence is in force.

**Penalty**

(2) Any person who, in contravention of subsection (1) undertakes or effects or agrees or offers to undertake or effect an exchange of reciprocal contracts of indemnity or inter-insurance, or any act or transaction in connection therewith, is guilty of an offence.

R.S.S. 1965, c.143, s.369; R.S.S. 1978, c.S-26, s.391; 1998, c.35, s.25.

**Suspension or revocation of licence**

**392(1)** Where a licensed reciprocal insurance exchange or attorney fails or refuses to comply with or contravenes any provision of this Act, the licence of the reciprocal insurance exchange may be suspended or revoked by the minister on the report of the superintendent after due notice and opportunity for a hearing before the superintendent has been given to the reciprocal insurance exchange or its attorney, but the suspension or revocation shall not affect the validity of any reciprocal contracts of indemnity or interinsurance effected prior thereto or the rights and obligations of subscribers under the contracts.

**Notice**

(2) Notice of the suspension or revocation shall be given by the superintendent in at least two successive issues of the Gazette as soon as reasonably may be after the suspension or revocation.

R.S.S. 1965, c.143, s.370; R.S.S. 1978, c.S-26, s.392; 2003, c.38, s.80.

## PART XV

**Amalgamation, Transfer, Reinsurance and Liquidation**

## AMALGAMATION, TRANSFER AND REINSURANCE

**Interpretation of Part, “reinsurance”**

**393** In this Part “**reinsurance**” means an agreement whereby contracts made in Saskatchewan by a licensed insurer, or any class or group thereof, are undertaken or reinsured by another insurer either by novation, transfer, assignment or as a result of amalgamation of the insurers.

R.S.S. 1965, c.143, s.371; R.S.S. 1978, c.S-26, s.393.

**Application**

**394** Nothing in this Part affects contracts of reinsurance of individual risks made by insurers in the ordinary course of business or contracts reinsured under section 26.

R.S.S. 1965, c.143, s.372; R.S.S. 1978, c.S-26, s.394.

**Powers of companies as to amalgamation, transfer and reinsurance**

**395(1)** A provincial insurer licensed under this Act may amalgamate its property and business with those of any other insurer, or may transfer its contracts of insurance to or reinsure the same with any other insurer, and may transfer its property and business or any part thereof to any other insurer, and such insurers are hereby authorized to enter into all contracts and agreements necessary to amalgamation, transfer or reinsurance upon compliance with the conditions hereinafter set forth.

**Same**

(2) Any such provincial insurer may reinsure the contracts of insurance of any other insurer, or may purchase and take over the business and property or any portion thereof of any other insurer.

R.S.S. 1965, c.143, s.373; R.S.S. 1978, c.S-26, s.395.

**Petition to minister**

**396** When an agreement for such amalgamation, transfer, reinsurance or purchase has been entered into, the insurers that are parties to the agreement may apply by petition to the minister to sanction and confirm the agreement.

R.S.S. 1965, c.143, s.374; R.S.S. 1978, c.S-26, s.396.

**Notice given**

**397** Notice of the insurer's intention to apply for sanction and confirmation of such amalgamation, transfer, reinsurance or purchase shall be given in the Gazette at least 30 days before the application is made.

R.S.S. 1965, c.143, s.375; R.S.S. 1978, c.S-26, s.397.

**Documents filed**

**398** When the application is made, the insurers that are parties to the agreement shall file with the minister the following documents:

- (a) certified copies of the statement of the assets and liabilities of the insurers concerned in such amalgamation, transfer, reinsurance or purchase;
- (b) a statement of the nature and terms of the amalgamation, transfer, reinsurance or purchase;
- (c) a certified copy of the agreement under which such amalgamation, transfer, reinsurance or purchase is effected;
- (d) certified copies of the actuarial or other reports upon which such agreement is founded;
- (e) a declaration under the hands of the president and manager of each insurer that to the best of their knowledge and belief every payment made or to be made to any person whomsoever on account of the said amalgamation, transfer, reinsurance or purchase is therein fully set forth and that no other payments beyond those set forth have been made or are to be made either in money, contracts of insurance, bonds, valuable securities or other property, by or with the knowledge of any of the parties to the amalgamation, transfer, reinsurance or purchase.

R.S.S. 1965, c.143, s.376; R.S.S. 1978, c.S-26, s.398.

**Superintendent's report**

**399** Before the amalgamation, transfer, reinsurance or purchase is sanctioned by the minister, he may instruct the superintendent to examine into and report to him with reference to the general affairs of the interested insurers, and the certificate of the superintendent approved by the minister shall be conclusive as to the expenses to be paid by the insurers in respect thereof.

R.S.S. 1965, c.143, s.377; R.S.S. 1978, c.S-26, s.399.

**Capital not impaired**

**400** No provincial insurer shall be permitted to amalgamate its business with, transfer its business to, reinsure its business in, or purchase and take over the business and property, or any portion thereof, of any other insurer if the capital of the combined insurers after the amalgamation or of the continuing insurer after the transfer, reinsurance or purchase shall be impaired.

R.S.S. 1965, c.143, s.378; R.S.S. 1978, c.S-26, s.400.

**Sanction of minister**

**401** No provincial insurer shall amalgamate with another insurer, transfer its business to, reinsure its business in or purchase and take over the business and property, or any part thereof, of another insurer unless the amalgamation, transfer, reinsurance or purchase is sanctioned by the minister in accordance with this Act.

R.S.S. 1965, c.143, s.379; R.S.S. 1978, c.S-26, s.401.

**Transfer of contracts where insurer leaves Saskatchewan**

**402** Where under an agreement between an insurer, in this section called the "continuing insurer", and another insurer, in this section called the "retiring insurer", in anticipation of the retiring insurer ceasing to do business in the province, the continuing insurer assumes liability under contracts of insurance specified in the agreement issued by the retiring insurer and the retiring insurer ceases to carry on business in the province, an insured or other person entitled to rights under those contracts may enforce the rights as though those contracts had been issued by the continuing insurer.

1968, c.64, s.11; R.S.S. 1978, c.S-26, s.402.

## LIQUIDATION

**Interpretation of sections 403 to 415**

**402.1** In this section and in sections 403 to 415:

- (a) **“insured person”** means a person who enters into a subsisting contract of insurance with an insurer and includes:
  - (i) every person insured by a contract, whether named or not;
  - (ii) every person to whom or for whose benefit all or part of the proceeds of a contract of insurance are payable; and
  - (iii) every person entitled to have insurance money applied towards satisfaction of that person’s judgment in accordance with section 210;
- (b) **“loss”** includes the happening of an event or contingency by reason of which a person becomes entitled to a payment under a contract of insurance of money other than a refund of unearned premiums;
- (c) **“Saskatchewan contract”** means a subsisting contract of insurance that:
  - (i) has for its subject:
    - (A) property that at the time of the making of the contract is in Saskatchewan or is in transit to or from Saskatchewan; or
    - (B) the life, safety, fidelity or insurable interest of a person who at the time of the making of the contract is resident in or has its head office in Saskatchewan; or
  - (ii) makes provision for payment primarily to a resident of Saskatchewan or to an incorporated company that has its head office in Saskatchewan.

2003, c.38, s.81.

**Act to prevail**

**403** Sections 404 to 415 of this Act, and any regulations made for the purposes of those sections, prevail if there is any conflict between those sections or regulations and any other Act, regulation or law that may apply to the liquidation, dissolution or winding up of a provincial insurer.

2003, c.38, s.82.

**Order of court on application of superintendent**

**404(1)** A provincial insurer may also be wound up by order of the court on the application of the superintendent if the court is satisfied that:

- (a) the insurer has failed to exercise its corporate powers during any continuous period of four years; or
- (b) the insurer has not commenced business or gone into actual operation within four years after it was incorporated; or



- (c) the insurer has discontinued business for one year after it has undertaken insurance contracts within the meaning of this Act; or
- (d) the insurer's licence has been suspended for one year or more; or
- (e) the insurer has carried on business or entered into a contract or used its funds in a manner or for a purpose prohibited or not authorized by this Act or by its Act of incorporation or by any special Act applicable thereto; or
- (f) other sufficient cause has been shown.

**Application not to be made without approval**

- (2) No such application shall be made by the superintendent without the approval of the Lieutenant Governor in Council.

R.S.S. 1965, c.143, s.381; R.S.S. 1978, c.S-26, s.404; 2003, c.38, s.83.

**405 Repealed.** 2003, c.38, s.84.

**Appointment of provisional liquidator**

- 406(1)** In the case of a provincial insurer:

- (a) if its licence expires and:
  - (i) the insurer fails to obtain a new licence; or
  - (ii) a new licence is refused; or
- (b) if its licence is cancelled;

the minister may appoint a provisional liquidator, who shall take charge of the affairs of the company.

**Powers of provisional liquidator**

- (2) Until a permanent liquidator is appointed the provisional liquidator shall exercise all the powers of the insurer, and none of the officers or servants of the insurer shall make any contract for, incur any liability on behalf of or expend any moneys of the insurer without the approval of the provisional liquidator.

**Petition for winding up order**

- (3) The provisional liquidator shall petition the court for a winding up order and if the court is of the opinion that it is just and equitable so to do, it may make an order winding up the company.

**Power to sell business of company**

- (4) The provisional liquidator or the liquidator, subject to the approval of the court, may sell the business and undertaking of the company as a going concern.

R.S.S. 1965, c.143, s.383; R.S.S. 1978, c.S-26, s.406; 2003, c.38, s.85.

**Remuneration of provisional liquidator**

- 407(1)** The remuneration to be paid to a provisional liquidator appointed under subsection 406(1) shall be fixed by the minister.

**Payment of remuneration and expenses by insurer**

(2) The remuneration and all expenses and outlay in connection with the appointment of the provisional liquidator, together with all expenses and outlay of the provisional liquidator while he acts in that capacity, shall be borne and paid by the insurer and shall form a first lien or charge upon the assets of the insurer.

(3) **Repealed.** 2003, c.38, s.86.

R.S.S. 1965, c.143, s.384; R.S.S. 1978, c.S-26, s.407; 2003, c.38, s.86.

**Notice by insurer of intention to cease business**

**408(1)** When a provincial insurer proposes to cease transacting insurance or to call a general meeting to consider a resolution for the voluntary liquidation of the insurer, it shall give at least one month's notice in writing thereof to the superintendent and to the Superintendent of Insurance of each other province in which the insurer is licensed.

**Notice by insurer of voluntary winding up**

(2) When a provincial insurer has passed a resolution for voluntary winding up, the insurer shall notify the superintendent thereof, and of the date at which contracts of insurance will cease to be entered into by the insurer, and of the name and address of its liquidator.

**Publication of notice**

(3) The notice under subsection (2) shall also be published by the insurer in two consecutive issues of the Gazette and of the official gazette of each province in which the insurer is licensed and in such newspapers and other publications as the superintendent may require.

**Consent to winding up of certain insurers**

(4) A provincial insurer that is a fraternal society or mutual insurance company shall not go into voluntary liquidation or otherwise arrange for the winding up of its affairs without the written consent of the superintendent.

R.S.S. 1965, c.143, s.385; R.S.S. 1978, c.S-26, s.408; 2003, c.38, s.87.

**Power to arrange reinsurance**

**409(1)** The provisional liquidator or the liquidator, before the fixing of a termination date pursuant to section 411, may arrange for the reinsurance of the subsisting contracts of insurance of the insurer with some other insurer licensed in Saskatchewan.

**Funds available for reinsurance**

(2) For the purpose of securing the reinsurance the following funds shall be available:

(a) the entire assets of the insurer in Saskatchewan, except the amount reasonably estimated by the liquidator or the provisional liquidator as being required to pay:

(i) the costs of the liquidation or winding up;

(ii) all claims for losses covered by the insurer's contracts of insurance of which notice has been received by the insurer or liquidator or provisional liquidator before the date on which the reinsurance is effected;

(iii) the claims of the preferred creditors who are the persons paid in priority to other creditors under *The Companies Winding Up Act*;

all of which shall be a first charge on the assets of the insurer;

(b) **Repealed.** 2003, c.38, s.88.

(3) **Repealed.** 2003, c.38, s.88.

**Payments to creditors other than preferred**

(4) Creditors of the insurer, other than the insured persons and the said preferred creditors, shall be entitled to receive a payment on their claims only if provision has been made for the payments mentioned in subsection (2) and for the reinsurance.

**Reinsurance of part of contracts only**

(5) Where, after providing for the payments mentioned in subsection (2), the balance of the assets of the insurer is insufficient to secure the reinsurance of the contracts of the insured persons in full the reinsurance may be effected for such portion of the full amount of the contracts as may be possible.

**Approval of reinsurance by court**

(6) No contract of reinsurance shall be entered into pursuant to this section until it is approved by the court.

**Priority of mortgage, etc., not affected**

(7) Nothing in this section prejudices or affects the priority of any mortgage, lien or charge upon the property of the insurer.

R.S.S. 1965, c.143, s.386; R.S.S. 1978, c.S-26,  
s.409; 2003, c.38, s.88.

**410 Repealed.** 2003, c.38, s.89.

**Termination date for subsisting contracts**

411(1) Where he fails to secure reinsurance, or where in his opinion it is impracticable or inexpedient to arrange for reinsurance, the provisional liquidator or the liquidator:

(a) with the approval of the court and subject to such terms as may be prescribed by the court; and

(b) for the purpose of securing the payment of existing claims and avoiding further losses;

may publish a notice fixing a termination date for the subsisting contracts of insurance of the insurer, and on and after that date coverage and protection under the Saskatchewan contracts shall cease, and the insurer shall not be liable under any such contract for a loss that occurs after that date.

**Same**

(2) Where a provisional liquidator or a liquidator has been appointed in another province to wind up an insurer incorporated in that province, if the provisional liquidator or the liquidator fixes a termination date for the contracts of insurance of that insurer, on and after that date coverage and protection under the Saskatchewan contracts shall cease and determine, and the insurer shall not be liable under any such contract for a loss that occurs after that date.

(3) **Repealed.** 2003, c.38, s.90.

R.S.S. 1965, c.143, s.388; R.S.S. 1978, c.S-26, s.411; 2003, c.38, s.90.

**Publication of notice of termination date**

**412** The provisional liquidator or the liquidator shall cause the notice:

- (a) to be published in the Gazette and in the official gazette of each other province in which the insurer is licensed, and in such newspapers as the court may direct in order to give reasonable notice of the termination date so fixed; and
- (b) to be mailed to each policy-holder at his address as shown on the books and records of the company.

R.S.S. 1965, c.143, s.389; R.S.S. 1978, c.S-26, s.412.

**Sums to be paid or set aside by liquidator**

**413(1)** The liquidator shall pay or set aside from the assets of the insurer sums in his opinion sufficient to pay:

- (a) the costs of the liquidation or winding up;
- (b) all claims for losses covered by the insurer's contracts of insurance that occurred before the termination date fixed pursuant to section 411 that have not been paid and of which notice has been received by the insurer or the liquidator;
- (c) the full amount of the legal reserve in respect of each unmatured life insurance contract;
- (d) the claims of preferred creditors who are the person paid in priority to other creditors under *The Companies Winding Up Act*.

**Refund of unearned premiums**

(2) Except in the case of life insurance, the assets remaining after payment or making provision for payment of the amounts mentioned in subsection (1) shall be used to pay the claims of the insured persons for refunds of unearned premiums on a *pro rata* basis in proportion to the periods of their contracts respectively unexpired on the termination dates.

**Calculation of unearned premium claims**

(3) The claims of the insured persons for refunds of unearned premiums shall be calculated:

- (a) as a termination date fixed pursuant to section 411; or
- (b) as at the date the insured person cancelled the contract;

whichever date is the earlier.

**Refund not to affect other remedy**

(4) The refund of all or a portion of the premium shall not destroy or defeat any other remedy the insured person may have against the insurer in respect thereof or for any other cause.

**Priority of mortgage, etc., not affected**

(5) Nothing in this section prejudices or affects the priority of any mortgage, lien or charge upon the property of the insurer.

R.S.S. 1965, c.143, s.390; R.S.S. 1978, c.S-26, s.413; 2003, c.38, s.91.

**Payment of provincial taxes, etc.**

414 The fees, taxes and costs payable by the insurer to each province shall be paid out of the assets of the insurer remaining after the reinsurance of the subsisting contracts of insurance of the insurer or after the payment of the claims of policyholders for refund of unearned premiums, as the case may be, and the balance shall be distributed among the creditors of the insurer other than the insured persons, preferred creditors and the several provinces.

R.S.S. 1965, c.143, s.391; R.S.S. 1978, c.S-26, s.414.

**Schedules to be filed by liquidator**

415(1) Unless otherwise ordered by the court, within seven days after the close of each period of three months and until the affairs of the insurer are wound up and the accounts are finally closed the liquidator shall file with the court or other authority appointing him and also with the superintendent, detailed schedules showing in such forms as may be required:

- (a) receipts and expenditures; and
- (b) assets and liabilities.

**Production of books, etc., by liquidator**

(2) The liquidator, whenever he is required to do so by the authority appointing him or by the minister, shall exhibit the office books and vouchers and furnish such other information respecting the affairs of the insurer as may be required.

**Penalty**

(3) A liquidator refusing or neglecting to furnish information required pursuant to this section is guilty of an offence and, in addition to any other penalty that may be imposed, may be dismissed or removed by the court.

R.S.S. 1965, c.143, s.392; R.S.S. 1978, c.S-26, s.415; 1998, c.35, s.26.

PART XVI  
**Agents and Adjusters**  
 INSURANCE AGENTS  
 LICENCES

**Acting as insurance agent without licence prohibited**

**416** No person shall act as an insurance agent unless he is the holder of a subsisting licence under this Act as an agent or as a salesman of a licensed agent.

R.S.S. 1965, c.143, s.393; R.S.S. 1978, c.S-26,  
s.416.

**Prohibition respecting holding out**

**417** No person shall hold himself out as an agent or as a salesman of an agent unless he is the holder of a subsisting licence under this Act.

R.S.S. 1965, c.143, s.394; R.S.S. 1978, c.S-26,  
s.417.

**Prohibition respecting appointment of unlicensed persons**

**418** No insurer or agent shall appoint, permit or authorize any person to do any of the things in respect of which a licence is required unless the person is the holder of a subsisting licence.

R.S.S. 1965, c.143, s.395; R.S.S. 1978, c.S-26,  
s.418.

**Unauthorized agent not to engage in brokerage business**

**419(1)** No agent shall engage in the insurance brokerage business or hold himself out as an insurance broker unless he is specifically authorized by his licence to engage in the insurance brokerage business.

**Meaning of "insurance brokerage"**

(2) The term "**insurance brokerage**" shall be construed to include any arrangement or agreement under which an agent can be held to be the agent of the insured and not of an insurer.

R.S.S. 1965, c.143, s.396; R.S.S. 1978, c.S-26,  
s.419.

**Application for licence**

**420(1)** Every application for a licence shall be made to the superintendent upon a form prescribed by him and shall be accompanied by the fee prescribed by the regulations.

**Verification of application**

(2) Every applicant or person acting on behalf of an applicant shall, unless the prescribed form does not contain a form of affidavit for that purpose, verify by affidavit the statements made by him in the application.

R.S.S. 1965, c.143, s.397; R.S.S. 1978, c.S-26, s.420.

**Address for service**

**421** Every applicant for a licence shall state in the application an address for service in Saskatchewan, and any notice given by the superintendent pursuant to this Act or the regulations shall for all purposes be deemed to be sufficiently served if delivered or sent by registered mail to the applicant at the latest address for service so stated.

R.S.S. 1965, c.143, s.398; R.S.S. 1978, c.S-26, s.421.

**Special provisions respecting partnerships and corporations**

**422(1)** Every applicant for a licence shall, if he is an individual person who carries on business under, or uses as a business style, a name other than his own or who, in business, uses his own name with the addition of the words "and company" or some other word or phrase indicating the plurality of members, be considered, for the purposes of this section, as a partnership.

(2) Every partnership or corporation acting as an agent must hold a licence as an agent in the name of the partnership or corporation.

(3) Every person soliciting insurance other than life insurance on behalf of a partnership or corporation must hold a licence as a salesman of the partnership or corporation.

(4) Every person soliciting life insurance on behalf of a partnership or corporation must hold a licence as an agent for the insurer whose name is set forth in the licence of the partnership or corporation.

(5) A licence as a salesman shall not be granted to a partnership or corporation.

(6) Any change in the membership of a partnership shall be deemed to create a new partnership and to cancel any existing licence.

R.S.S. 1965, c.143, s.399; R.S.S. 1978, c.S-26, s.422.

**Approval of agent's application by insurers or general agents to be represented**

**423(1)** Every application for a licence as an agent shall be approved in writing by an insurer or general agent to be represented by him, certifying to the good business reputation of the applicant and his qualifications for and knowledge of the business of insurance, and recommending the granting of a licence to him.

**Licence to contain name of approving insurer or agent**

(2) The name of the insurer or general agent approving the application shall be set forth in the licence when issued.

R.S.S. 1965, c.143, s.400; R.S.S. 1978, c.S-26, s.423.

**Certificate to accompany application for salesman's licence**

**424** Every application for a licence as a salesman shall be accompanied by a certificate given by a licensed agent certifying that the applicant, if granted a licence, is to act as a salesman representing the agent by whom the certificate is given, and the name of the agent as principal of the licensee shall be set forth in the licence when issued.

R.S.S. 1965, c.143, s.401; R.S.S. 1978, c.S-26, s.424.

**Granting of licence**

**425(1)** The superintendent may grant a licence if, in his opinion, the applicant is suitable to be licensed and the proposed licensing is not for any reason objectionable, but if the superintendent after investigation is for any reason of the opinion that the applicant should not be granted a licence he may refuse the application.

(2) The superintendent may refuse to grant a licence if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant.

(3) The superintendent may refuse to grant a licence if the applicant has not paid in full any fines or penalties assessed pursuant to this Act or the regulations.

R.S.S. 1965, c.143, s.402; R.S.S. 1978, c.S-26, s.425; 1998, c.35, s.27.

**Classes of agents' licences**

**426** The following classes of licences may be granted to agents:

- (a) licences for life insurance, or life, accident and sickness insurance when transacted by the same insurer;
- (b) licences for accident and sickness insurance;
- (c) licences for hail insurance;
- (d) licences for all classes of insurance other than life insurance.

R.S.S. 1965, c.143, s.403; R.S.S. 1978, c.S-26, s.426.

**Superintendent may require further information**

**427** The superintendent may at any time require further information or material to be submitted within a specified time by an applicant for a licence or a licensee and may require verification by affidavit or otherwise of any information or material then or previously submitted.

R.S.S. 1965, c.143, s.404; R.S.S. 1978, c.S-26, s.427.



**Bond where brokerage business authorized**

**428** Where the superintendent authorizes an agent to engage in the insurance brokerage business he may require the agent to deliver to him within a specified time a bond in such form as he may prescribe and in such amount as he may require.

R.S.S. 1965, c.143, s.405; R.S.S. 1978, c.S-26,  
s.428.

**Limitations and conditions**

**429** The superintendent may, at the time a licence as an agent or salesman is issued pursuant to this Part or at any time after the licence is issued, impose any limitations and conditions on the licence and may amend, vary or repeal those limitations and conditions or impose new limitations and conditions.

1986-87-88, c.55, s.8.

**Expiration of licence**

**430(1)** Subject to subsection (2), a licence expires on the date prescribed in the regulations unless it is sooner suspended or cancelled in accordance with this Act.

(2) If authorized pursuant to the regulations, a licence continues in force indefinitely unless it is suspended or cancelled in accordance with this Act.

1998, c.35, s.28.

**Powers of certain licensees**

**431(1)** The holder of an agent's licence for all classes of insurance other than life insurance may, unless his licence expressly provides otherwise, act as agent for any licensed insurer or general agent, and may, if specifically authorized by his licence, engage in the insurance brokerage business.

**Restriction on powers of certain licensees**

(2) The holder of a licence for life insurance may act as agent for only one insurer, the name of which is set forth in the licence, and he shall not represent himself to the public by advertisement or otherwise as the agent of any other insurer, but where he is unable to negotiate insurance on behalf of an applicant for insurance with the insurer named in the licence he may procure the insurance from another insurer if the other insurer obtains the consent in writing of the insurer named in the licence and files a copy of the consent with the superintendent.

R.S.S. 1965, c.143, s.408; R.S.S. 1978, c.S-26,  
s.431.

**Duty of insurer where licensee ceases to be agent**

**432(1)** When an agent ceases to be an agent of the insurer or general agent named in the agent's licence, the insurer or general agent shall immediately provide to the superintendent a written notice of the cessation setting out the reasons for the cessation.

(1.1) The licence of an agent who has ceased to be an agent of the insurer or general agent named in the agent's licence is suspended from the day on which the superintendent receives the notice mentioned in subsection (1).

**Penalty**

(2) An insurer or general agent who fails to give such notice within five days after the cessation is guilty of an offence.

R.S.S. 1965, c.143, s.409; R.S.S. 1978, c.S-26, s.432; 1998, c.35, s.29.

**Reinstatement of suspended licence**

**433(1)** The licence of the agent may be reinstated by the superintendent upon the return to him of the suspended licence and upon receipt of a written approval by an insurer or a general agent certifying to the good business reputation of the licensee and his qualifications for and knowledge of the business of insurance.

**Same**

(2) Where the superintendent amends the licence by setting forth therein the name of the insurer or general agent the amendment shall operate as a reinstatement of the licence.

(3) The superintendent may refuse to reinstate a licence if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant.

(4) The superintendent may refuse to reinstate a licence if the applicant has not paid in full any fines or penalties assessed pursuant to this Act or the regulations.

R.S.S. 1965, c.143, s.410; R.S.S. 1978, c.S-26, s.433; 1998, c.35, s.30.

**Restrictions respecting salesmen**

**434(1)** A person may act as a salesman only for the agent whose name is set forth in his licence and only within the limits of the agent's licence.

**Same**

(2) A salesman's licence shall expressly exclude life insurance.

**Exception**

(3) Nothing herein shall prevent a salesman from applying for and obtaining an agent's licence for life insurance.

R.S.S. 1965, c.143, s.411; R.S.S. 1978, c.S-26, s.434.

**Duty of agent where salesman ceases to represent agent**

**435(1)** Where a salesman ceases to represent the agent named in his licence the agent shall forthwith after the cessation give notice thereof with the reason therefor in writing to the superintendent, and the receipt of the notice by the superintendent shall operate as a suspension of the licence of the salesman.

**Penalty**

(2) An agent who fails to give such notice within five days after the cessation is guilty of an offence.

R.S.S. 1965, c.143, s.412; R.S.S. 1978, c.S-26, s.435.

**Reinstatement of suspended salesman's licence**

**436(1)** The licence of the salesman may be reinstated by the superintendent upon the return to him of the suspended licence and upon receipt of a certificate given by a licensed agent certifying that the salesman is to act as a salesman representing the agent by whom the certificate is given.

**Same**

(2) Where the superintendent amends the licence by setting forth therein the name of the agent as principal the amendment shall operate as a reinstatement of the licence.

(3) The superintendent may refuse to reinstate a licence if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant.

(4) The superintendent may refuse to reinstate a licence if the applicant has not paid in full any fines or penalties assessed pursuant to this Act or the regulations.

R.S.S. 1965, c.143, s.413; R.S.S. 1978, c.S-26, s.436; 1998, c.35, s.31.

**Reciprocal arrangement respecting certain licences**

**437** The superintendent may, where he deems it in the interests of the residents of an area in proximity to any boundary of Saskatchewan, endorse as valid in Saskatchewan an agent's or salesman's licence issued in an adjoining province to a resident of that province.

R.S.S. 1965, c.143, s.414; R.S.S. 1978, c.S-26, s.437.

**Licensing of transportation company as agent**

**438** The superintendent may issue an agent's licence to a transportation company for accident insurance and such other insurance as he may approve, and upon the issuance of such a licence the company's employees in Saskatchewan may solicit insurance on behalf of the company without a licence.

R.S.S. 1965, c.143, s.415; R.S.S. 1978, c.S-26, s.438.

**Suspension or cancellation of licence**

**439** A licence may be suspended or cancelled by the superintendent if, after due investigation, he determines that the holder of the licence:

- (a) has made a material mis-statement in the application for the licence;
- (b) has violated any provision of this Act or the regulations;
- (c) has placed insurance with insurers other than those licenced in Saskatchewan under this Act, without complying with the provisions herein relating to unlicensed insurance; or
- (d) has demonstrated his incompetency or untrustworthiness to act as an insurance agent.

R.S.S. 1965, c.143, s.416; R.S.S. 1978, c.S-26, s.439; 1998, c.35, s.32.

## ADVISORY BOARD

**Appointment**

**440(1)** In determining the granting or refusal of an application for a licence or the cancellation of a subsisting licence the superintendent may, and shall when so requested in writing by the applicant or licensee, appoint an advisory board consisting of:

- (a) a representative of insurers;
- (b) a representative of agents; and
- (c) a representative of the superintendent;

which shall hold a hearing and make a report to the superintendent with such recommendations as it may deem fit.

**Chairman**

(2) The representative of the superintendent on the advisory board shall act as chairman and for the purposes of his duties in connection with the hearing shall have the same powers as are vested in the superintendent by section 4.

R.S.S. 1965, c.143, s.417; R.S.S. 1978, c.S-26, s.440.

## GENERAL

**Prohibition against effecting contracts with unlicensed insurers**

**441** No agent shall effect a contract of insurance with an unlicensed insurer unless he is specifically authorized by his licence to engage in the insurance brokerage business and complies with section 465.

R.S.S. 1965, c.143, s.418; R.S.S. 1978, c.S-26, s.441.

**Agents personally liable on certain contracts**

**442** An agent is personally liable to the insured on any contract of insurance unlawfully effected by or through him directly or indirectly with any insurer not licenced to transact insurance in Saskatchewan, in the same manner as if the agent were the insurer.

R.S.S. 1965, c.143, s.419; R.S.S. 1978, c.S-26, s.442.

**Agents hold insurance moneys in trust for insurers**

**443** An agent who receives any money or substitute for money as a premium for a contract of insurance, other than life insurance, with a licensed insurer shall be deemed to hold the premium in trust for the insurer, and, if he fails to pay the premium over to the insurer within 15 days after written demand has been made upon him therefor, less his commission and any deductions to which, by the written consent of the insurer, he may be entitled, such failure shall be prima facie evidence that he has used or applied the said premium for a purpose other than paying the same over to the insurer.

R.S.S. 1965, c.143, s.420; R.S.S. 1978, c.S-26, s.443.

**Payments to unlicensed agents prohibited**

**444** No insurer and no officer, agent or employee of an insurer and no licensed agent or salesman shall, directly or indirectly, pay or allow, or offer or agree to pay or allow, any commission or other compensation or anything of value to any person for acting or attempting or assuming to act as an insurance agent in respect of insurance in Saskatchewan unless that person holds at the time a subsisting licence under this Act as an agent or a salesman.

R.S.S. 1965, c.143, s.421; R.S.S. 1978, c.S-26, s.444.

**Inducement to lapse, etc., life insurance policy, making of false statement, etc., prohibited**

**445** No person licensed as an agent for life insurance shall:

- (a) induce, directly or indirectly, an insured to lapse, forfeit or surrender for cash, or for paid up or extended insurance, or for other valuable consideration, his contract of life insurance with one insurer in order to effect a contract of life insurance with another insurer; or
- (b) make any false or misleading statement or representation in the solicitation for or negotiation of insurance; or
- (c) coerce or propose, directly or indirectly, to coerce a prospective buyer of life insurance, through the influence of a business or a professional relationship or otherwise, to give a preference with respect to the placing of the insurance that would not be otherwise given in effecting a life insurance contract.

R.S.S. 1965, c.143, s.422; R.S.S. 1978, c.S-26, s.445.

**Return respecting agents of insurer and general agent**

**446** Every licensed insurer and every general agent shall make a return under oath to the superintendent in such form and at such times as he may require, showing the names and addresses of all persons duly authorized as its or his agents in Saskatchewan, and of persons to whom it or he has, within such period as the form of return may indicate, paid or allowed or agreed to pay or allow, directly or indirectly, compensation for acting as its or his agent.

R.S.S. 1965, c.143, s.423; R.S.S. 1978, c.S-26, s.446.

## INSURANCE ADJUSTERS

### LICENCES

**Acting as adjuster without licence prohibited**

**447** No person shall act as an adjuster unless he is the holder of a subsisting licence under this Act as an adjuster or as a representative of a licensed adjuster.

R.S.S. 1965, c.143, s.424; R.S.S. 1978, c.S-26, s.447.

**Application for licence**

**448(1)** Every application for a licence shall be made to the superintendent upon a form prescribed by him and shall be accompanied by the fee prescribed by the regulations.

**Verification of application**

(2) Every application shall be verified by affidavit unless the superintendent waives compliance with this subsection.

R.S.S. 1965, c.143, s.425; R.S.S. 1978, c.S-26, s.448.

**Address for service**

**449** Every applicant for a licence shall state in the application an address for service in Saskatchewan, and any notice given by the superintendent pursuant to this Act or the regulations shall for all purposes be deemed to be sufficiently served if delivered or sent by registered mail to the applicant at the latest address for service so stated.

R.S.S. 1965, c.143, s.426; R.S.S. 1978, c.S-26, s.449.

**Special provisions respecting partnerships and corporations**

**450(1)** Every applicant for a licence shall, if he is an individual person who carries on business under, or uses a business style, a name other than his own or who, in business, uses his own name with the addition of the words "and company" or some other word or phrase indicating the plurality of members, be considered, for the purposes of this section, as a partnership.

(2) Every partnership or corporation acting as an adjuster must hold a licence as an adjuster in the name of the partnership or corporation.

(3) Every person acting as an adjuster, on behalf of a partnership or corporation, must hold a licence as a representative of the partnership or corporation.

(4) A licence shall not be issued to a partnership or corporation to act as a representative of an adjuster.

(5) Any change in the membership of a partnership shall be deemed to create a new partnership and to cancel any existing licence.

R.S.S. 1965, c.143, s.427; R.S.S. 1978, c.S-26, s.450.

**Certificate to accompany application for licence as representative of adjuster**

**451** Every application for a licence as a representative of an adjuster shall be accompanied by a certificate given by a licensed adjuster certifying that the applicant, if granted a licence, is to act as a representative of the adjuster by whom the certificate is given, and the name of the adjuster as principal of the licensee shall be set forth in the licence when issued.

R.S.S. 1965, c.143, s.428; R.S.S. 1978, c.S-26, s.451.

**Granting of licence**

**452(1)** The superintendent may grant a licence if, in his opinion, the applicant is suitable to be licensed and the proposed licensing is not for any reason objectionable, but if the superintendent after investigation is for any reason of the opinion that the applicant should not be granted a licence he may refuse the application.

(2) The superintendent may refuse to grant a licence if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant.

(3) The superintendent may refuse to grant a licence if the applicant has not paid in full any fines or penalties assessed pursuant to this Act or the regulations.

R.S.S. 1965, c.143, s.429; R.S.S. 1978, c.S-26, s.452; 1998, c.35, s.34.

**Classes of adjuster's licences**

**453** The following classes of licences may be granted to adjusters:

- (a) licences for hail insurance losses;
- (b) licences for any insurance loss.

R.S.S. 1965, c.143, s.430; R.S.S. 1978, c.S-26, s.453.

**Superintendent may require further information**

**454** The superintendent may at any time require further information or material to be submitted within a specified time by an applicant for a licence or a licensee and may require verification by affidavit or otherwise of any information or material then or previously submitted.

R.S.S. 1965, c.143, s.431; R.S.S. 1978, c.S-26, s.454.

**Limitations and conditions**

**455** The superintendent may, at the time a licence as an adjuster is issued pursuant to this Part or at any time after the licence is issued, impose any limitations and conditions on the licence and may amend, vary or repeal those limitations and conditions or impose new limitations and conditions.

1986-87-88, c.55, s.9.

**Expiration of licence**

**456(1)** Subject to subsection (2), a licence expires on the date prescribed in the regulations unless it is sooner suspended or cancelled in accordance with this Act.

(2) If authorized pursuant to the regulations, a licence continues in force indefinitely unless it is suspended or cancelled in accordance with this Act.

1998, c.35, s.35.

**Representative of adjuster to act only for adjuster**

**457(1)** The holder of a licence as representative of an adjuster may act only for the adjuster named in his licence and only within the limits of the adjuster's licence.

**Duty of adjuster where representative ceases to act**

(2) Where a representative ceases to act for the adjuster named in his licence the adjuster shall forthwith after the cessation give written notice thereof, with the reason therefor, to the superintendent, and the receipt of the notice by the superintendent shall operate as a suspension of the licence of the representative.

**Penalty**

(3) An adjuster who fails to give such notice within five days after the cessation is guilty of an offence.

R.S.S. 1965, c.143, s.434; R.S.S. 1978, c.S-26, s.457.

**Reinstatement of suspended representative's licence**

**458(1)** The licence of the representative may be reinstated by the superintendent upon the return to him of the suspended licence and upon receipt of a certificate given by a licensed adjuster that the representative is to act as a representative of the adjuster by whom the certificate is given.

**Same**

(2) Where the superintendent amends the licence by setting forth therein the name of the adjuster as principal the amendment shall operate as a reinstatement of the licence.

(3) The superintendent may refuse to reinstate a licence if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant.

(4) The superintendent may refuse to reinstate a licence if the applicant has not paid in full any fines or penalties assessed pursuant to this Act or the regulations.

R.S.S. 1965, c.143, s.435; R.S.S. 1978, c.S-26, s.458; 1998, c.35, s.36.

**Suspension or cancellation of licence**

**459** A licence may be suspended or cancelled by the superintendent if, after due investigation, he determines that the holder of the licence:

- (a) has made a material mis-statement in the application for the licence;
- (b) has violated any provision of this Act or the regulations; or
- (c) has demonstrated his incompetency or untrustworthiness to act as an adjuster.

R.S.S. 1965, c.143, s.436; R.S.S. 1978, c.S-26, s.459; 1998, c.35, s.37.



## ADVISORY BOARD

**Appointment**

**460(1)** In determining the granting or refusal of an application for a licence or the cancellation of a subsisting licence the superintendent may, and shall when so requested in writing by the applicant or licensee, appoint an advisory board consisting of:

- (a) a representative of insurers;
- (b) a representative of adjusters; and
- (c) a representative of the superintendent;

which shall hold a hearing and make a report to the superintendent with such recommendations as it may deem fit.

**Chairman**

(2) The representative of the superintendent on the advisory board shall act as chairman and for the purposes of his duties in connection with the hearing shall have the same powers as are vested in the superintendent by section 4.

R.S.S. 1965, c.143, s.437; R.S.S. 1978, c.S-26,  
s.460.

## AGENTS AND ADJUSTERS GENERALLY

**Exemption from municipal licence fee**

**461(1)** The holder of a subsisting licence under this Part shall be exempt from payment of any licence fee imposed by a municipal corporation in Saskatchewan for the transaction of the business of insurance or for acting as an adjuster.

(2) Subsection (1) does not apply to a licence fee of a municipal corporation where the council of the municipal corporation has, by bylaw under the authority of the Act governing the municipal corporation, provided that the tax in respect of the business of insurance or for acting as an adjuster shall be deemed to be that licence fee.

R.S.S. 1965, c.143, s.438; 1972, c.110, s.1; R.S.S.  
1978, c.S-26, s.461.

**Certain information, etc., privileged**

**462** Any information, document, record, statement or thing made or disclosed to the superintendent concerning any person licensed or applying for a licence is absolutely privileged and shall not be used as evidence in any action or proceeding in any court brought by or on behalf of that person.

R.S.S. 1965, c.143, s.439; R.S.S. 1978, c.S-26,  
s.462.

PART XVII  
**Insurance with Unlicensed Insurers**

**Tax payable by insured where insurer unlicensed**

**463** Every person who enters into a contract of insurance with an unlicensed insurer shall pay to the superintendent a tax equivalent to 10% of the premium paid or payable or of the premium note given or of the mutual or other liability assumed under the contract, but if any part of the premium paid is refunded to him by the insurer the insured shall be entitled to a refund of the tax paid by him on the amount so refunded.

R.S.S. 1965, c.143, s.440; R.S.S. 1978, c.S-26,  
s.463; 2003, c.38, s.92.

**Return respecting insurance and payment of tax**

**464** Every person who enters into a contract of insurance with an unlicensed insurer shall, unless the contract is effected by a licensed agent, forthwith deliver to the superintendent a return thereof in such form, and verified by affidavit or in such other manner, as the superintendent may determine, and remit therewith the amount of the tax payable.

R.S.S. 1965, c.143, s.441; R.S.S. 1978, c.S-26,  
s.464; 2003, c.38, s.93.

**Obtaining insurance from an unlicensed insurer**

**464.1** A licensed agent may act on behalf of a person, or assist a person, who wishes to enter into or renew a contract of insurance with an unlicensed insurer if:

- (a) one of the following circumstances exists:
  - (i) sufficient insurance cannot be obtained at reasonable rates from an insurer licensed pursuant to this Act;
  - (ii) sufficient insurance cannot be obtained on the terms stipulated by the person from an insurer licensed pursuant to this Act; and
- (b) before the person enters into a contract of insurance, the licensed agent obtains a copy of a document that:
  - (i) is dated and signed by the person;
  - (ii) describes the nature and amount of the insurance required by the person;
  - (iii) states that the person understands that:
    - (A) the unlicensed insurer is not subject to regulation pursuant to this Act;
    - (B) the orderly payment of claims may be more difficult than it would be if the person obtained insurance from an insurer licensed pursuant to this Act;

- (C) the superintendent has no authority pursuant to this Act with respect to the unlicensed insurer;
  - (D) the person will not have the protection of any compensation plan operated by any compensation association designated in the regulations; and
- (iv) contains any further information the superintendent may require.

2003, c.38, s.94.

#### **Return**

**465** Within 10 days after the end of each month, a licensed agent acting pursuant to section 464.1 shall submit to the superintendent:

- (a) a document that:
  - (i) is prepared in accordance with the regulations; and
  - (ii) contains any information prescribed in the regulations; and
- (b) the amount of the tax payable in accordance with section 463.

2003, c.38, s.95.

#### **Inspection of records to determine whether contract with unlicensed insurer entered into**

**466** Where the superintendent has knowledge or suspects that a person has entered into a contract of insurance with an unlicensed insurer and has not remitted to him the tax payable he may examine the contracts, records and books of such person to determine where his insurance is carried, and it shall be the duty of that person to produce his contracts, records and books to the superintendent for inspection, and it shall be the duty of every other person having possession, custody or control of any such contract, book or record to produce it to the superintendent for inspection.

R.S.S. 1965, c.143, s.443; R.S.S. 1978, c.S-26,  
s.466; 2003, c.38, s.96.

## **PART XVIII Regulations**

#### **Insurance Council**

**466.1(1)** In this section, “**council**” means a council constituted pursuant to subsection (2).

(2) The Lieutenant Governor in Council may provide for the establishment of an Insurance Council or councils and for the appointment or election of members to any such council.

(2.1) A council established pursuant to subsection (2) is a corporation and consists of the members appointed or elected in accordance with the regulations.

(2.2) A council established pursuant to subsection (2) is not for any of its purposes a representative or an agent of the Crown, and its powers granted by this Act and the regulations are to be exercised in its own right and not as an agent of the Crown.

(3) The Lieutenant Governor in Council may make regulations prescribing the functions, powers and duties of a council established pursuant to subsection (2) and governing the carrying out of those functions and duties and the exercise of those powers.

(4) Without limiting the generality of subsection (3), the Lieutenant Governor in Council may make regulations granting to a council, on any terms and conditions that he considers appropriate, the power to:

(a) accept and exercise powers, functions and responsibilities delegated to it by the superintendent;

(b) establish the educational, training and other standards and qualifications required for the licensing or registration of members of the occupational groups in the insurance industry;

(b.1) establish, with respect to persons or categories of persons to whom the council has issued a licence, standards of conduct, competence and proficiency and standards of training and education, including additional and continuing training and education requirements;

(c) establish and enforce ethical, operational and trade practices for members of occupational groups in the insurance industry;

(d) investigate complaints and adjudicate or mediate disputes regarding services provided by any member of an occupational group in the insurance industry;

(d.1) assess and collect the costs of investigations and hearings conducted by it and suspend licences for the licensee's failure to pay these costs;

(e) make recommendations to government;

(f) fix and collect licence, registration or other annual and special fees from applicants, registrants and licensees in occupational groups in the insurance industry that are necessary to allow the council to finance the exercise of its assigned powers;

(f.1) assess and collect fines to be paid and penalties for late payment of fines and suspend licences for the licensee's failure to pay fines and penalties assessed;

(g) initiate and engage in programs of consumer protection;

(h) subdelegate its powers to subcouncils or committees;

(i) make bylaws necessary for its efficient functioning.

- (5) A council shall file with the superintendent every bylaw, rule and regulation and amendment thereto made by the council within 30 days of making it.
- (6) The superintendent shall, within 30 days of receiving a bylaw, rule, regulation or amendment pursuant to subsection (5):
- (a) advise the council that he approves the bylaw, rule, regulation or amendment, as the case may be, and fix a date on which the bylaw, rule, regulation or amendment comes into force; or
  - (b) where he is of the opinion that the bylaw, rule, regulation or amendment, as the case may be, is unacceptable or prejudicial to the public interest, so advise the council.
- (7) No bylaw, rule or regulation or amendment thereto made by a council comes into force until the superintendent fixes a date pursuant to clause (6)(a).
- (7.1) A decision or order made by a council to refuse, reinstate, suspend, cancel or make conditional a licence or to assess a penalty, a fine or costs may be appealed to the superintendent, within 30 days after the decision or order, by:
- (a) an applicant who has been refused a licence pursuant to section 425 or 452;
  - (b) an applicant or licensee whose licence is made subject to any limitation or conditions or any new, additional or amended limitations or conditions pursuant to section 429 or 455;
  - (c) an applicant who has been refused reinstatement of a licence pursuant to section 433, 436 or 458;
  - (d) a licensee whose licence has been suspended or cancelled pursuant to section 439 or 459;
  - (e) a person required to pay costs assessed in accordance with regulations made pursuant to clause (4)(d.1) or a fine or penalty assessed in accordance with regulations made pursuant to clause (4)(f.1).
- (7.11) A person mentioned in subsection (7.1) may apply to the superintendent for an extension of the time within which an appeal may be commenced, and the superintendent may, if it is reasonable to do so, make an order extending the time within which an appeal may be commenced.
- (7.2) An appeal pursuant to subsection (7.1) is commenced by:
- (a) serving a notice of appeal on the superintendent; and
  - (b) at the time of serving a notice of appeal pursuant to clause (a), serving a copy of the notice of appeal on the council.

(7.21) A notice of appeal must set out:

- (a) all grounds on which the appeal is based, including:
  - (i) the nature of any error alleged in the council's decision or order; and
  - (ii) the specific grounds on which it is alleged that an error exists;
- (b) in summary form, the material facts on which the appellant relies; and
- (c) an address for the appellant for service of documents relating to the appeal.

(7.3) Where, in the opinion of the superintendent, a person fails to provide information required pursuant to subsection (7.21), the superintendent may, at any time before determining the appeal, require the person to provide the information within a specified time, and, if the person does not provide the information within that time, the superintendent may dismiss the appeal.

(7.31) Within seven days after receiving the notice of appeal, the superintendent shall fix a date for the appeal.

(7.4) Immediately after receiving a notice of appeal pursuant to subsection (7.2), the council shall provide to the superintendent a copy of:

- (a) any information, evidence or material the council relied on or considered in making the decision or order that is the subject of the notice of appeal;
- (b) the transcript of the hearing conducted by the council respecting the decision or order that is the subject of the notice of appeal; and
- (c) the decision or order that is the subject of the notice of appeal and any reasons for the decision or order provided to the appellant by the council.

(7.41) The council shall provide to the appellant or the appellant's counsel or representative a copy of the documents provided to the superintendent pursuant to subsection (7.4) where the appellant or the appellant's counsel or representative pays to the council the reasonable costs of making and providing a copy.

(7.5) Subject to subsection (7.51), the superintendent shall determine the appeal on the basis of:

- (a) the materials provided pursuant to subsection (7.4);
- (b) the notice of appeal; and
- (c) any information provided pursuant to subsection (7.3).

(7.51) Where the appellant or the appellant's counsel presents further evidence during the hearing of an appeal:

- (a) the superintendent may, in appropriate circumstances:
  - (i) consider the further evidence;
  - (ii) exclude the further evidence;
  - (iii) direct a new hearing by the council on the basis of the further evidence and the materials mentioned in subsection (7.4); or
  - (iv) direct further inquiries by the council; and

- (b) the council may request that the superintendent exclude the evidence and the superintendent may, in appropriate circumstances, do any of the things mentioned in subclauses (a)(i) to (iv).
- (7.6) On an appeal pursuant to this section, the superintendent may:
- (a) dismiss the appeal;
  - (b) allow the appeal;
  - (c) direct a new hearing or further inquiries by the council;
  - (d) vary the order of the council;
  - (e) substitute his or her own decision for the decision of the council;
  - (f) order the council to issue or reinstate a licence;
  - (g) vary any terms imposed by the council on the appellant's licence; or
  - (h) make any order as to costs that the superintendent considers appropriate.
- (7.7) The council is entitled to be heard, by counsel or otherwise at the council's own expense, at a hearing of an appeal and on an application pursuant to subsection (7.9).
- (7.8) The superintendent shall provide the appellant and the council with a decision, in writing, including the reasons for the decision.
- (7.9) The commencement of an appeal pursuant to this section does not stay the effect of the decision or order appealed from, but, on five days' notice to the council, the appellant may apply to the superintendent for a stay of the decision or order pending the disposition of the appeal.
- (8) Notwithstanding subsection (6), the superintendent may review any bylaw, rule, regulation or amendment made by a council on the superintendent's own initiative or at the request of a person who, in the superintendent's opinion, has an interest in the review.
- (8.1) Subject to subsections (7.1) and (8), the superintendent may review any decision made by a council that relates to the exercise of powers, functions and responsibilities delegated to the council or prescribed by the regulations on the superintendent's own initiative or at the request of a person who, in the superintendent's opinion, has an interest that justifies a review.
- (9) A decision of the superintendent as a result of an appeal pursuant to subsection (7.1) or a review pursuant to subsection (8.1) may be appealed to the court, and section 24 applies, with any necessary modifications, to that appeal.
- (10) *The Regulations Act* does not apply to bylaws, rules or regulations of a council made pursuant to a power granted pursuant to this section.

**Power of Lieutenant Governor in Council**

**467** The Lieutenant Governor in Council may make regulations:

- (a) defining classes of insurance in addition to those defined in section 2;
- (a.1) defining, enlarging or restricting the meaning of any word or phrase used in this Act but not defined in this Act;
- (b) prescribing requirements respecting applicants for licences;
- (c) designating any person or insurer or class of persons or insurers that shall not be required to be licensed under this Act;
- (c.2) for the purposes of subsection 37(1.1), prescribing any other thing that must be filed with the superintendent;
- (d) exempting any person or insurer, or any classes of persons or insurers, from all or part of this Act, and prescribing terms and conditions with which the exempted person, insurer, or class of persons or insurers, must comply;
- (e) prescribing the fees payable for licences and any other fees for services in connection with the administration of this Act and the regulations;
- (f) providing for the examination of applicants for licences as agents or salesmen;
- (g) authorizing the superintendent to delegate certain of his powers, functions and responsibilities to a council constituted pursuant to section 466.1 and specifying which powers, functions and responsibilities he may so delegate;
- (h) respecting any other matter that he considers necessary for carrying out the purposes of this Act;
- (i) designating a body corporate or unincorporated association as a compensation association;
- (j) designating the classes of insurers that are required to be members of a compensation association;
- (k) prescribing conditions, including conditions respecting, solvency, capital or other financial standards, for licensees or applicants for licences and requiring those conditions to be complied with;
- (l) requiring licensees or classes of licensees to:
  - (i) comply with the bylaw and any memorandum of operation of; and
  - (ii) pay any fees or compensation levies imposed by;
 a compensation association and providing for the suspension or cancellation of licensees for failure to comply or pay;
- (m) authorizing a compensation association to prescribe and enforce its bylaws, memorandum of association, fees and levies;



- (n) exempting licensees or classes of licensees from all or any provision of any bylaws, memorandum of operation or fees or levies of a compensation association;
- (n.1) for the purposes of sections 430 and 456:
  - (i) prescribing an expiry date for licences and, if required, prescribing different expiry dates for different classes of licences;
  - (ii) allowing a licence or class of licences to continue in force indefinitely, unless sooner suspended or cancelled;
- (n.2) regarding the collection, retention, use or disclosure of consumer information by insurers, agents or adjusters;
- (n.3) requiring insurers, agents or adjusters to establish procedures regarding the collection, retention, use or disclosure of information about their consumers or any class of consumers;
- (o) prescribing any other matter or thing that he considers necessary to implement a compensation plan;
- (p) respecting the records to be maintained by insurers for the purposes of section 82.1, including prescribing the length of time that those records must be maintained by insurers;
- (p.1) respecting any auditor's report that a provincial insurer or reciprocal insurance exchange is required to submit to the superintendent, including the content, form and scope of the auditor's report and the manner in which it is conducted;
- (p.2) respecting any actuary's report that a provincial insurer or reciprocal insurance exchange may be required to submit to the superintendent, including the content, form and scope of the actuary's report and the manner in which it is conducted;
- (q) prescribing the information to be contained in and the form of reports for the purposes of section 94.1;
- (r) for the purposes of section 380, prescribing:
  - (i) the number of separate risks in Saskatchewan or elsewhere;
  - (ii) the minimum amount that the property insured must total;
- (s) for the purposes of section 380.1, prescribing:
  - (i) the number of automobiles;
  - (ii) the limit over which liabilities must be re-insured;
- (t) for the purposes of section 383, prescribing how the amount of the reserve fund is to be calculated, including prescribing a formula that a reciprocal insurance exchange must use to determine that amount;

(u) for the purposes of section 384, prescribing how the amount of the guarantee fund is to be calculated, including prescribing a formula that a reciprocal insurance exchange must use to determine that amount;

(v) for the purposes of section 465, prescribing the manner in which the document must be prepared and the information that must be contained in the document;

(w) prescribing any matter or thing required or authorized by this Act to be prescribed in the regulations;

and upon the publication thereof in the Gazette all such regulations shall become effective in all respects as if enacted in this Act.

R.S.S. 1965, c.143, s.444; R.S.S. 1978, c.S-26, s.467; 1984-85-86, c.82, s.9; 1986-87-88, c.55, s.10; 1989-90, c.15, s.3; 1989-90, c.54, s.6, 1998, c.35, s.39; 2003, c.38, s.97.

#### Compensation plan agreements

**467.1** Subject to the approval of the Lieutenant Governor in Council, the minister may, on behalf of the Government of Saskatchewan, enter into agreements for the purposes of implementing or conducting a compensation plan.

1986-87-88, c.55, s.11.

## PART XIX

### Inspections, Investigations and Enforcement

#### DIVISION 1

#### Interpretation of Part

##### Interpretation of Part

**468** In this Part:

(a) “**Act**” includes the regulations and any orders or directions of the superintendent issued pursuant to this Act;

(b) “**property**” includes computer hardware;

(c) “**records**” includes any information that is recorded or stored in any medium or by means of any device, including a computer or electronic media.

1998, c.35, s.40.

DIVISION 2  
Audits, Examinations, Inspections and Investigations

**General powers**

**469(1)** Subject to subsection (2), for the purpose of ensuring that any person governed by this Act is complying with this Act, the superintendent may do all or any of the following:

- (a) enter at any reasonable time and inspect any commercial premises used by the person;
  - (b) enter at any reasonable time premises containing any records or property required to be kept pursuant to this Act or related to the affairs of the person and inspect those records or that property;
  - (c) require the person and any agent, representative, director, officer or employee of the person to provide the superintendent with all reasonable assistance;
  - (d) make any inquiries of a person mentioned in clause (c);
  - (e) require any person mentioned in clause (c) to attend at a place and time prescribed by the superintendent;
  - (f) where the superintendent is unable to make a satisfactory copy and after giving a receipt, remove any records or property and retain the records or property for any time the superintendent considers appropriate.
- (2) The superintendent shall not enter any premises that are a private dwelling without the consent of the occupier or a warrant obtained pursuant to section 472.
- (3) The superintendent may serve a written demand on any person, including a trustee or a director, officer or employee of a body corporate, requiring that person to produce any records or property required to be kept pursuant to this Act or related to the affairs of a person governed by this Act.
- (4) No person on whom a written demand is served pursuant to this section shall fail to produce the records or property mentioned in the written demand within the time specified in the written demand.
- (5) No person shall withhold, destroy, alter, conceal or refuse to produce any records or property that the superintendent reasonably requires for the purposes of an audit, examination, investigation or inspection pursuant to this Act.
- (6) If the superintendent demands any records or property pursuant to this section, the superintendent may examine the records or property and make copies of the records in accordance with section 473.
- (7) For the purposes of producing a readable record from a computer system used by a person on whom a written demand is made pursuant to subsection (3), the superintendent may use any computer hardware or software belonging to or used by that person.
- (8) If the originals of any record are to be removed from a premises, the superintendent shall take all reasonable steps to ensure that a copy of the records is left at the premises to allow business to be carried on.

**Proceedings before superintendent**

**470(1)** For the purpose of ensuring compliance with this Act or of carrying out any proceeding before the superintendent, the superintendent has the same power as is vested in the court:

- (a) to summon and enforce the attendance of witnesses;
- (b) to compel witnesses to give evidence; and
- (c) to compel witnesses to produce records or property.

(2) If a person summoned as a witness pursuant to subsection (1) fails or refuses to attend, answer questions or produce records or property in that person's custody or possession, the failure or refusal makes that person liable, on application to the court by the superintendent, to be committed for contempt by the court in the same manner as if that person were in breach of an order or judgment of the court.

(3) The rules of evidence do not apply to proceedings before the superintendent.

(4) The superintendent may issue orders prescribing the rules, forms and procedures to be followed in proceedings before the superintendent.

(5) A person attending a proceeding before the superintendent may be represented by a lawyer or agent at that person's own expense.

(6) If the superintendent has served on a person a written notice of the time and place for a hearing and that person does not appear at the hearing, the superintendent may proceed with the hearing and make any decision or take any action the superintendent considers appropriate as though that person had appeared.

1998, c.35, s.40.

**Warning**

**471(1)** If, after or during an audit, examination, inspection or investigation of a person, the superintendent suspects that the person may have contravened this Act or may have committed an offence against this Act or any other Act, the superintendent shall inform that person that:

- (a) the superintendent suspects that an offence may have been committed; and
- (b) the person is not obliged to make any written or oral statement and that any statement made by the person may be used against that person in a subsequent proceeding for the offence.

(2) In a warning pursuant to subsection (1), the superintendent shall inform the person of the nature of the alleged offence.

(3) This section does not apply to a contravention that the superintendent considers to be of a minor nature.

1998, c.35, s.40.

**Warrant**

472(1) Where a justice of the peace or a judge of the Provincial Court of Saskatchewan is satisfied by information on the oath of the superintendent that there are reasonable grounds to believe that an offence against this Act has occurred and that evidence of that offence is likely to be found or that a person required to produce or provide any record or property refuses or neglects to produce or provide that record or property, the justice of the peace or the judge of the Provincial Court of Saskatchewan may issue a warrant to do all or any of the following:

- (a) enter and search any place or premises named in the warrant;
  - (b) stop and search any vehicle described in the warrant;
  - (c) seize and remove from any place, premises or vehicle searched anything that may be evidence of an offence against this Act.
- (2) With a warrant issued pursuant to subsection (1), the superintendent may:
- (a) enter at any time and search any place or premises named in the warrant;
  - (b) stop and search any vehicle described in the warrant;
  - (c) open and examine the contents within any trunk, box, bag, parcel, closet, cupboard or other receptacle that the superintendent finds in the place, premises or vehicle;
  - (d) require the production of and examine any records or property that the superintendent believes, on reasonable grounds, may contain information related to an offence against this Act;
  - (e) remove, for the purpose of making copies, any records examined pursuant to this section; and
  - (f) seize and remove from any place, premises or vehicle searched anything that may be evidence of an offence against this Act.
- (3) Subject to subsection (4), the superintendent may exercise all or any of the powers mentioned in subsection (2) without a warrant issued pursuant to this section if:
- (a) the conditions for obtaining a warrant exist; and
  - (b) the superintendent has reasonable grounds to believe that the delay necessary to obtain a warrant would result:
    - (i) in danger to human life or safety; or
    - (ii) in the loss, removal or destruction of evidence.
- (4) The superintendent shall not enter any premises that are a private dwelling without the consent of the occupier or a warrant issued pursuant to this section.

**Copies of documents**

**473(1)** Where any records are examined, removed, produced or provided pursuant to this Part, the superintendent may make copies of those records.

(2) The superintendent shall:

- (a) make those copies with reasonable dispatch; and
- (b) promptly return the originals of the records to:
  - (i) the place from which they were removed; or
  - (ii) any other place agreed to by the superintendent and the person who furnished them or from whom they were seized.

(3) A record certified by the superintendent to be a copy made pursuant to this Part:

- (a) is admissible in evidence without proof of the office or signature of the person making the certificate; and
- (b) has the same probative force as the original record.

1998, c.35, s.40.

**Travel costs**

**474(1)** If the superintendent or any person engaged, appointed or retained by the superintendent for the purpose of assisting the superintendent in carrying out an audit, examination, inspection or investigation is required to travel outside Saskatchewan to conduct an audit, examination, inspection or investigation of a person, the superintendent may direct the person being audited, examined, inspected or investigated to pay all of the reasonable costs associated with the audit, examination, inspection or investigation.

(2) No person shall fail to pay an amount that he, she or it is directed to pay pursuant to subsection (1).

1998, c.35, s.40.

**Receiver or receiver manager**

**475(1)** The superintendent may do any of the things mentioned subsection (2) where any of the following circumstances exists:

- (a) the superintendent is about to commence or has commenced an audit, examination, inspection or investigation;
- (b) the superintendent has reasonable grounds to believe that a contravention of this Act or any other Act may have been committed;
- (c) the superintendent believes that it is in the public interest.

(2) In the circumstances mentioned in subsection (1), the superintendent may do all or any of the following:

- (a) apply to the court to appoint an interim receiver, custodian, receiver manager, trustee or liquidator to manage all or any part of the records or property of a person governed by this Act;
- (b) order, in writing, a person having on deposit, under control or for safekeeping any funds, securities or other property of any other person to hold those funds, securities or other property;

- (c) order, in writing, any person to refrain from withdrawing any funds, securities or other property from any other person who has any of those funds, securities or property on deposit, under control or for safekeeping;
- (d) order, in writing, any person to hold all funds, securities or other property that belong to other persons and that are in that person's possession or control in trust for any interim receiver, custodian, receiver manager, trustee or liquidator appointed pursuant to:
- (i) the *Bankruptcy and Insolvency Act* (Canada);
  - (ii) *The Business Corporations Act*;
  - (iii) *The Co-operatives Act, 1996*;
  - (iv) the *Insurance Companies Act* (Canada);
  - (v) *The Queen's Bench Act, 1998*;
  - (vi) the *Winding-up and Restructuring Act* (Canada); or
  - (vii) this section.
- (3) A person who is the subject of an order of the superintendent pursuant to this section may apply to the superintendent for an order of clarification.
- (4) As soon as is practicable, and in no case more than 15 days after making an order pursuant to this section, the superintendent shall apply to the court for an order continuing the superintendent's order or for any other order that the court may consider appropriate.
- (5) On an application pursuant to clause (2)(a), the court may appoint an interim receiver, custodian, receiver manager, trustee or liquidator of the records or property of the person where the court is satisfied that the appointment of an interim receiver, custodian, receiver manager, trustee or liquidator of all or any part of the records or property of the person is in the best interests of:
- (a) the policy holders of the person;
  - (b) the creditors of the person;
  - (c) any other persons who have any funds, securities or other property in the possession or under the control of the person; or
  - (d) any persons the court considers interested in the matter.
- (6) On an application without notice made by the superintendent, the court may make an order pursuant to subsection (5) appointing an interim receiver, custodian, receiver manager, trustee or liquidator for a period not exceeding 15 days.
- (7) An interim receiver, custodian, receiver manager, trustee or liquidator of the property appointed pursuant to this section:
- (a) is the interim receiver, custodian, receiver manager, trustee or liquidator of all or any part of the property belonging to the person or held by the person on behalf of or in trust for any other person; and
  - (b) when directed by the court, has authority to wind up or manage the business and affairs of the person and has all the powers necessary or incidental to that function.

(8) An order made by the court pursuant to this section may be varied or discharged on an application to the court made on notice to all parties the court considers interested in the matter.

(9) A person against whom an order is made pursuant to this section shall pay any costs associated with carrying out or administering the order.

1998, c.35, s.40; 2003, c.38, s.98; 2015, c.21, s.51;  
2018, c.42, s.65.

### DIVISION 3 Offences, Penalties and Enforcement

#### Offences and penalties

**475.1(1)** Every person who contravenes any provision of this Act is guilty of an offence.

(2) Every person who makes a false or misleading statement in any application or in any proceeding or in response to any audit, examination, inspection or investigation is guilty of an offence.

(3) Every person who solicits insurance on behalf of an unlicensed insurer is guilty of an offence.

(4) Every person who is guilty of an offence is liable on summary conviction to:

(a) in the case of an individual, a fine not exceeding \$500,000, to imprisonment for a term not exceeding 12 months or to both;

(b) in the case of a corporation, a fine not exceeding \$1,000,000.

(5) If a corporation commits an offence pursuant to this Act, any officer or director of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is guilty of the offence and liable on summary conviction to the penalties mentioned in this section whether or not the corporation has been prosecuted or convicted.

1998, c.35, s.40.

#### Special penalties

**475.11(1)** An insurer or general agent who defaults in making, delivering or filing a report, return or statement required pursuant to this Act is liable to a penalty of \$500 plus \$10 for each day or part of a day after the first 10 days during which the default continues.

(2) Every insurer and every general agent is, after the end of each calendar year, liable to a penalty of \$250 with respect to each unlicensed agent from which he, she or it accepted an application for insurance, or to whom he, she or it transmitted a policy of insurance during that calendar year.

(3) On receipt of a notice from the superintendent demanding payment of a penalty pursuant to this section, the insurer or general agent shall immediately pay the penalty to the superintendent.



(4) A penalty payable pursuant to this section is a debt due to and recoverable by the Crown in right of Saskatchewan and may be recovered in the manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

1998, c.35, s.40.

**Compliance orders and restitution**

**475.2(1)** Where the court convicts a person of an offence, the court may, in addition to any penalty it may impose, do all or any of the following:

- (a) order that person to comply with the provision of this Act with respect to which that person was convicted;
- (b) if the court is satisfied that the convicted person has acquired any monetary benefits or that monetary benefits have accrued to the convicted person or to an associate of the convicted person:
  - (i) order the convicted person to pay an additional fine in an amount equal to the amount of the monetary benefits;
  - (ii) order the convicted person to pay compensation or make restitution to any person to whom the monetary benefits should be paid.

(2) In subsection (1), “**associate**” means associate as defined in *The Business Corporations Act*.

1998, c.35, s.40.

**Limitation on prosecution**

**475.21** No prosecution for a contravention of this Act is to be commenced more than three years from the date that the facts on which the alleged contravention is based first came to the knowledge of the superintendent.

1998, c.35, s.40.

**Administrative penalties**

**475.3(1)** If the superintendent is satisfied that a person has contravened a provision of this Act, the superintendent may make an order imposing all or any of the following penalties:

- (a) an administrative penalty of up to \$100,000;
- (b) a private or public reprimand;
- (c) that the person pay the cost, to a maximum of \$100,000, of producing material specified by the superintendent to promote education or knowledge in areas related to consumers and activities of insurers.

- (2) The superintendent may make an order pursuant to this section notwithstanding the imposition of any other penalty on the person or the making of any other order by the superintendent related to the same matter.
- (3) No penalty is to be assessed by the superintendent more than three years after the date the facts on which the alleged contravention is based first came to the knowledge of the superintendent.
- (4) Before assessing a penalty against a person, the superintendent shall cause written notice to be served on the person:
  - (a) setting out the facts and circumstances that, in the superintendent's opinion, render the person liable to a penalty;
  - (b) specifying the amount of the penalty that the superintendent considers appropriate in the circumstances; and
  - (c) informing the person of his, her or its right to make representations to the superintendent.
- (5) If a person is served with a written notice pursuant to this section, that person may, within 30 days after receiving the notice, make representations to the superintendent respecting whether a penalty should be assessed and the amount of any penalty.
- (6) After considering any representations, the superintendent may:
  - (a) assess a penalty and set a date by which the penalty is to be paid in full; or
  - (b) determine that no penalty should be assessed.
- (7) The superintendent shall serve written notice of his or her order on the person.
- (8) Any penalty imposed pursuant to this section is a debt due to and recoverable by the Crown in right of Saskatchewan.
- (9) After the time for filing an appeal of the superintendent's order pursuant to this section has passed and if there is no appeal or if an appeal has been made but dismissed, the superintendent may file a certificate with the court certifying the amount of the penalty imposed pursuant to this section.
- (10) A certificate filed with the court pursuant to subsection (9) has the same force and effect as if it were a judgment of that court for the recovery of a debt in the amount specified in the certificate, together with the costs of filing.

**Power of superintendent to order compliance**

**475.31(1)** The superintendent may issue an order pursuant to subsection (2) if the superintendent is satisfied that it is in the public interest or that any of the following matters exists:

- (a) a person is not complying with this Act;
  - (b) a person's activities or failure or neglect to undertake any activities will result in that person not complying with this Act;
  - (c) a person's activities or failure or neglect to undertake any activities may harm the interests of consumers.
- (2) In any of the circumstances mentioned in subsection (1), the superintendent may order a person to do all or any of the following:
- (a) cease doing an act or to cease failing or neglecting to do an act;
  - (b) comply with this Act;
  - (c) do or refrain from doing any other thing that the superintendent considers necessary.
- (3) The superintendent shall not issue an order pursuant to this section without giving the person an opportunity to be heard.
- (4) Notwithstanding subsection (3), if the superintendent considers it necessary to protect the public interest, the superintendent may immediately issue an order pursuant to this section without giving the person an opportunity to be heard, but shall give the person an opportunity to be heard within 15 days after the date on which the superintendent issued the order.

1998, c.35, s.40.

**Power of court to order compliance**

**475.4(1)** If the superintendent is of the opinion that a person has failed to comply with this Act, the superintendent may apply to the court for all or any of the following:

- (a) an order directing the person to comply with this Act or restraining that person from contravening this Act;
  - (b) an order directing the directors and officers of a body corporate to comply with this Act or restraining those directors and officers from contravening this Act;
  - (c) any other order, relief or remedy that the superintendent may request.
- (2) On an application pursuant to subsection (1), the court may make any order that the court considers necessary.

1998, c.35, s.40.

**Costs**

**475.41(1)** In this section, “**proceeding**” includes an audit, examination, inspection or investigation pursuant to this Act.

(2) Subject to the regulations and after conducting a proceeding respecting a person, the superintendent may, after giving the person an opportunity to be heard, order the person to pay the costs of or related to the proceeding if the superintendent is satisfied that the person whose affairs were the subject of the proceeding has not complied with a provision of this Act.

(3) For the purposes of subsection (2), the costs that the superintendent may order the person to pay include all or any of the following:

- (a) costs incurred with respect to services provided by a person engaged, appointed or retained by the superintendent for the purposes of the proceeding;
- (b) costs of obtaining a warrant;
- (c) costs of matters preliminary to the proceeding;
- (d) costs for time spent by the superintendent, by any members of the public service of Saskatchewan employed in the office of the superintendent or by any persons engaged, appointed or retained by the superintendent;
- (e) fees paid to a witness;
- (f) costs of legal services provided to the superintendent.

(4) Where a person is convicted of an offence pursuant to this Act, the superintendent may, after giving the person an opportunity to be heard, order the person to pay, subject to the regulations, the costs of any investigation carried out with respect to that offence, including any costs incurred with respect to either or both of the following:

- (a) the provision of services by persons engaged, appointed or retained by the superintendent;
- (b) the appearance of any witnesses.

(5) The superintendent may file a certificate with the court certifying the amount of the costs that the person is required to pay pursuant to subsections (2) to (4).

(6) A certificate filed pursuant to subsection (5) with the court has the same force and effect as if it were a judgment of that court for the recovery of a debt in the amount specified in the certificate, together with the costs of filing.

(7) *The Queen’s Bench Rules* respecting costs and the taxation of costs do not apply to costs mentioned in this section.

(8) No provision of this Act is to be interpreted as precluding the court from ordering costs payable to the superintendent.

(9) If costs are awarded to the superintendent in any proceeding, the court shall award a counsel fee to the superintendent, notwithstanding that the superintendent was represented by a member of the public service of Saskatchewan.

PART XX  
General Provisions

**Power of superintendent to review, rescind, amend or vary orders**

**475.5(1)** On the request of any person directly affected by an order of the superintendent or on the superintendent's own initiative, the superintendent may review any order made by the superintendent, and, if the superintendent considers that it would not be prejudicial to the public interest, the superintendent may rescind or amend the order or make additional orders for the purpose of:

- (a) correcting the original order;
- (b) ensuring compliance with the original order;
- (c) dealing with any material change in circumstances since the original order was issued; or
- (d) interpreting the original order.

(2) Before rescinding or amending an order or making an additional order pursuant to subsection (1), the superintendent shall serve a written notice on persons directly affected by the original order and on any other persons the superintendent considers interested in the original order.

1998, c.35, s.40.

**Defamation**

**475.51(1)** No person, including the superintendent, an employee in the office of the superintendent, an insurance council or a member of an insurance council, is liable in any action for defamation based on any act done or omitted to be done, or any statement made or information provided, by that person in the carrying out of that person's responsibilities pursuant to this Act.

(2) No person is liable in any action for defamation based on any statement made or information provided by the person to the superintendent, an insurance council or any person who is authorized or required to do any matter or thing by this Act.

1998, c.35, s.40.

**Immunity**

**475.6(1)** No action or other proceeding lies or shall be instituted against:

- (a) the Crown in right of Saskatchewan, the minister, the superintendent or any member of the public service of Saskatchewan employed in the office of the superintendent;
- (b) any representative of the superintendent;
- (c) any person engaged, appointed or retained by the superintendent to make or conduct any audit, examination, inspection or investigation or to do any other thing pursuant to this Act; or
- (d) an insurance council, any member of an insurance council or any person acting under the authority of a council;

where the person mentioned in clause (a), (b), (c) or (d) is acting pursuant to the authority of this Act or the regulations, for anything in good faith done, caused, permitted or authorized to be done, attempted to be done or omitted to be done pursuant to or in the exercise or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any responsibility imposed by this Act or the regulations.

(2) Subject to subsection (1), no person has any rights or remedies and no action or other proceeding lies or shall be instituted against any other person with respect to any act or omission of that other person done or omitted in compliance with and not in contravention of this Act, the regulations or any direction, decision, order, ruling or other requirement made or given pursuant to this Act or the regulations.

(3) A decision made by the superintendent in the exercise of a discretionary power given pursuant to this Act to do or not to do a thing does not constitute negligence.

1998, c.35, s.40.

**Superintendent and others not compellable to give evidence**

**475.7** Except in the case of a prosecution respecting a contravention of this Act, the superintendent, any member of the public service employed in the office of the superintendent, any representative of the superintendent, any person engaged, appointed or retained by the superintendent to make or conduct any audit, examination, inspection or investigation or to do any other thing pursuant to this Act, and any member or employee of an insurance council are not compellable to give evidence in a court or in a proceeding of a judicial nature to which the superintendent is not a party concerning any information obtained by them or that came to their attention in the exercise of the powers, carrying out of the responsibilities or carrying out of the functions of the superintendent pursuant to this Act.

1998, c.35, s.40.

**Certificate of superintendent**

**475.8** A certificate of the superintendent certifying all or any of the following facts is admissible in evidence as proof, in the absence of evidence to the contrary, of the facts stated in the certificate without proof of the signature or official position of the person purporting to have signed the certificate:

- (a) that a person named in the certificate was or was not licensed;
- (b) that a licence was issued to a person on a date set out in the certificate;
- (c) that the licence of a person was suspended or cancelled;
- (d) that a licence issued to a person was made subject to terms and conditions.

1998, c.35, s.40.

**Service**

**475.9(1)** Any notice or other document that is required to be served pursuant to this Act or in any proceeding or matter under the jurisdiction of the superintendent may be served:

- (a) by personal service made:
    - (i) in the case of an individual, on that individual;
    - (ii) in the case of a partnership, on any partner; or
    - (iii) in the case of a corporation, on any officer or director of the corporation;
  - (b) by registered or certified mail addressed to the last address of the person to be served known to the superintendent;
  - (c) by any other means prescribed in the regulations;
  - (d) in any case where the superintendent is satisfied that it is not practicable to effect service by any of the means mentioned in clauses (a) to (c), by any method that the superintendent may direct; or
  - (e) in the case of a notice to the public, or to persons who are too numerous to be served individually, by publishing the notice in any manner that the superintendent may direct.
- (2) A notice or document sent by registered mail is deemed to have been served on the seventh day following the date of its mailing unless the person to whom it was mailed establishes that, through no fault of his, her or its own, the person did not receive the notice or document or received it at a later date.
- (3) A notice or document sent by certified mail is deemed to have been served on the date on which it reached the premises to which it is addressed.
- (4) Service of a notice or document by any means prescribed in the regulations is to be proved in the manner prescribed in the regulations.
- (5) A notice or other document required to be served on the superintendent may be served:
- (a) by leaving it at the office of the superintendent;
  - (b) by registered or certified mail addressed to the address of the office of the superintendent;
  - (c) by any other means prescribed in the regulations.
- (6) Any person entitled to be served with a notice or a document may at any time waive, in writing, service of the notice or document.
- (7) For the purposes of this Act, service of a notice or document may be proved by the oral testimony or affidavit of the person who served the notice or document.

## APPLICATION OF PARTS IV AND VII AND COMING INTO FORCE

**Application of Parts IV and VII**

**476(1)** Part IV of this Act applies to contracts made on or after January 1, 1959, and, notwithstanding section 462 of *The Saskatchewan Insurance Act, 1960*, Part IV of *The Saskatchewan Insurance Act*, chapter 133 of *The Revised Statutes of Saskatchewan, 1953*, as that Part was in force on December 31, 1958, applies to contracts made before January 1, 1959.

(2) Part VII of this Act applies to contracts made on or after January 1, 1958, and notwithstanding section 462 of *The Saskatchewan Insurance Act, 1960*, Part VII of *The Saskatchewan Insurance Act*, chapter 133 of *The Revised Statutes of Saskatchewan, 1953*, as that Part was in force on December 31, 1957, and sections 241 to 246 and section 265 of Part VII of this Act apply to contracts made before January 1, 1958.

R.S.S. 1965, c.143, s.453; R.S.S. 1978, c.S-26,  
s.476.