The Insurance Act

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Chapter I-9.11* of *The Statutes of Saskatchewan, 2015* (effective January 1, 2020; parts not yet proclaimed. Consult Legislative Tables of Statutes for effective dates) as amended by the *Statutes of Saskatchewan*, 2017, c.P-30.3; and 2018, c.14.

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 official Statutes and Regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the official Statutes and Regulations, errors that may have appeared are reproduced in this consolidation.

Table of Contents

PART I
Preliminary Matters

DIVISION 1
Short Title and Interpretation

1-1 Short title
1-2 Interpretation
1-3 References to Authority
1-4 Certain annuities deemed always to have been life insurance
1-5 Affiliate
1-6 Beneficial ownership
1-7 Control
1-8 Holding body corporate
1-9 Subsidiary
1-10 Substantial investment
1-11 Reference to incorporated includes amalgamated and continued

DIVISION 2
Application of Act

1-12 Non-application of Act
1-13 Non-application to certain mutual benefit societies
1-14 Benefit plans for medical care, accident and sickness benefits
1-15 Benefit schemes for income replacement
1-16 Exemption from certain fees
1-17 Regulations and disclosure of certain information

PART II
Licensing of Insurers

DIVISION 1
Licensing of Insurers

Subdivision 1
Insurer's Duty to be Licensed

2-1 Undertaking insurance and carrying on business
2-2 Requirement for insurers to be licensed
2-3 Licence of extraprovincial company

Subdivision 2
Licensing Requirements and Expiry of Licences

2-4 Types of insurers
2-5 Application requirements re licence
2-6 Other information to be supplied if requested by Superintendent
2-7 Costs of examinations re application
2-8 Notice of application for licence
2-9 Issue of licence
2-10 Matters Superintendent may consider when deciding to issue a licence
2-11 Form of licence
2-12 Requirements to obtain a licence for companies – base capital
2-13 Notice of issue of licence
2-14 Notice of ceasing to carry on business
2-15 Terms and conditions on licence
2-16 Expiry of licence

Subdivision 3
Amendment, Suspension or Cancellation of Licences

2-17 Cancellation on request
2-18 Suspension or cancellation of licence
2-19 Reinstatement of suspended licence
2-20 Transacting insurance in foreign jurisdiction without authority
2-21 Effect of cancellation or suspension
2-22 Notice of suspension or cancellation
2-23 Reinstatement of suspended licence

Subdivision 4
Classes of Insurance

2-24 Classes of insurance
2-25 Effect of licence
2-26 Composite companies
2-27 Separate accounts
2-40 Audit of records
2-41 Other information
2-42 Notice of change

Subdivision 6
Other Actions Affecting Insurers' Licences

2-43 Federally authorized companies
2-44 Capital and liquidity – extraprovincial company
2-45 Extraprovincial companies

Subdivision 7
Regulations

2-46 Regulations for Division

DIVISION 2
Licensing of Reciprocal Insurance Exchanges

2-47 Interpretation of Division
2-48 Licence required
2-49 Classes of insurance
2-50 Subscriber not an insurer
2-51 Automobile insurance

2-52 Property insurance
2-53 Premium deposit
2-54 Report re premium deposit
2-55 Management of reciprocal insurance exchange
2-56 Annual return re reciprocal insurance exchange
2-57 Subscribers' agreement – required elements
2-58 Signing contracts
2-59 Court action re reciprocal contracts
2-60 Requirements for property insurance
2-61 Reserve fund
2-62 Temporary exclusion from premium calculation
2-63 Guarantee fund
2-64 Deficiency
2-65 Investments
2-66 Contracts
2-67 Attorney not to act until licence issued
2-68 Suspension or cancellation of reciprocal insurance exchange licence

DIVISION 3
Regulations for Part

2-69 Regulations for Part

PART III
Provincial Companies

DIVISION 1
Business Dealings

3-1 Main business
3-2 Life insurance
3-3 Security interests
3-4 Beneficial interests
3-5 Debt obligations
3-6 Guarantees
3-7 Provincial company to seek authorization in foreign jurisdictions

DIVISION 2
Segregated Funds

3-8 Interpretation of Division
3-9 Variable insurance contracts based on segregated fund
3-10 Creation and maintenance of segregated funds
3-11 Transfers from segregated funds
3-12 Claims against segregated funds
3-13 Restriction of claims
3-14 Variable insurance contracts, forms and information folders
3-15 Provincial property and casualty companies not to issue variable insurance contracts

DIVISION 3
Applying to Carry on Business

3-16 Application
3-17 Factors to be considered

DIVISION 4
Provincial Mutual Companies

3-18 Application to licensed companies

Subdivision 1
Powers and Restrictions

3-19 General reinsurance agreement
3-20 Power to make bylaws
3-21 Insured persons deemed members

Subdivision 2
Meetings

3-22 Annual meeting
3-23 Special meeting
3-24 Notice of meeting
3-25 Members entitled to vote at meetings
3-26 Quorum

Subdivision 3
Board of Directors

3-27 Number of directors
3-28 Persons eligible as directors
3-29 Retirement of directors in rotation
3-30 Vacancies
3-31 Manager may be a director and may be paid a salary
3-32 Travelling expenses
3-33 Duty to administer affairs of company, etc.
3-34 Appointment of officers and security for performance of their duties
3-35 Table of rates
3-36 Prorated payments of losses
3-37 Distribution of profits
3-38 Reinsurance
3-39 Loans to or by directors prohibited

Subdivision 4
Cancellation and Transfer of Contracts

3-40 Liability on cancellation or avoidance of policy
3-41 Assignment of policy

Subdivision 5
Premium Notes and Assessments

3-42 Interpretation of Subdivision
3-43 Company may accept premium notes
3-44 Part of premium may be in cash
3-45 Power to make assessments on premium notes

3-46 Assessments
3-47 Assessments in the case of crop hail insurance
3-48 Policy void if assessment not paid
3-49 Assessments to be proportionate
3-50 Action for recovery
3-51 Evidence of amount due to company
3-52 Return of premium note after expiration of insurance
3-53 Surplus to be property of provincial mutual company
3-54 Limits on provincial mutual company licensed to transact crop hail insurance
3-55 Setting off debts against hail losses
3-56 Rights of members in case of winding up
3-57 Application and policy to set out certain information

Subdivision 6
Demutualization

3-58 Conversion into provincial company with common shares
3-59 Effect of conversion on policyholders of provincial mutual company

DIVISION 5
Amalgamation, Transfer, Fundamental Reinsurance and Purchase

3-60 Powers of companies re amalgamation, transfer and fundamental reinsurance
3-61 Approval by the Superintendent
3-62 Documents filed
3-63 Superintendent's examination
3-64 Notice given
3-65 Approval of transaction
3-66 Amalgamation under the laws of another jurisdiction
3-67 Notice to other jurisdiction

DIVISION 6
If Licensed Insurer Leaves Saskatchewan

3-68 Transfer of contracts if licensed insurer leaves Saskatchewan

DIVISION 7
Liquidation

Subdivision 1
Liquidation

3-69 Interpretation of Division
3-70 Division to prevail
3-71 Notice of intention to cease business
3-72 Property and liabilities
3-73 Application
3-74 Approval of Superintendent required

Subdivision 2
Court Supervised Liquidation

3-75 Court supervision – voluntary liquidation
3-76 Order of court
3-77 Appointment of provisional liquidator
3-78 Remuneration of provisional liquidator
3-79 Power to fundamentally reinsure
3-80 Termination date for contracts
3-81 Publication of notice of termination date
3-82 Amounts to be paid or set aside by liquidator
3-83 Payment of provincial taxes, etc.
3-84 Schedules to be filed by liquidator
3-85 Powers of court
3-86 Cessation of business and powers
3-87 Vacancy in liquidator's office
3-88 Duties and powers of liquidator
3-89 Reliance on statements
3-90 Examination of others
3-91 Costs of liquidation
3-92 Final accounts
3-93 Right to distribution of money
3-94 Final order

DIVISION 8
Head Office, Records, Financial Statements and Directors

3-95 Head office
3-96 Records
3-97 Access to records
3-98 Standards of financial reporting
3-99 Information to be given to Superintendent by provincial companies
3-100 Records as evidence
3-101 Duty to manage

DIVISION 9
Actuaries

3-102 Interpretation of Division
3-103 Notice of appointment
3-104 Designated individual
3-105 Qualifications of actuary
3-106 Chief executive officer and chief operating officer
3-107 Chief financial officer
3-108 Revocation of actuary's appointment
3-109 Declaration of vacancy by court
3-110 Ceasing to hold office
3-111 Filling vacancy
3-112 Statement of actuary
3-113 Duty of replacement actuary
3-114 Right to information
3-115 Protection from liability re statements made pursuant to section 3-114

3-116 Actuary's valuation
3-117 Special valuation
3-118 Actuary's report re valuation
3-119 Report to directors
3-120 Report by actuary to officers of provincial company re adverse effects
3-121 Actuary's procedures
3-122 Protection from liability
3-123 Exemptions

DIVISION 10
Adequacy of Capital and Liquidity

3-124 Capital and liquidity
3-125 Exemption orders

DIVISION 11
Investments

3-126 Interpretation of Division
3-127 Prudent investment standards
3-128 Policies and procedures
3-129 Prohibited investments
3-130 Restriction on residential mortgages
3-131 Limitation on ownership of unincorporated body
3-132 Limitation on shareholding
3-133 Duty to provide information
3-134 Divestment order
3-135 Power of Superintendent to require disposition of unauthorized investments

DIVISION 12
Portfolio Limits

3-136 Exclusion from portfolio limits
3-137 Lending limit – life companies
3-138 Lending limit – property and casualty companies
3-139 Limit on real property interest
3-140 Limits on equity acquisitions
3-141 Aggregate limit
3-142 Assets transactions
3-143 Retaining investments

DIVISION 13
Transactions with Related Parties

3-144 Interpretation of Division
3-145 Meaning of related party
3-146 Designated related party
3-147 Transactions contemplating related party status
3-148 Prohibited transactions, guarantees and investments
3-149 Exceptions to the prohibition
3-150 Permitted transactions
3-151 Transactions requiring directors' approval
3-152 Procedures for approvals by directors
3-153 Disclosure
3-154 Transactions requiring Superintendent approval
3-155 Limits on permitted transactions
3-156 Review and approval procedures
3-157 Duty to report contraventions
3-158 Reliance on information
3-159 Onus of proof
3-160 Applications to court

DIVISION 14
Conflicts of Interest

3-161 Disclosure of interest
3-162 Voting
3-163 Continuing disclosure
3-164 Avoidance standards
3-165 Application to court

DIVISION 15
Regulations

3-166 Regulations for Part

PART IV
Fraternal Societies

DIVISION 1
Preliminary Matters

4-1 Interpretation of Part
4-2 Application of Part

DIVISION 2
Restrictions on Licensing of Fraternal Societies

4-3 Cases in which fraternal societies are not to be licensed

DIVISION 3
Constitution, Bylaws and Rules

4-4 Constitution, bylaws and rules deliverable on demand

DIVISION 4
Members' Rights and Liabilities

4-5 Limitation of member's liability – withdrawal of member
4-6 Insurance policy and terms and conditions to be provided
4-7 Notice before forfeiture of benefit
4-8 Saving rights to reinstatement
4-9 Conditions of forfeiture restricted

DIVISION 5
Reports and Readjustment of Contracts

4-10 Information to be provided when required
4-11 Insufficiency of assets
4-12 Reduction of benefits or increase of rates
4-13 Readjustment committee, appointment and duties
4-14 Amendments of committee to become part of constitution
4-15 Duty of fraternal society to provide information and pay expenses

DIVISION 6
Special Rates and Benefits

4-16 Separate accounts to be maintained
4-17 Epidemic or unforeseen contingency
4-18 Additional levies for general or expense fund
4-19 New benefits or rates of contribution
4-20 Regulations for Part

PART V
Insurance Intermediaries and Insurance Councils

DIVISION 1
Preliminary Matters

5-1 Interpretation of Part
5-2 Special provisions respecting partnerships
5-3 Service of notices, etc.

DIVISION 2
Insurance Intermediaries

Subdivision 1
Licensing

5-4 Insurance agent's licence required
5-5 Insurer's representative's licence required
5-6 Managing general agent's licence required
5-7 Prohibition on who may be managing general agent
5-8 Third party administrator's licence required
5-9 Prohibition respecting holding out
5-10 Prohibition respecting appointment of unlicensed persons
5-11 Application for licence
5-12 Superintendent may require other information
5-13 Form of application for licence
5-14 Issue of licence
5-15 Categories of insurance intermediary's licences
5-16 Contents of licences
5-17 Terms and conditions

Subdivision 2
Recommendations, Screening and Supervision

5-18 Recommendations for insurance agents and insurer's representatives – life insurance
5-19 Recommendations – other insurance
5-20 Designated representative required for business that is an insurance agent, managing general agent or third party administrator
5-21 Changes in designated representative
5-22 Cancellation of recommendation by insurer or managing general agent – businesses
5-23 Cancellation of recommendation by designated representative
5-24 Cancellation of recommendation by insurer – employees
5-25 Screening procedures for insurance agents

Subdivision 3
Business Conduct and Changes to Status

5-26 Financial security required for insurance intermediaries
5-27 Ongoing monitoring
5-28 Expiration of licence
5-29 Reinstatement of suspended licence
5-30 Ceasing to be employee
5-31 Rules re employees of insurance agent
5-32 Financial security not in force
5-33 Notice of automatic suspension
5-34 Restriction on title
5-35 Insurance broker
5-36 Advertising
5-37 Disclosure of business name
5-38 Representative's duty of disclosure

Subdivision 4
Prohibitions and Penalties

5-39 Penalties affecting insurance intermediary's licence
5-40 Certain representation prohibited
5-41 Minimum period after revocation

DIVISION 3
Adjusters

Subdivision 1
Licensing

5-42 Adjuster's licence required
5-43 Designated representative for business that holds adjuster's licence
5-44 Recommendation for adjuster's licence
5-45 Screening procedures – adjusters
5-46 Ongoing monitoring
5-47 Financial security required for adjusters
5-48 Application for adjuster's licence
5-49 Superintendent may require other information
5-50 Form of application for licence
5-51 Issue of adjuster's licence
5-52 Categories of adjuster's licences
5-53 Contents of adjuster's licences
5-54 Terms and conditions
5-55 Expiration of adjuster's licence
5-56 Reinstatement of suspended licence
5-57 Ceasing to be employee
5-58 Certain representation prohibited by adjusters
5-59 Cancellation of recommendation by designated representative
5-60 Cancellation of insurer's recommendation of designated representative
5-61 Minimum period after revocation

Subdivision 2
Rules re Conduct of Adjusters

5-62 Financial security not in force
5-63 Notice of automatic suspension
5-64 Penalties affecting adjusters' licences
5-65 Insurer's liability for employee
5-66 Superintendent's order re employees of insurer
5-67 Advertising
5-68 Disclosure of business name

DIVISION 4
Restricted Insurance Agents

5-69 Interpretation of Division
5-70 Application for restricted insurance agent's licence
5-71 Issue and terms and conditions of restricted insurance agent's licence
5-72 Reinstatement of suspended licence
5-73 Certain exemptions from section 5-4
5-74 Screening procedures for restricted licensee
5-75 Ongoing monitoring
5-76 Conditions to be followed when providing insurance
5-77 Separate insurance required for other financial services
5-78 Designated representative for a restricted licensee
5-79 Recommendations for restricted licensee – life insurance
5-80 Recommendations – other insurance
5-81 Cancellation of recommendation by insurer – businesses
5-82 Prohibitions and penalties to apply to restricted licensees

DIVISION 5
Insurance Councils

5-83 Insurance councils
5-84 Delegated powers
5-85 Bylaws of insurance councils
5-86 Reviews of bylaws, etc., by Superintendent
5-87 Winding up of insurance councils

DIVISION 6
Regulations

5-88 Regulations re compensation plan
5-89 Regulations for Part

PART VI
Unsolicited Insurance, Reinsurance and Special Brokers

DIVISION 1
Unsolicited Insurance

6-1 Restrictions on dealing with unlicensed insurers
6-2 Unsolicited insurance
6-3 Inspection of records to determine whether contract with unlicensed insurer entered into

DIVISION 2
Reinsurance

6-4 Reinsurance
6-5 Reinsurance with unlicensed insurer
6-6 No reinsurance in another exchange

DIVISION 3
Special Brokers

6-7 Insurance through special broker
6-8 Requirements for special broker's endorsement
6-9 Financial security
6-10 Eligibility for endorsement
6-11 Application for endorsement
6-12 Issuing of endorsement
6-13 Terms and conditions
6-14 Status of licence – effect on special broker's endorsement
6-15 Endorsement not transferable or assignable
6-16 Reporting requirements
6-17 Repealed
6-18 Records
6-19 Financial security not in force
6-20 Release of financial security
6-21 Regulations for Part

PART VII
Market Conduct

DIVISION 1
General Rules

7-1 Interpretation of Part
7-2 Dealing with unauthorized insurance intermediaries
7-3 Acting as intermediary or adjuster without authority
7-4 Contract of insurance must be consistent with Act
7-5 Amount of premium and premium refunds
7-6 Payments to intermediary
7-7 Intermediary receiving premiums
7-8 Intermediary trustee of premiums
7-9 Additional fees
7-10 Prohibiting use of certain forms
7-11 Disclosure of name
7-12 Unfair practices
7-13 Prohibition against effecting contracts with unlicensed insurers
7-14 Intermediaries personally liable on certain contracts
7-15 Return respecting intermediaries of insurer and general agent
7-16 Not Yet Proclaimed
7-17 Insurance clauses in financing agreements
7-18 Insurance as collateral security
7-19 Not Yet Proclaimed

DIVISION 2
Fair Practices

7-20 Disclosure of insured's right to choose service provider
7-21 Right to rescind contract of insurance
7-22 Refund of premium
7-23 Notice of limitation period
7-24 Electronic communications
7-25 Disputes re payment of claim or loss
7-26 Procedures for dealing with claims and complaints

DIVISION 3
Regulations

7-27 Regulations for Part

PART VIII
Contracts of Insurance

DIVISION 1
General

8-1 Payment of insurance money
8-2 Form of policy, application, etc.
8-3 Effect of contravention of law on claim for indemnity
8-4 Electronic communications
8-5 Limitation of actions

DIVISION 2
Contract Provisions

8-6 Application of Division
8-7 Contract of insurance made in Saskatchewan
8-8 Terms, etc., of contract of insurance
8-9 Contents of contract of insurance
8-10 Policy in accordance with terms of application
8-11 Dispute resolution
8-12 Relief from forfeiture
8-13 Relief from forfeiture on surety bond
8-14 Waiver and estoppel
8-15 Effect of delivery of policy
8-16 Insurer to provide forms
8-17 When action may be brought
8-18 Consolidation of actions
8-19 Imperfect compliance not to render contract invalid
8-20 Notice
8-21 Providing of copy to insured
8-22 Insurance against loss through negligence
8-23 Enforcement charge against insured unsatisfied
8-24 Assignment of premium refund
8-25 Payment into court by insurer
8-26 Title insurance
8-27 Restrictions on cancellation
8-28 Statutory Conditions
8-29 Recovery by innocent persons
8-30 Limitation of liability clause
8-31 Rateable contributions
8-32 Special stipulations
8-33 Subrogation of insurer to rights of recovery
8-34 Regulations for Division

DIVISION 3
Automobile Insurance

Subdivision 1
Interpretation, Forms and Statutory Conditions

8-35 Interpretation of Division
8-36 Application of Division
8-37 Approval of forms
8-38 Persons prohibited from being agents
8-39 Application for insurance
8-40 Misrepresentation, fraud or violation of condition
8-41 Statutory Conditions
8-42 Conditions not part of policy

Subdivision 2
Motor Vehicle Liability Policies

8-43 Coverage of owner's policy
8-44 If named insured dies
8-45 Coverage of non-owner's policy
8-46 Effect of lien on automobile
8-47 Territorial limits
8-48 Rights of unnamed insured
8-49 Liability of insurer
8-50 Liability arising from contamination
8-51 Exceptions to liability of insurer
8-52 Certain exclusions from liability prohibited
8-53 Exceptions to liability of insurer – machinery or apparatus
8-54 Exceptions to liability of insurer – certain uses of automobile
8-55 Limits of motor vehicle liability policy
8-56 Stipulation in motor vehicle liability policy
8-57 Excess insurance
8-58 Agreements re deductible amounts
8-59 Coverage under motor vehicle liability and nuclear energy hazard liability policies
8-60 Determining which insurer is liable
8-61 Rights of creditors
8-62 Payment as release of claim
8-63 Advance payments
8-64 Notice of action against insured to insurer
8-65 Physical damage cover – partial payment of loss
8-66 Physical damage cover – adjustment of claim with insured

Subdivision 3
Limited Accident Insurances

8-67 Uninsured motorist
8-68 Medical expenses, etc.
8-69 Accident insurance benefits
8-70 Demand for particulars of insurance
8-71 Recovery by unnamed insured
8-72 Payment of insurance money into court
8-73 Limitation re commencement of action
8-74 Demand on claimant for particulars
8-75 Variations in policy

Subdivision 4
Other Insurance

8-76 Proportioning liability of insurer
8-77 Regulations for Division

DIVISION 4
Crop Hail Insurance

8-78 Interpretation and application of Division
8-79 Crops insurable
8-80 Insurable interest
8-81 Application for contract
8-82 Information to appear on face of policy
8-83 Notice of dispute resolution
8-84 Delivery of application to insurer
8-85 Effective date of contract
8-86 Incorrect amount of premium
8-87 Policy in accordance with application
8-88 Expiry of contracts
8-89 Partial payment of loss clause
8-90 Notice of third party
8-91 Adjustment of loss
8-92 Premium rates
8-93 If premium rates reduced
8-94 Hail insurance reserve
8-95 Statutory Conditions part of every policy
8-96 Substitution for Statutory Condition 12 and variation of Statutory Condition 15
8-97 Relief from forfeiture

DIVISION 5
Life Insurance

Subdivision 1
Preliminary Matters

8-98 Interpretation of Division
8-99 Application of certain provisions to this Division
8-100 Annuity deemed life insurance
8-101 Application of Division
8-102 Application of Division – group insurance

Subdivision 2
Insurance and Contents of Policy

8-103 Issuance of policy
8-104 Particulars in policy
8-105 Particulars in group and creditor's group policy
8-106 Particulars in group certificate

Subdivision 3
Formation of Contract

8-107 Lack of insurable interest
8-108 Persons insurable
8-109 Termination of contract by court
8-110 When contract takes effect
8-111 Premium payments
8-112 Payment of premium by beneficiary
8-113 Disclosure of material facts
8-114 Failure to disclose
8-115 Non-disclosure and misrepresentation by insurer
8-116 Misstatement of age
8-117 Misstatement of age in group insurance
8-118 Suicide clause
8-118.1 Medical assistance in dying
8-119 Reinstatement of contract
8-120 Termination and replacement of group contract

Subdivision 4
Beneficiaries

8-121 Designation of beneficiary
8-122 Irrevocable designation
8-123 Designation in will
8-124 Trustee for beneficiary
8-125 Predeceased or disclaiming beneficiary
8-126 Enforcement of payment by beneficiary or trustee
8-127 Insurance money not part of estate

Subdivision 5
Dealings with Contract

8-128 Irrevocable designation of beneficiaries
8-129 Assignment of insurance
8-130 Entitlement to dividends
8-131 Death of insured
8-132 Enforcement of right re group life insurance
8-133 Enforcement of right re creditor's group insurance
8-134 Capacity of minor

Subdivision 6
Proceedings Under Contract

8-135 Proof of claim
8-136 Payment of insurance money
8-137 Action for payment
8-138 Persons to whom insurance money payable
8-139 Declaration as to sufficiency of proof

8-140 Declaration of presumption of death
8-141 Court order re payment of insurance money
8-142 Order stays pending action
8-143 Order re providing of further evidence
8-144 Order for payment into court
8-145 Simultaneous deaths
8-146 Commutation of instalments of insurance money
8-147 Insurer holding insurance money
8-148 Court may order payment
8-149 Fixing of costs
8-150 Insurance money payable to minor
8-151 Payment to personal representative

Subdivision 7
Miscellaneous Provisions

8-152 Presumption against agency
8-153 Information as to notices
8-154 Regulations for Division

DIVISION 6
Accident and Sickness Insurance

Subdivision 1
Preliminary Matters

8-155 Interpretation of Division
8-156 Application of certain provisions to this Division
8-157 Application of Division
8-158 Application of Division to group insurance

Subdivision 2
Issuance and Contents of Policy

8-159 Issuance of policy
8-160 Particulars in policy
8-161 Particulars in group and creditor's group policy
8-162 Termination of group contract
8-163 Replacement of group contract
8-164 Particulars in group certificate
8-165 Exclusions, exceptions or reductions
8-166 Statutory Conditions
8-167 Omission or variation of Statutory Conditions
8-168 Notice of Statutory Conditions
8-169 Termination for non-payment

Subdivision 3
Formation of Contract

8-170 Lack of insurable interest
8-171 Persons insurable
8-172 Termination of contract by court
8-173 Disclosure of material facts
8-174 Failure to disclose
8-175 Reinstatement of contract
8-176 Pre-existing conditions
8-177 Misstatement of age

Subdivision 4
Beneficiaries

8-178 Designation of beneficiary
8-179 Irrevocable designation
8-180 Designation in will
8-181 Trustee for beneficiary
8-182 Predeceasing or disclaiming beneficiary
8-183 Enforcement of payment by beneficiary or trustee
8-184 Persons to whom insurance money payable
8-185 Insurance money not part of estate

Subdivision 5
Dealings with Contract

8-186 Irrevocable designation of beneficiary
8-187 Assignment of insurance
8-188 Entitlement to dividends
8-189 Death of insured
8-190 Enforcement of right re group insurance
8-191 Enforcement of right re creditor's group insurance
8-192 Capacity of minor

Subdivision 6
Proceedings under Contract

8-193 Proof of claim
8-194 Declaration as to sufficiency of proof
8-195 Declaration of presumption of death
8-196 Court order re payment of insurance money
8-197 Order stays pending action
8-198 Order re providing of further evidence
8-199 Payment of insurance money
8-200 Action for payment
8-201 Insurer giving information
8-202 Undue prominence
8-203 Relief from forfeiture or avoidance
8-204 Confinement and disability benefits
8-205 Payments to hospital under *Provincial Health Authority Act* or *Saskatchewan Medical Care Insurance Act*
8-206 Simultaneous deaths
8-207 Order for payment into court
8-208 Insurance money payable to minor
8-209 Payment to personal representative
8-210 Payments not exceeding $10,000
8-211 Regulations for Division

DIVISION 7
Regulations for Part

8-212 Regulations for Part

PART IX
Inspections, Investigations, Enforcement and Administration

DIVISION 1
Inspections, Investigations and Examinations

9-1 Interpretation of Division
9-2 Examination of insurers
9-3 Superintendent to have access to books, etc., of an insurer
9-4 Duty to provide information
9-5 Insurance compliance self-evaluative audit
9-6 General inspection powers
9-7 Investigation
9-8 Travel costs
9-9 Receiver or receiver manager

DIVISION 2
Appraisal of Assets

9-10 Appraisal of assets

DIVISION 3
Taking Control of Assets

9-11 Order for possession and control
9-12 Powers of Superintendent – provincial companies
9-13 Powers of Superintendent – extraprovincial company
9-14 Application to the court
9-15 Termination of possession and control
9-16 Company liable for expenses of Superintendent

DIVISION 4
Offences, Penalties and Enforcement

9-17 Offences and penalties
9-18 Special penalties re late reports, returns or statements
9-19 Compliance orders and restitution
9-20 Limitation on prosecution
9-21 Administrative penalties
9-22 Compliance undertakings
9-23 Power of Superintendent to order compliance
9-24 Power of court to order compliance
9-25 Costs

DIVISION 5
Regulations

9-26 Regulations for Part

PART X
General Provisions

DIVISION 1
Superintendent and Registers

10-1 Superintendent of Insurance
10-2 Responsibilities of Superintendent
10-3 Guidelines and interpretation bulletins
10-4 Experts
10-5 Insurance Register
10-6 Insurance council to maintain all or part of Insurance Register
10-7 Form of Insurance Register
10-8 Inspection and copies of Insurance Register
10-9 Inspection and copies – Insurance Register maintained by insurance council
10-10 Proceedings before Superintendent
10-11 Opportunity to be heard
10-12 Extension of time
10-13 Power to require affidavits or declarations re documents or facts
10-14 Actions by Superintendent
10-15 Actions on behalf of consumers
10-16 Duty to provide notice to Superintendent
10-17 Publication by Superintendent
10-18 Superintendent's power re report
10-19 Forms

DIVISION 2
Special Matters related to the Superintendent

10-20 Power of Superintendent to review, rescind, amend or vary orders
10-21 Defamation
10-22 Immunity
10-23 No liability re disclosures or statements to Superintendent
10-24 Superintendent and others not compellable to give evidence

DIVISION 3
Service

Subdivision 1
Attorney for Service

10-25 Attorney for service
10-26 Filing of copy of document appointing attorney
10-27 Service on attorney is binding
10-28 Attorney for service's change of address
10-29 Change in attorney for service
10-30 If no attorney for service – service on Superintendent

Subdivision 2
General

10-31 Service

10-32 Service on Superintendent

DIVISION 4
Appeals

10-33 Appeal of decision or order of Superintendent

10-34 Appeal of decision or order of insurance council

10-35 Extension of time

10-36 Notice of appeal

10-37 Rules re appeals

10-38 Right of appeal

DIVISION 5
General

10-39 Evidence re certificate of Superintendent

10-40 Restrictions on access to records

10-41 Agreements with other jurisdictions

DIVISION 6
Compensation Associations

10-42 Agreements with compensation associations

10-43 Compensation associations

10-44 Members of compensation association bound by rules, etc.

10-45 Levies by compensation associations

DIVISION 7
OmbudServices

10-46 General Insurance OmbudService

10-47 OmbudService for Life and Health Insurance

DIVISION 8
Regulations

10-48 Regulations

PART XI
Repeal, Consequential Amendments, Transitional and Coming into Force

DIVISION 1
Repeal

11-1 R.S.S. 1978, c.S-26 repealed

DIVISION 2
Consequential Amendments

11-2 S.S. 1988-89, c.A-18.02, section 14 amended

11-3 R.S.S. 1978, c.A-35, new section 84

11-4 R.R.S. c.F-22.01 Reg 1, section 12 amended

11-5 S.S. 1999, c.02 amended

11-6 S.S. 2000, c.L-5.1, section 84 amended

11-7 S.S. 1986, c.02 amended

11-8 S.S. 2009, c.M-20.01, section 15 amended

11-9 R.S.S. 1978, c.M-23, section 2 amended

11-10 S.S. 2012, c.S-12.1 amended

11-11 S.S. 1979-80, c.S-19.1 amended

11-12 S.S. 1993, c.S-67.1, section 9 amended

11-13 S.S. 2004, c.T-18.1 amended

DIVISION 3
Transitional

11-14 Transitional

DIVISION 4
Coming into Force

11-15 Coming into force

CHAPTER I-9.11

An Act respecting Insurance and Insurers and making consequential amendments to other Acts and regulations

PART I
Preliminary Matters

DIVISION 1
Short Title and Interpretation

Short title

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

Interpretation

1-2(1) In this Act:

"actuary", in the case of an individual, means a Fellow of the Canadian Institute of Actuaries;

"adjuster" means, subject to subsection (4), a person who, for compensation, through any medium does one or more of the following:

(a) directly or indirectly solicits the right to negotiate or investigate the settlement of a loss or claim under a contract of insurance on behalf of an insured or insurer;

(b) negotiates or investigates the settlement of a loss or claim under a contract of insurance on behalf of an insured or insurer;

(c) holds himself or herself out as an adjuster with respect to the settlement of any loss or claim mentioned in clause (a) or (b);

(d) assists a person with making a claim under an insurance policy or a contract of insurance;

"affiliate" means, with respect to an entity, another entity that is affiliated with the entity as set out in section 1-5;

"agency contract" means a contract between:

(a) an insurance agent and an insurer, or a managing general agent on behalf of an insurer, in which the insurance agent agrees to act as an insurance agent with respect to insurance issued by the insurer; or

(b) a managing general agent or a third party administrator and an insurer in which the managing general agent or third party administrator agrees to act on behalf of the insurer;

"appeal panel" means a panel established pursuant to section 17 of *The Financial and Consumer Affairs Authority of Saskatchewan Act* to hear appeals with respect to this Act;

"Authority" means the Financial and Consumer Affairs Authority of Saskatchewan continued pursuant to *The Financial and Consumer Affairs Authority of Saskatchewan Act*;

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

"beneficial ownership" means beneficial ownership as set out in section 1-6;

"beneficiary", except in Divisions 5 and 6 of Part VIII, means a person designated or appointed as one to whom or for whose benefit insurance money is to be payable;

"body corporate" means any body corporate with or without share capital, wherever or however formed;

"business day" means a day other than a Saturday, Sunday or a holiday;

"chief office" means:

(a) with respect to a provincial company, the head office of the company in Saskatchewan; and

(b) with respect to an insurer that is not a provincial company, the main office or place of business of the insurer in Saskatchewan;

"compensation association" means a body corporate or unincorporated association that:

(a) has as its purpose to establish and administer a compensation plan for claimants and policyholders of insolvent insurers; and

(b) is designated in the regulations as a compensation association;

"compensation plan" means a plan that:

(a) is established by regulation pursuant to section 5-88; or

(b) is implemented or conducted under an agreement that is entered into pursuant to section 10-42;

"contract of insurance" includes:

(a) any policy, certificate, interim receipt, renewal receipt, endorsement or writing evidencing the contract of insurance, whether sealed or not; and

(b) a binding oral agreement;

"control" means control within the meaning of section 1-7;

"court" means, unless the context requires otherwise, the Court of Queen's Bench or a judge of that court;

"debt obligation" means a bond, debenture, note or other evidence of indebtedness, whether secured or unsecured;

"deposit-taking institution" means:

(a) a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada);

(b) a loan corporation or trust corporation incorporated by or pursuant to an Act, an Act of the Parliament of Canada or an Act of the Legislature of another province or a territory of Canada;

(c) a credit union incorporated by or pursuant to an Act, an Act of the Parliament of Canada or an Act of the Legislature of another province or a territory of Canada; or

(d) any other prescribed entity;

"director" means an individual occupying the position of director of a body corporate, regardless of the name given to the position;

"entity" means a body corporate or an unincorporated body, but does not include an individual;

"extraprovincial company" means an insurer that:

(a) is incorporated in a province or territory other than Saskatchewan;

(b) is authorized by the province or territory mentioned in clause (a) to carry on the business of insurance in that province or territory; and

(c) is not a federally authorized company;

"federally authorized company" means an insurer that is a company, society or foreign company as defined in the *Insurance Companies Act* (Canada) and that is approved by order pursuant to that Act to carry on the business of insurance or to insure risks in Canada;

"financial institution" means:

(a) a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada);

(b) a loan corporation or trust corporation incorporated by or pursuant to an Act, an Act of the Parliament of Canada or an Act of the Legislature of another province or a territory of Canada;

(c) a credit union incorporated by or pursuant to an Act, an Act of the Parliament of Canada or an Act of the Legislature of another province or a territory of Canada;

(d) a federally authorized company, an extraprovincial company or a licensed provincial company; and

(e) any other prescribed entity;

"foreign jurisdiction" means a jurisdiction other than Saskatchewan;

"fraternal society" means a non-profit body corporate formed for the purpose of making, with its members only, contracts of life, accident or sickness insurance in accordance with its constitution, bylaws and rules and this Act;

"fundamentally reinsure", with respect to a contract of insurance, means:

(a) that the insurer under the contract transfers or assigns all rights and obligations under the contract to another insurer; or

(b) that the contract is replaced by novation and the insurer under the replacement contract is different from the insurer under the original contract;

"governing executive authority" means the executive committee, executive board, management committee, grand executive committee or any other board, committee or body that is charged under the constitution, bylaws and rules of a fraternal society with its general management between general meetings;

"head office" means, with respect to an insurer, the place where the chief executive officer of the insurer transacts business;

"holding body corporate" means a holding body corporate within the meaning of section 1-8;

"instrument of incorporation" means the certificate, special Act, charter, letters patent or other document incorporating, amalgamating or continuing a body corporate, and includes all amendments to it;

"insurance" means the undertaking by one person to indemnify another person against loss or liability for loss with respect to certain risks or perils to which the object of the insurance might be exposed or to pay a sum of money or other thing of value on the happening of a certain event and, without limiting the generality of the foregoing, includes:

(a) life insurance; and

(b) any other prescribed activity;

"insurance agent" means, subject to subsection (2), any person who for any compensation and through any medium does one or more of the following:

(a) acts or aids in any manner in soliciting, negotiating, effecting or procuring the making of any contract of insurance or reinsurance or the continuance or renewal of a contract of insurance or reinsurance on behalf of an insurer, potential insured or insured, whether or not the person has agreements with insurers allowing the person to bind coverage and countersign insurance documents on behalf of insurers;

(b) holds himself, herself or itself out as an insurance agent, broker or consultant;

(c) provides consulting, advisory or administrative services with respect to the insurance or contracts of insurance that are described in section 1-14 or 1-15;

(d) provides advice to a person with respect to a specific insurance policy, plan or program;

(e) evaluates or manages insurance risks on behalf of an insured;

(f) **Not yet Proclaimed**.

(g) transmits for another person an application for or a policy of insurance to or from an insurer;

(h) retains as compensation any portion of a premium received by the person;

(i) enrols individuals in prescribed contracts of insurance;

(j) engages in any other prescribed activity;

"insurance councils" means:

(a) the General Insurance Council of Saskatchewan;

(b) the Life Insurance Council of Saskatchewan;

(c) the Insurance Council of Saskatchewan;

"insurance fund" includes, with respect to a fraternal society or to any body corporate not incorporated exclusively for the transaction of insurance, all moneys, securities for money and assets that:

(a) are appropriated by the rules of the fraternal society or body corporate to the payment of insurance liabilities;

(b) are appropriated for the management of the insurance branch or department or division of the fraternal society or body corporate; or

(c) are otherwise legally available for insurance liabilities;

but does not include any funds of a union that are appropriated to or applicable for the voluntary assistance of members of the union who are unemployed, on strike or are locked out;

"insurance money" includes all insurance money, benefits, surplus, profits, dividends, bonuses and annuities payable by an insurer under a contract of insurance;

"insurer" means any person who undertakes or effects, or agrees or offers to undertake or effect, a contract of insurance and includes the underwriters or syndicates of underwriters operating on the plan known as Lloyd's and a reciprocal insurance exchange, but does not include a person described in section 2-50;

"licence" means a licence issued pursuant to this Act unless the provision in which the term is used specifies otherwise;

"licensed provincial company" means a provincial company that holds a valid licence and includes a provincial company that holds a licence that has been suspended;

"life company" means an insurer that is permitted to insure only those risks falling within the class of:

(a) life insurance;

(b) accident and sickness insurance; or

(c) other prescribed insurance;

"managing general agent" means an insurance agent that manages all or part of the business of an insurer and carries out specific activities on behalf of that insurer, including:

(a) soliciting, negotiating or accepting applications for insurance from licensed insurance agents;

(b) effecting and countersigning contracts of insurance;

(c) accepting risks;

(d) underwriting insurance contracts;

(e) entering into written agency agreements with licensed insurance agents;

(f) supervising and monitoring the activity of licensed insurance agents with whom it has entered into written agency agreements; and

(g) undertaking any other prescribed duties or activities;

"minister" means the member of the Executive Council to whom for the time being the administration of this Act is assigned;

"motor vehicle liability policy" means a policy or part of a policy insuring all or any of the following against liability arising out of bodily injury to or the death of an individual or loss of or damage to property caused by an automobile or the use or operation of an automobile:

(a) the owner or driver of an automobile;

(b) a person who is not the owner or driver of an automobile if the automobile is being used or operated by the person's employee or agent or any other individual on the person's behalf;

"mutual insurance" means a contract of insurance in which the consideration is not fixed or certain at the time the contract is made and is to be determined at the termination of the contract or at fixed periods during the term of the contract according to the experience of the insurer with respect to all similar contracts, whether or not the maximum amount of that consideration is predetermined;

"mutual insurance company" means a body corporate without share capital that is empowered to undertake mutual insurance exclusively;

"non-owner's policy" means a motor vehicle liability policy that insures a person solely with respect to the use or operation by the person or on the person's behalf of an automobile that the person does not own;

"officer" includes:

(a) in relation to a body corporate, a chief executive officer, president, vice-president, chief financial officer, chief operating officer, secretary, controller, treasurer, general manager, chief accountant, chief auditor, chief actuary and any other individual designated as an officer of the body corporate by bylaw or by resolution of the directors of the body corporate;

(b) in relation to any other entity, any individual designated as an officer of the entity by bylaw, by resolution of the members of the entity or otherwise; and

(c) any individual who is acting in a capacity similar to one described in clause (a) or (b);

"owner's policy" means a motor vehicle liability policy that insures a person with respect to:

(a) the ownership, use or operation of an automobile owned by the person and within the description or definition of automobile in the contract of insurance; and

(b) if the contract of insurance provides, the use or operation of any other automobile;

"person" includes an entity or personal representative;

"personal representative" means an executor, administrator, property guardian, property attorney, trustee, assignee, receiver or liquidator;

"policy" means an instrument evidencing a contract of insurance;

"premium" means the single or periodic payment for a contract of insurance, and includes dues, assessments and other consideration;

"premium note" means an instrument given as consideration for insurance by which the maker of the instrument undertakes to pay the sum or sums that may be legally demanded by the insurer, the aggregate of those sums not to exceed an amount specified in the instrument;

"prescribed" means prescribed in the regulations;

"professional advisor" means:

(a) a lawyer;

(b) an auditor;

(c) an actuary;

(d) an accountant;

(e) an appraiser;

(f) an architect;

(g) an engineer; or

(h) any other person whose membership in a profession would tend to lend credibility to a statement made or opinion given by that person;

and includes an individual who is a member of or who works in a professional capacity for a partnership, body corporate or other association of persons that provides any of the professional services described in clauses (a) to (h);

"property" that is the subject of a contract of insurance includes:

(a) profits, earnings and other pecuniary interests; and

(b) expenditures for rents, interest, taxes and other expenses and charges and expenditures with respect to the inability to occupy the insured premises, but only to the extent provided for in the contract;

"property and casualty company" means an insurer that is not a life company;

"provincial company" means:

(a) an insurer incorporated or continued pursuant to the laws of Saskatchewan and not authorized to carry on the business of insurance pursuant to the *Insurance Companies Act* (Canada); or

(b) a reciprocal insurance exchange whose principal attorney is situated in Saskatchewan;

"provincial crop hail company" means a provincial company that is permitted to insure only risks falling within the class of crop hail insurance;

"provincial life company" means a provincial company that is a life company;

"provincial mutual company" means a provincial company that is a mutual insurance company;

"provincial property and casualty company" means a provincial company that is a property and casualty company;

"reciprocal contract" means a reciprocal contract of indemnity or inter-insurance;

"reciprocal insurance exchange" means a group of subscribers exchanging reciprocal contracts with each other through a principal attorney;

"relative", when used with respect to individuals, means related by blood, spousal relationship or adoption;

"security" means:

(a) in relation to a body corporate, a share of any class of shares of the body corporate or a debt obligation of the body corporate, and includes a warrant of the body corporate, but does not include:

(i) a deposit with a deposit-taking institution or any instrument evidencing a deposit with a deposit-taking institution; or

(ii) a policy; and

(b) in relation to any other entity, any ownership interest in or debt obligation of the entity, but does not include a policy;

"security interest" means an interest in or charge on property by way of mortgage, lien, pledge or otherwise taken by a creditor or guarantor to secure the payment or performance of an obligation;

"senior official" of an entity means an individual who:

(a) is a director and a full-time employee of the entity;

(b) is an officer of the entity;

(c) is the manager, in the case of an entity that is a mutual insurance company;

(d) is the head of the strategic planning unit of the entity;

(e) is the head of the unit of the entity that provides legal services or human resources services to the entity;

(f) is an official who reports directly to the entity's board of directors, chief executive officer, president or chief operating officer;

(g) performs functions for the entity similar to those performed by an official mentioned in clause (b), (c), (d), (e) or (f); or

(h) is a prescribed individual or is a member of a prescribed class of individuals;

"special broker" means a person who, for compensation, solicits, negotiates or offers to negotiate insurance, or the continuance or renewal of insurance, with unlicensed insurers with respect to any matter or thing in Saskatchewan;

"spouse" means, subject to subsection (3):

(a) the legally married spouse of a person; or

(b) a person with whom the person cohabits and has cohabited as a spouse:

(i) continuously for a period of not less than two years; or

(ii) in a relationship of some permanence if they are the parents of a child;

"subscriber" means a person who exchanges a reciprocal contract with one or more persons;

"subsidiary" means a subsidiary within the meaning of section 1-9;

"substantial investment" means a substantial investment within the meaning of section 1-10;

"Superintendent", except in section 10-24, means the Superintendent of Insurance appointed or continued pursuant to this Act and includes any Deputy Superintendent of Insurance;

"unincorporated body" means a trust, partnership, fund or other unincorporated association or organization;

"union" means a union as defined in Part VI of *The Saskatchewan Employment Act;*

"unlicensed insurer" does not include any insurer that is exempt from the requirement to be licensed pursuant to this Act;

"valid", with respect to a licence, means that the licence is not under suspension, has not been cancelled and has not expired.

(2) For the purposes of the definition of "insurance agent", the following are not insurance agents:

(a) a lawyer, accountant or actuary entitled to practise his or her profession in Saskatchewan with respect to activities that are undertaken in the course of, and are a part of, the practice of his or her profession;

(b) a licensed insurance adjuster acting within the authority of his or her licence;

(c) an individual, a partnership or a body corporate who or that acts solely as a reinsurance broker on behalf of insurers;

(d) an employee of a licensed insurance agent, adjuster or business when the employee is acting for or on behalf of his or her employer and is engaged solely in the performance of clerical or administrative duties for his or her employer;

(e) any regular salaried employee of an insured or of a subsidiary or affiliate of an insured that is a body corporate whose duties in whole or in part are to negotiate for or procure insurance or render other services on behalf of the employer in connection with the procuring or maintaining of insurance on the property or risks of the employer if the employee does not receive compensation, commission or other thing of value from any insurance agent or insurer for, or in connection with, those services;

(f) a trustee appointed pursuant to this Act;

(g) an insurer;

(h) any other prescribed person.

(3) For the purposes of the definition of "spouse", a person who would otherwise be a spouse within the meaning of that definition is not to be considered as a spouse of another person if he or she is living separate and apart from the other person and:

(a) he or she and the other person are separated pursuant to a written separation agreement;

(b) the support obligations and family property involving him or her and the other person have been dealt with by a court order; or

(c) he or she and the other person have lived separate and apart for at least two years.

(4) For the purposes of the definition of "adjuster", the following are not adjusters:

(a) a lawyer entitled to practise law in Saskatchewan with respect to activities that are undertaken in the course of, and are a part of, his or her practice of law;

(b) a trustee of property, or a registrant pursuant to *The Real Estate Act*, of an owner of or person having an insurable interest in property who negotiates a settlement of a loss or claim under a contract of insurance with respect to the property;

(c) a licensed insurer or a salaried employee of a licensed insurer while acting on behalf of that insurer in adjusting losses or claims;

(d) a salaried employee of an insured while acting on behalf of that insured in adjusting losses or claims;

(e) an insurance agent who investigates or negotiates the settlement of a loss or claim under a contract of insurance on behalf of an insured or insurer with respect to property up to a prescribed amount, excluding liability losses or claims;

(f) a person while acting under the direct authority and supervision of an adjuster, but only if the person does not:

(i) attempt to determine if the claim or loss is covered by an insurance contract;

(ii) transmit any insurance claim or loss documents to an insurer or adjuster; or

(iii) provide to an insured any advice or assistance with completing any insurance claim or loss documents;

(g) any other prescribed person.

2015, c.I-9.11, s.1-2; 2018, c 14, s.3.

References to Authority

1-3 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 Authority 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 Authority; 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*.

2015, c.I-9.11, s.1-3.

Certain annuities deemed always to have been life insurance

1-4 An undertaking to provide an annuity, or what would be an annuity except that the periodic payments may be unequal in amount, for a term dependent solely or partly on the life of an individual is deemed always to have been life insurance.

2015, c.I-9.11, s.1-4.

Affiliate

1-5(1) An entity is affiliated with another entity if one of them is controlled by the other or both of them are controlled by the same person.

(2) The affiliates of an entity are deemed to be affiliated with all other entities with which the entity is affiliated.

2015, c.I-9.11, s.1-5.

Beneficial ownership

1-6(1) A security or other interest is beneficially owned by a person when it is held:

(a) directly by that person; or

(b) through a personal representative or other intermediary for the use or benefit of that person otherwise than as a security interest.

(2) A person is deemed to beneficially own securities that are beneficially owned by an entity controlled by that person.

(3) If a person owns securities in a body corporate that itself owns securities in a second body corporate, in determining the person's beneficial ownership of securities in the second body corporate for the purposes of subsection (2) no regard is to be taken of the securities of the second body corporate that are owned by the body corporate.

2015, c.I-9.11, s.1-6.

Control

1-7(1) A person controls a body corporate if the person holds or beneficially owns securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.

(2) A person controls an unincorporated body if the person:

(a) holds or beneficially owns more than 50% of the beneficial interest, however designated, into which the unincorporated body is divided; and

(b) is able to direct the affairs of the unincorporated body.

(3) Notwithstanding subsections (1) and (2), a person controls an entity if the person has, in relation to the entity, any direct or indirect influence that, if exercised, would result in control in fact of the entity.

(4) A holding body corporate is deemed to control any entity that is controlled or deemed to be controlled by a subsidiary of the holding body corporate.

(5) An entity that controls another entity is deemed to control any entity that is controlled or deemed to be controlled by the other entity.

2015, c.I-9.11, s.1-7.

Holding body corporate

1-8 A body corporate is the holding body corporate of a body corporate that is its subsidiary.

2015, c.I-9.11, s.1-8.

Subsidiary

1-9 A body corporate is a subsidiary of another body corporate if:

(a) it is controlled by:

(i) that other body corporate;

(ii) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate; or

(iii) two or more bodies corporate each of which is controlled by that other body corporate; or

(b) it is a subsidiary of a body corporate that is that other body corporate's subsidiary.

2015, c.I-9.11, s.1-9.

Substantial investment

1-10(1) A person has a substantial investment in a body corporate if:

(a) the voting rights attached to the aggregate of any voting shares of the body corporate beneficially owned by the person exceed 10% of the voting rights attached to all of the outstanding voting shares of the body corporate; or

(b) the aggregate of any shares of the body corporate beneficially owned by the person represents ownership of more than 25% of the shareholders' equity of the body corporate.

(2) A person has a substantial investment in an unincorporated body if the person beneficially owns more than 25% of all the ownership interests, however designated, into which the body is divided.

2015, c.I-9.11, s.1-10.

Reference to incorporated includes amalgamated and continued

1-11 When this Act or the regulations refer to a body corporate in relation to the jurisdiction in which it was incorporated or to the legislation under which it was incorporated, "incorporated" includes amalgamated and continued..

2015, c.I-9.11, s.1-11.

DIVISION 2
Application of Act

Non-application of Act

1-12 This Act does not apply to:

(a) a body corporate that has, by or under the authority of an Act of the Parliament of Canada, created a fund for paying a gratuity or benefit on the event of death, sickness, infirmity, casualty, accident or disability or on any change of physical or mental condition; or

(b) a body corporate that has, by or under the authority of an Act of the Parliament of Canada, an insurance and provident society or association or an insurance or guarantee fund in connection with the body corporate.

2015, c.I-9.11, s.1-12.

Non-application to certain mutual benefit societies

1-13(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 the prescribed amounts with respect to any one member; and

(b) in the case of funeral benefits, the mutual benefit society provides benefits not exceeding the prescribed amounts with respect to any one funeral.

2015, c.I-9.11, s.1-13.

Benefit plans for medical care, accident and sickness benefits

1-14(1) In this section and sections 1-15 and 1-17, **"participant"** includes a beneficiary or dependant of a participant.

(2) Subject to any regulations made pursuant to section 1-17, this Act does not apply to a prescribed entity to the extent of its provision to participants of prescribed benefits relating to medical care, accident and sickness benefits.

2015, c.I-9.11, s.1-14.

Benefit schemes for income replacement

1-15 Subject to any regulations made pursuant to section 1-17, this Act does not apply to a prescribed entity to the extent of its provision to participants of prescribed benefits whose subject-matter is income replacement due to disability, sickness or disease, but only if no death benefit is payable.

2015, c.I-9.11, s.1-15.

Exemption from certain fees

1-16 The holder of a valid or suspended licence is exempt from paying any licence fee imposed by a municipality related to carrying on the business or activities for which the licence is issued.

2015, c.I-9.11, s.1-16.

Regulations and disclosure of certain information

1-17(1) The Lieutenant Governor in Council may make regulations:

(a) exempting from the application of all or part of this Act:

(i) a specific contract of insurance;

(ii) any type of contract of insurance that indemnifies a person who has an interest in a product against the product's malfunction, failure or breakdown;

(iii) contracts of insurance issued by a specified person or class of persons who operate on a non-profit basis; or

(iv) any person or insurer or class of persons or insurers;

(b) respecting the terms and conditions that must be met to maintain an exemption pursuant to clause (a);

(c) declaring that this Act is to apply to prescribed classes of entities with respect to their provision to their participants of benefits mentioned in section 1-14 or 1-15;

(d) respecting the provision of the benefits mentioned in section 1-14 or 1-15 by the classes mentioned in clause (c), and in particular, in relation to each class, respecting:

(i) the nature and sufficiency of its financial resources as a source of continuing financial support for the financial obligations implicit in providing the benefits;

(ii) the availability of financial statements, prepared comparably to those mentioned in subsection 3-98(1), to participants;

(iii) the degree of segregation of any assets relating to the provision of the benefits, or offer of the benefits, to participants from the assets of the entity;

(iv) the adequacy of any capital or reserves maintained by the entity or financial security or guarantees obtained by the entity to support the provision or offer of the benefits; and

(v) the extent to which matters mentioned in this clause are to be disclosed to participants, and the timing of the disclosure;

(e) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(f) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

(2) Notwithstanding subclause (1)(d)(v), if an entity provides benefits mentioned in section 1-14 or 1-15 that are not underwritten by a licensed insurer, it shall disclose to its participants, in the prescribed manner, before or at the time that the benefits are offered:

(a) that the benefits are not underwritten by a licensed insurer;

(b) that the benefits would be payable from the net income, retained earnings or other financial resources of the entity; and

(c) any other prescribed information.

2015, c.I-9.11, s.1-17.

PART II
Licensing of Insurers

DIVISION 1
Licensing of Insurers

Subdivision 1
Insurer's Duty to be Licensed

Undertaking insurance and carrying on business

2-1(1) For the purposes of this Act, any person undertaking a contract of insurance that is made in Saskatchewan, whether the contract is original or renewed, except the renewal from time to time of a life insurance policy, is undertaking insurance in Saskatchewan.

(2) For the purposes of this Act, a person is carrying on the business of insurance in Saskatchewan if the person:

(a) undertakes or offers to undertake insurance in Saskatchewan;

(b) sets up or causes to be set up in Saskatchewan any sign or inscription that contains the name of the insurer or that refers to insurance;

(c) issues or delivers any policy or interim receipt in Saskatchewan;

(d) collects or receives or negotiates for or causes to be collected or received or negotiated for any premium for a contract of insurance in Saskatchewan;

(e) inspects any risk in Saskatchewan;

(f) adjusts any loss under a contract of insurance in Saskatchewan;

(g) commences or maintains in Saskatchewan any action or proceeding with respect to a contract of insurance;

(h) is listed in a telephone directory for any part of Saskatchewan in a manner that contains the name of the insurer or that refers to insurance;

(i) solicits, negotiates, provides, promotes, advertises, markets, sells or distributes any contract of insurance by any means that cause communication from the insurer or the insurer's agents or representatives to reach a person in Saskatchewan;

(j) has a resident agent or representative or maintains an office or place of business in Saskatchewan that contains the name of the insurer or that refers to insurance;

(k) holds himself, herself or itself out as carrying on the business of insurance in Saskatchewan; or

(l) carries out any other prescribed activity.

(3) Subject to the regulations, for the purposes of this Act, any entity that receives in Saskatchewan contributions from its members out of which any benefits are paid directly or indirectly on the death of any of its members is an insurer carrying on the business of insurance in Saskatchewan.

2015, c.I-9.11, s.2-1.

Requirement for insurers to be licensed

2-2(1) Except as provided in this Act, no insurer shall carry on the business of insurance in Saskatchewan unless the insurer holds a valid licence.

(2) Except as provided in this Act, no insurer shall insure a risk in Saskatchewan unless the insurer holds a valid licence for a class of insurance that covers that risk.

2015, c.I-9.11, s.2-2.

Licence of extraprovincial company

2-3 A licence must not be issued to an extraprovincial company unless its head office and primary place of business are situated in the province or territory where it is incorporated or continued.

2015, c.I-9.11, s.2-3.

Subdivision 2
Licensing Requirements and Expiry of Licences

Types of insurers

2-4(1) Only the following insurers are eligible for a licence pursuant to this Part:

(a) a provincial company;

(b) an extraprovincial company;

(c) a federally authorized company;

(d) a mutual insurance company;

(e) an insurer incorporated, continued or registered pursuant to *The Co-operatives Act, 1996*;

(f) a body corporate or association incorporated to undertake contracts of insurance and not within any of the classes mentioned in clauses (a) to (e);

(g) a reciprocal insurance exchange;

(h) an insurer made up of underwriters or syndicates of underwriters operating on the plan known as Lloyd's or any other plan approved by the Superintendent;

(i) a fraternal society;

(j) any other prescribed insurer.

(2) Notwithstanding subsection (1), a fraternal society is eligible for a licence pursuant to this Part only if:

(a) the fraternal society is a fraternal benefit society that is a federally authorized company; or

(b) the fraternal society holds, on the day on which this section comes into force, a valid licence pursuant to clause 29(1.1)(b) of *The Saskatchewan Insurance Act*, as that Act existed on the day before the coming into force of this Act.

2015, c.I-9.11, s.2-4.

Application requirements re licence

2-5(1) An application for a licence must:

(a) be filed with the Superintendent;

(b) specify the classes of insurance that the applicant intends to be authorized to undertake;

(c) contain the information, material and evidence required by the Superintendent;

(d) include any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations; and

(e) include any additional prescribed information.

(1.1) An applicant for a licence must comply with any prescribed requirements.

(2) The Superintendent may exempt any applicant from the requirements in clause (1)(c) or (e).

2015, c.I-9.11, s.2-5; 2018, c 14, s.4.

Other information to be supplied if requested by Superintendent

2-6(1) At any time, the Superintendent may, in writing, require an applicant or a licensee to submit to the Superintendent within a specified period any other information or material that the Superintendent may reasonably require.

(2) No applicant or licensee shall fail to comply with subsection (1) within the period specified by the Superintendent.

2015, c.I-9.11, s.2-6.

Costs of examinations re application

2-7 If the Superintendent considers it necessary to conduct an examination of the affairs of an applicant for a licence, the applicant shall pay the costs of the examination on receiving a statement of costs from the Superintendent.

2015, c.I-9.11, s.2-7.

Notice of application for licence

2-8 The Superintendent may require an applicant for a licence to publish notice of the application for a licence:

(a) in the Gazette; and

(b) in any other manner that the Superintendent considers necessary to bring the application to the attention of the public.

2015, c.I-9.11, s.2-8.

Issue of licence

2-9(1) On receiving an application for a licence, the Superintendent may:

(a) issue a licence if, in the Superintendent's opinion, the applicant:

(i) is suitable to be licensed and the proposed licensing is not for any reason objectionable; and

(ii) has met all the requirements of this Act and the regulations; or

(b) subject to section 10-11, refuse to issue a licence to an applicant if, after any investigation the Superintendent considers reasonable, the Superintendent is of the opinion that the applicant should not be issued a licence.

(2) The Superintendent may refuse to issue a licence without complying with section 10-11:

(a) if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant;

(b) if the applicant has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations; or

(c) in the prescribed circumstances.

2015, c.I-9.11, s.2-9.

Matters Superintendent may consider when deciding to issue a licence

2-10 For the purposes of section 2-9, the Superintendent may take into consideration, in coming to an opinion:

(a) the fact that the applicant is licensed by any other government authority in Canada;

(b) the applicant's capacity and power to undertake the classes of insurance that it has specified in its application;

(c) whether the nature of the financial resources of the applicant as a source of continuing financial support for the applicant is adequate;

(d) whether the plan for the future conduct and development of the business of the applicant is sound and feasible;

(e) whether the senior officials and directors of the applicant are fit as to character and have the competence and experience suitable for involvement in the operation of an insurer;

(f) the applicant's compliance or non-compliance with laws in other jurisdictions in which the applicant is licensed;

(g) any other matter that the Superintendent considers to be in the public interest.

2015, c.I-9.11, s.2-10.

Form of licence

2-11 A licence issued by the Superintendent:

(a) is to be in any form that may be determined by the Superintendent; and

(b) is to specify the class of insurance that the insurer is authorized to undertake as required by section 2-24.

2015, c.I-9.11, s.2-11.

Requirements to obtain a licence for companies - base capital

2-12 Before issuing a licence to a provincial company or an extraprovincial company, the Superintendent must be satisfied that:

(a) the amount of the applicant's base capital meets or exceeds the prescribed amount; and

(b) the applicant's base capital is adequate, taking into account the nature of the business that it proposes to engage in, the expected volume of its business and any restrictions on its business.

2015, c.I-9.11, s.2-12.

Notice of issue of licence

2-13 On obtaining a licence, an insurer shall immediately give notice of that fact in two successive issues of the Gazette and in any other manner that the Superintendent may direct.

2015, c.I-9.11, s.2-13.

Notice of ceasing to carry on business

2-14 On ceasing to carry on business in Saskatchewan, an insurer shall immediately give notice of that fact in two successive issues of the Gazette and in any other manner that the Superintendent may direct.

2015, c.I-9.11, s.2-14.

Terms and conditions on licence

2-15(1) Subject to section 10-11, at the time a licence is issued or reinstated, the Superintendent may impose any terms and conditions on the licence that the Superintendent considers necessary.

(2) Subject to section 10-11, at any time after a licence is issued or reinstated, the Superintendent may do all or any of the following:

(a) amend terms and conditions imposed on the licence;

(b) impose new terms and conditions on the licence;

(c) repeal terms and conditions on the licence and substitute new terms and conditions in their place.

(3) No licensed insurer shall fail to comply with the terms and conditions imposed on the licence.

2015, c.I-9.11, s.2-15.

Expiry of licence

2-16(1) Subject to subsection (2), a licence expires on the prescribed date unless it is sooner suspended or cancelled in accordance with this Act.

(2) If allowed pursuant to the regulations, a licence continues in force indefinitely unless it is suspended or cancelled in accordance with this Act.

2015, c.I-9.11, s.2-16.

Subdivision 3

Amendment, Suspension or Cancellation of Licences

Cancellation on request

2-17(1) Subject to subsection (2), on the request of a licensed insurer, the Superintendent may cancel the insurer's licence.

(2) The Superintendent shall not cancel the licence of an insurer pursuant to subsection (1) if:

(a) the insurer has unpaid claims with respect to the insurer's contracts of insurance made in Saskatchewan;

(b) all of the insurer's contracts of insurance made in Saskatchewan are not discharged or expired or have not been transferred or assigned to another licensed insurer;

(c) the insurer has outstanding fees or taxes payable to the Government of Saskatchewan; or

(d) the Superintendent considers that it is not in the public interest to cancel the licence.

(3) A licensed insurer intending to have its licence cancelled shall:

(a) give the Superintendent at least 30 days' written notice of its intention to request the cancellation;

(b) publish a notice in the Gazette and in any other manner that the Superintendent may direct specifying that it intends to request that its licence be cancelled and setting out any information about the insurer or its business in Saskatchewan that the Superintendent considers appropriate; and

(c) provide the Superintendent with any other information or document that the Superintendent requires or that may be prescribed.

2015, c.I-9.11, s.2-17.

Suspension or cancellation of licence

2-18(1) Subject to section 10-11 and to subsection (2), the Superintendent may suspend or cancel an insurer's licence:

(a) if, in the opinion of the Superintendent, the insurer:

(i) has failed to comply with:

(A) any provision of this Act or the regulations, any other Act or any Act of any other jurisdiction pursuant to which the insurer is incorporated or continued or of any jurisdiction where the insurer is authorized to carry on the business of insurance; or

(B) an order of the Superintendent pursuant to this Act;

(ii) has failed to pay any fee, fine, penalty or costs imposed pursuant to this Act;

(iii) has provided false or misleading information to the Superintendent in the insurer's application or at any other time;

(iv) has had its licence or authority to carry on the business of insurance suspended, cancelled or amended in any jurisdiction where the insurer is authorized to carry on the business of insurance;

(v) in the case of an insurer that is a provincial company or an extraprovincial company, does not have sufficient assets or resources;

(vi) ceases to be a member of a compensation association, unless it is exempted pursuant to subsection 10-43(2);

(vii) is transacting insurance in a foreign jurisdiction without being first authorized to do so pursuant to the laws of that foreign jurisdiction; or

(viii) is carrying on the business of insurance in a manner that is prejudicial to the public interest;

(b) if the insurer fails to pay any of the following claims:

(i) an undisputed claim within 30 days after the date on which the claim becomes due;

(ii) a disputed claim within 30 days after final judgment and tender of a valid discharge; or

(c) on any ground on which the Superintendent might have refused to issue the licence pursuant to this Act.

(2) If the annual fee for a licensed insurer is not submitted to the Superintendent by the prescribed date, the Superintendent may suspend or cancel the licence of the licensed insurer without complying with section 10-11.

(3) If the Superintendent suspends or cancels a licence pursuant to subsection (2), the Superintendent shall serve a notice of the suspension or cancellation on the holder of the licence.

(4) The Superintendent may cancel the licence of any insurer licensed pursuant to this Act if the insurer has transferred or fundamentally reinsured its business, voluntarily dissolved or liquidated its business, or has been liquidated or dissolved or wound up by the court.

2015, c.I-9.11, s.2-18.

Reinstatement of suspended licence

2-19 If the Superintendent suspends a licence pursuant to subsection 2-18(2), the Superintendent may reinstate the licence on payment of the annual fee together with the prescribed late filing fee.

2015, c.I-9.11, s.2-19.

Transacting insurance in foreign jurisdiction without authority

2-20 No licensed 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 carry on the business of insurance in any jurisdiction; or

(b) the imposition of any terms or conditions on, or the amendment of any terms or conditions imposed on, its authority to carry on the business of insurance in any jurisdiction.

2015, c.I-9.11, s.2-20.

Effect of cancellation or suspension

2-21(1) If an insurer's licence is cancelled, the insurer may carry on business in Saskatchewan subject to the direction of the Superintendent and only to the extent that is necessary for the winding-up of its insurance business in Saskatchewan.

(2) If an insurer's licence is suspended, the insurer may carry on business in Saskatchewan only in accordance with the terms and conditions of the suspension.

(3) If a class of insurance has been revoked from an insurer's licence, the insurer shall cease to undertake or to offer to undertake that class of insurance in Saskatchewan.

(4) Nothing in this section prejudicially affects any holder of a contract of insurance or creditor of the insurer.

2015, c.I-9.11, s.2-21.

Notice of suspension or cancellation

2-22 The Superintendent shall immediately give notice in the Gazette and in any other manner that the Superintendent considers necessary of the suspension or cancellation of the licence of an insurer.

2015, c.I-9.11, s.2-22.

Reinstatement of suspended licence

2-23 If an insurer's licence is suspended pursuant to this Act, the Superintendent may reinstate the licence if the insurer:

(a) satisfies the Superintendent that it has corrected the deficiency or remedied the default that gave rise to the suspension; and

(b) pays any prescribed reinstatement fee and any penalty and costs ordered by the Superintendent or imposed by this Act.

2015, c.I-9.11, s.2-23.

Subdivision 4
Classes of Insurance

Classes of insurance

2-24(1) A licence must set out the classes of insurance that the insurer is authorized to undertake.

(2) A licence may authorize the insurer to transact any one or more prescribed classes of insurance.

(3) If a question arises as to the class of insurance into which any specific contract of insurance or form of policy falls, the Superintendent may determine the question and that determination is final for the purposes of this Act.

(4) Subject to section 10-11, the Superintendent may revoke a class of insurance from an insurer's licence in any of the circumstances set out in section 2-18, and that section applies, with any necessary modification, for the purposes of this section.

2015, c.I-9.11, s.2-24.

Effect of licence

2-25 A licence authorizes the insurer named in it to transact the class or classes of insurance specified in the licence.

2015, c.I-9.11, s.2-25.

Composite companies

2-26 The Superintendent shall not approve a licence for carrying on the business of insurance by an insurer if the insurer would as a result be permitted to insure both:

(a) the risks falling within the class of life insurance; and

(b) the risks falling within any other class of insurance other than:

(i) accident and sickness insurance; and

(ii) any other prescribed classes of insurance.

2015, c.I-9.11, s.2-26.

Separate accounts

2-27 A provincial company that is authorized to insure risks falling within the class of life insurance and risks falling within one or more other classes of insurance shall maintain separate accounts with respect to each class of insurance within which it is authorized to insure risks.

2015, c.I-9.11, s.2-27.

Prohibited activities

2-28(1) Except as permitted pursuant to this Act and the regulations, no licensed insurer shall:

(a) carry on business as an information management corporation, except in relation to the main business of an insurer;

(b) carry on business as a financial leasing corporation;

(c) accept deposits;

(d) carry on the business of offering services to the public as or accepting or executing the office of executor, administrator, trustee or guardian; or

(e) carry on any other prescribed activity.

(2) Nothing in this section prevents a subsidiary of a licensed insurer from engaging in the activities described in subsection (1).

2015, c.I-9.11, s.2-28.

Scope of property insurance licence

2-29(1) Subject to subsection (2), every insurer licensed to undertake property insurance may, unless its licence expressly provides otherwise, insure any property in which the insured has an insurable interest against loss or damage by or from any one or more perils falling within any other prescribed classes of insurance.

(2) Every insurer licensed to undertake property insurance may insure an automobile against loss or damage, but, in the case of a mutual insurance company transacting insurance on the premium note, the automobile must be specifically insured under a policy separate from the policy insuring other property.

2015, c.I-9.11, s.2-29.

No property and casualty company to issue annuities and endowment insurance

2-30 No property and casualty company shall issue annuities or policies of endowment insurance.

2015, c.I-9.11, s.2-30.

Subdivision 5
Reporting Requirements

Financial year

2-31(1) Each licensed insurer shall 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;

(c) any other period authorized by the Superintendent.

(2) If a licensed insurer is issued an initial licence pursuant to section 2-9 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.

2015, c.I-9.11, s.2-31.

Annual financial statements

2-32(1) The Superintendent may, by written notice, require any licensed extraprovincial company or federally authorized company to provide the Superintendent with a copy of its annual audited financial statements.

(2) A copy of the annual audited financial statements mentioned in subsection (1) must be submitted to the Superintendent within the period required by the Superintendent.

(3) Every licensed provincial company that has a subsidiary shall, within 180 days after the end of the subsidiary's financial year, provide the Superintendent with a copy of the subsidiary's audited financial statements for the financial year.

(4) A copy of the subsidiary's annual audited financial statements mentioned in subsection (3) must be submitted to the Superintendent within the period required by the Superintendent.

(5) The Superintendent may, by written notice, require the holding body corporate of a licensed provincial company to provide the Superintendent with the holding body corporate's annual audited financial statements and the annual audited financial statements of any subsidiary of the holding body corporate.

(6) A copy of the holding body corporate's annual audited financial statements and the annual audited financial statements of any subsidiary of the holding body corporate mentioned in subsection (5) must be submitted to the Superintendent within the period required by the Superintendent.

(7) Every licensed insurer shall provide to a person who is a policyholder one copy of the licensed insurer's latest audited financial statements, on request and without charge.

2015, c.I-9.11, s.2-32.

Annual return of licensed provincial company

2-33(1) In this section, **"annual return"** means an annual return required by subsection (2).

(2) Every licensed provincial company shall file an annual return with the Superintendent in accordance with this section.

(3) The annual return must be filed:

(a) in the case of a provincial company that is limited by the Superintendent to the reinsurance of risks, within 105 days after the end of the financial year for which the return is prepared; or

(b) in the case of any other provincial company, within 60 days after the end of the financial year for which the return is prepared.

(4) The annual return must:

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

(b) set out the following:

(i) the provincial company's name;

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

(iii) the names and residential addresses of the provincial company's directors;

(iv) the names of the provincial company's officers;

(v) the name and address of the provincial company's attorney for service;

(vi) if the provincial company's records are held outside Saskatchewan pursuant to section 2-39 or subsection 3-96(2), the address at which those records are located;

(vii) the assets, liabilities, revenues and expenditures of the provincial company for the financial year for which the annual return is prepared;

(viii) particulars of the business of insurance conducted in Saskatchewan during the financial year for which the annual return is prepared;

(ix) any other information that the Superintendent considers necessary;

(c) contain the prescribed information; and

(d) be approved and signed, in the prescribed manner, by:

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

(ii) the secretary or manager of the provincial company.

(5) The assets of a provincial company must be valued in accordance with the prescribed method.

(6) The annual return must be accompanied by:

(a) the prescribed documents; and

(b) any other documents that the Superintendent considers necessary.

2015, c.I-9.11, s.2-33.

Annual return of insurers other than provincial companies

2-34(1) In this section, **"annual return"** means the annual return required by subsection (2).

(2) Every licensed insurer that is not a licensed provincial company shall file an annual return in accordance with this section.

(3) The annual return must be filed:

(a) in the case of an insurer that is limited by the Superintendent to the reinsurance of risks, within 105 days after the end of the financial year for which the return is prepared; or

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

(4) The annual return must:

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

(b) set out the following:

(i) the licensed insurer's name;

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

(iii) the particulars of the licensed insurer's insurance business conducted in Saskatchewan during the year for which the annual return is prepared;

(iv) the name and address of the licensed insurer's attorney for service;

(v) any other information that the Superintendent considers necessary; and

(c) contain the prescribed information.

(5) The annual return must be accompanied by:

(a) the prescribed documents; and

(b) any other documents that the Superintendent considers necessary.

(6) The annual return must be filed with:

(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 10-41; and

(ii) the Superintendent has notified the licensed insurer in writing that the annual return is to be filed with that government, regulatory authority or person.

2015, c.I-9.11, s.2-34.

Interim financial statements

2-35 The Superintendent may, by written notice, require any licensed insurer to 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 required by the Superintendent.

2015, c.I-9.11, s.2-35.

Prohibition re advertised statements

2-36 Except as required by law, no insurer shall publish or circulate a statement purporting to show that the financial condition of the insurer differs from the financial condition shown by a statement filed with the Superintendent.

2015, c.I-9.11, s.2-36.

Prohibition re statements that financial standing guaranteed

2-37 No person shall represent orally or in writing that any of the following is a warranty or guarantee of the financial standing of the insurer or of its ability to provide for the payment of its contracts of insurance at maturity:

(a) the issue of a licence to an insurer;

(b) the printing or publication of an annual statement in the report of the Superintendent or in any other publication issued by the Superintendent;

(c) any other circumstance of the supervision or regulation of the business of the insurer by law or the Superintendent.

2015, c.I-9.11, s.2-37.

Reports of licensed insurers

2-38(1) Every licensed insurer shall prepare and deliver to the Superintendent a report in any form and containing any information that is required by the Superintendent.

(2) A report mentioned in subsection (1) must be submitted to the Superintendent within the period required by the Superintendent.

(3) If, at any time during a year, a licensed provincial company or extraprovincial company ceases to have an adequate base capital as required pursuant to clause 2-12(b), it shall promptly:

(a) give written notice of that fact to the Superintendent; and

(b) if directed to do so by the Superintendent, cease to undertake or to offer to undertake insurance in Saskatchewan until the Superintendent gives written notice to the licensed insurer.

2015, c.I-9.11, s.2-38.

Records to be kept in Saskatchewan or approved location

2-39(1) Every licensed insurer, other than a provincial company, shall keep, in Saskatchewan or in any other location that the Superintendent may approve, the following records:

(a) records respecting its assets, liabilities, revenues and expenditures for a financial year;

(b) particulars of the business of insurance undertaken in Saskatchewan during a financial year;

(c) any prescribed records.

(2) Every licensed insurer shall cause the records mentioned in subsection (1) to be kept for the prescribed period.

2015, c.I-9.11, s.2-39.

Audit of records

2-40(1) If at any time it appears to the Superintendent that a licensed insurer is not keeping records as required by section 2-39 or 3-96, the Superintendent may:

(a) examine the books and records, or engage a person to audit the books and records, of the insurer or its managing general agents; and

(b) give instructions that will enable the officers of the insurer to comply with those sections.

(2) Within the period required by the Superintendent, the licensed insurer shall pay for the reasonable remuneration and expenses of the Superintendent or the person engaged pursuant to subsection (1) that are approved by the Superintendent for an examination or audit.

(3) If the amount approved pursuant to subsection (2) with respect to a person engaged pursuant to subsection (1) is not paid by the licensed insurer within the period directed by the Superintendent, the Superintendent may pay the amount to that person and by notice demand payment from the licensed insurer.

(4) On receipt of a notice from the Superintendent demanding payment of an amount pursuant to subsection (3), the licensed insurer shall immediately pay that amount to the Superintendent.

(5) An amount payable pursuant to this section is a debt due to and recoverable by the Crown in right of Saskatchewan and may be recovered in any manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

2015, c.I-9.11, s.2-40.

Other information

2-41(1) No provincial company shall fail to file with the Superintendent a copy of:

(a) any change to its instrument of incorporation within seven days after the change is made;

(b) every amendment or consolidation of its constitution, bylaws, rules and regulations verified in the manner satisfactory to the Superintendent within 30 days after the passing or adoption of the amendment or consolidation; and

(c) a prescribed matter.

(2) No licensed insurer that is not a provincial company shall fail to file with the Superintendent a copy of any change to its instrument of incorporation within seven days after the date on which the change is made.

2015, c.I-9.11, s.2-41.

Notice of change

2-42 Within seven days after any prescribed change in circumstances, an applicant for a licence or a licensed insurer shall notify the Superintendent of the change.

2015, c.I-9.11, s.2-42.

Subdivision 6
Other Actions Affecting Insurers' Licences

Federally authorized companies

2-43(1) In this section, **"order"** means an order pursuant to the *Insurance Companies Act* (Canada) that approves a federally authorized company to carry on business or to insure risks in Canada.

(2) If the order of a federally authorized company is rescinded, the licence of the federally authorized company issued pursuant to this Act is automatically cancelled.

(3) On payment of the prescribed fee, the Superintendent may reinstate the licence that has been cancelled pursuant to this section if the federally authorized company obtains a new order.

(4) If the authority to insure a class of risks is removed from the order or is not included in the order, that class of insurance is automatically removed from the licence of the federally authorized company issued or reinstated pursuant to this Act.

(5) The Superintendent may restore the class of insurance to the licence of the federally authorized company mentioned in subsection (4) if the class of insurance is restored to the company's order.

2015, c.I-9.11, s.2-43.

Capital and liquidity – extraprovincial company

2-44(1) An extraprovincial company shall, in relation to its operations:

(a) maintain adequate capital and adequate and appropriate forms of liquidity; and

(b) comply with any regulations in relation to capital and liquidity.

(2) The Lieutenant Governor in Council may make regulations respecting the maintenance by extraprovincial companies of:

(a) adequate capital; and

(b) adequate and appropriate forms of liquidity.

(3) The regulations made pursuant to subsection (2) may specify different requirements for different classes of extraprovincial companies.

(4) Notwithstanding that an extraprovincial company is complying with regulations made pursuant to subsection (2), the Superintendent may, by order, direct the company:

(a) to increase its capital; or

(b) to provide additional liquidity in the forms and amounts that the Superintendent requires.

(5) An extraprovincial company shall comply with an order made pursuant to subsection (4) within the period the Superintendent specifies in the order.

2015, c.I-9.11, s.2-44.

Extraprovincial companies

2-45(1) If the licence of an extraprovincial company is cancelled or suspended with or without conditions pursuant to the laws of the jurisdiction pursuant to which the company is incorporated, the licence issued to the extraprovincial company pursuant to this Act:

(a) if the jurisdiction cancelled the licence, is automatically cancelled; or

(b) if the jurisdiction suspended the licence, is automatically suspended on the same conditions.

(2) Subject to subsection (3), if, under the laws of the jurisdiction pursuant to which an extraprovincial company is incorporated, terms, conditions or restrictions are imposed on its licence to carry on business in that jurisdiction, the licence held by the company pursuant to this Act is automatically subject to the same terms, conditions or restrictions.

(3) Subject to section 10-11, if a licence is suspended pursuant to subsection (1) or if subsection (2) applies, the Superintendent may make any amendment to the terms, conditions or restrictions imposed under the laws of the other jurisdiction that the Superintendent considers necessary to take into account circumstances in Saskatchewan.

(4) If, under the laws of the jurisdiction pursuant to which an extraprovincial company is incorporated, a class of insurance is removed from its licence issued in that jurisdiction, the class of insurance is automatically removed from the licence issued to the extraprovincial company pursuant to this Act.

(5) On payment of the prescribed fee, the Superintendent may reinstate the licence of an extraprovincial company that has been cancelled pursuant to subsection (1) or restore to the licence of an extraprovincial company a class of insurance that is removed pursuant to subsection (4) if the reinstatement or restoration occurs in the jurisdiction in which the extraprovincial company is incorporated.

2015, c.I-9.11, s.2-45.

Subdivision 7
Regulations

Regulations for Division

2-46 The Lieutenant Governor in Council may make regulations:

(a) prescribing insurers for the purposes of clause 2-4(1)(j);

(b) specifying an amount of base capital for the purposes of clause 2-12(a);

(c) prescribing an expiry date for the purposes of subsection 2-16(1);

(d) prescribing a date for the purposes of subsection 2-18(2);

(e) prescribing activities for the purposes of clause 2-28(1)(e);

(f) prescribing the method of valuing the assets of a provincial company for the purposes of subsection 2-33(5);

(g) prescribing the records to be kept by a licensed insurer pursuant to subsection 2-39(1) and the length of time those records are to be retained for the purposes of subsection 2-39(2);

(h) prescribing any matter or thing that is authorized or required by this Division to be prescribed in the regulations.

2015, c.I-9.11, s.2-46.

DIVISION 2
Licensing of Reciprocal Insurance Exchanges

Interpretation of Division

2-47(1) In this Division:

"approved securities" means:

(a) with respect to a reciprocal insurance exchange that has its principal office in Saskatchewan, investments that the exchange would be authorized to make if the exchange were a provincial company;

(b) with respect to a reciprocal insurance exchange that has its principal office in a province or territory other than Saskatchewan, investments that the exchange is authorized to make pursuant to the laws of that province or territory; and

(c) with respect to a reciprocal insurance exchange that has its principal office outside Canada, investments that the exchange is authorized to make pursuant to Part XIII of the *Insurance Companies Act* (Canada);

"principal attorney" means a person authorized by subscribers pursuant to a subscribers' agreement to sign reciprocal contracts on their behalf and to act on the subscribers' behalf with respect to any matter specified in the subscribers' agreement mentioned in section 2-57 relating to those contracts;

"principal office" means the main office of the principal attorney.

(2) The requirements of this Division respecting licences are in addition to those set out in Division 1.

2015, c.I-9.11, s.2-47.

Licence required

2-48(1) No person shall exchange a reciprocal contract unless:

(a) the exchange is made by the person's principal attorney;

(b) the exchange is part of a reciprocal insurance exchange that is licensed pursuant to this Act; and

(c) the reciprocal contract falls within a class of insurance that the reciprocal insurance exchange is authorized to undertake.

(2) No person shall act as principal attorney or on behalf of a principal attorney in the exchange of reciprocal contracts for persons who are resident in Saskatchewan unless the exchange is part of a licensed reciprocal insurance exchange.

2015, c.I-9.11, s.2-48.

Classes of insurance

2-49 Subject to sections 2-51 and 2-52, a reciprocal insurance exchange may be licensed to undertake any prescribed class of insurance.

2015, c.I-9.11, s.2-49.

Subscriber not an insurer

2-50 A person is not an insurer by reason of exchanging reciprocal contracts through a reciprocal insurance exchange.

2015, c.I-9.11, s.2-50.

Automobile insurance

2-51 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 prescribed number of automobiles; and

(b) arrangements have been made for the reinsurance of all liabilities in excess of the prescribed limits.

2015, c.I-9.11, s.2-51.

Property insurance

2-52 The Superintendent shall not issue a licence to a reciprocal insurance exchange to exchange a reciprocal contract with respect to property insurance unless the Superintendent is satisfied that:

(a) the reciprocal insurance exchange has received applications for reciprocal contracts for at least the prescribed number of separate risks in Saskatchewan or elsewhere; and

(b) the value of the property insured totals not less than the prescribed amount.

2015, c.I-9.11, s.2-52.

Premium deposit

2-53 Every reciprocal insurance exchange shall require its subscribers to provide to its principal attorney, as a condition of membership in the exchange, a premium reasonably sufficient for the risk assumed by the exchange.

2015, c.I-9.11, s.2-53.

Report re premium deposit

2-54 The Superintendent may, at any time, require a reciprocal insurance exchange to provide the Superintendent with the report of an actuary and other documentation or materials required by the Superintendent to determine if the premium charged by the reciprocal insurance exchange pursuant to section 2-53 is reasonably sufficient for the risk assumed by the reciprocal insurance exchange.

2015, c.I-9.11, s.2-54.

Management of reciprocal insurance exchange

2-55(1) An advisory board or committee of subscribers established in accordance with the subscribers' agreement mentioned in section 2-57 shall manage the affairs of the reciprocal insurance exchange.

(2) The advisory board or committee of subscribers shall establish policies and procedures to ensure that the reciprocal insurance exchange applies prudent investment standards in making investment decisions and in managing its total investments.

(3) The advisory board or committee of subscribers shall review the policies and procedures established pursuant to subsection (2) at least once each year.

2015, c.I-9.11, s.2-55.

Annual return re reciprocal insurance exchange

2-56(1) In addition to the information required pursuant to sections 2-33 and 2-34, the annual return of a reciprocal insurance exchange must:

(a) set out the name of the reciprocal insurance exchange and the name and address of its principal attorney and of its attorney for service;

(b) set out the particulars respecting the reserve fund required pursuant to section 2-61 and guarantee fund required pursuant to section 2-63;

(c) set out any other information considered necessary by the Superintendent; and

(d) be signed by the principal attorney and at least two members of the advisory board or committee of subscribers of the reciprocal insurance exchange.

(2) If, in the Superintendent's opinion, an annual return prepared by a reciprocal insurance exchange for another jurisdiction meets the requirements of subsection (1), the exchange may file that return to satisfy the requirements of subsection (1).

2015, c.I-9.11, s.2-56.

Subscribers' agreement – required elements

2-57(1) A subscribers' agreement must:

(a) provide for the establishment of an advisory board or committee of subscribers to be responsible for the supervision of the reciprocal insurance exchange;

(b) set out the powers and duties of the advisory board or committee of subscribers;

(c) provide for the establishment of an audit committee composed of a minimum of three members of the advisory board or committee of subscribers;

(d) describe how the reciprocal insurance exchange will establish the investment and lending policies and procedures required pursuant to section 3-128;

(e) contain any other matters required by the Superintendent; and

(f) contain any other prescribed matters.

(2) A change to the agreement mentioned in section (1) is not effective unless it is approved by the Superintendent.

2015, c.I-9.11, s.2-57.

Signing contracts

2-58 After a reciprocal insurance exchange is licensed, a principal attorney may sign a reciprocal contract.

2015, c.I-9.11, s.2-58.

Court action re reciprocal contracts

2-59 Notwithstanding any condition or stipulation in a subscribers' agreement mentioned in section 2-57 or in a reciprocal contract, any action or proceeding with respect to any reciprocal contract may be maintained in any court of competent jurisdiction in Saskatchewan.

2015, c.I-9.11, s.2-59.

Requirements for property insurance

2-60(1) A reciprocal insurance exchange that is authorized to undertake property insurance shall ensure that no subscriber has assumed on any single property insurance risk in an amount greater than 10% of the net worth of the subscriber.

(2) When requested to do so by the Superintendent, the principal attorney of a reciprocal insurance exchange that is authorized to undertake property insurance shall file a statement under oath or on affirmation:

(a) showing the maximum amount of indemnity on any single property insurance risk;

(b) stating that no subscriber has assumed on any single property insurance risk in an amount greater than 10% of the net worth of the subscriber; and

(c) providing any other prescribed information.

2015, c.I-9.11, s.2-60.

Reserve fund

2-61 Every reciprocal insurance exchange shall maintain a reserve fund in cash or approved securities in an amount calculated in the prescribed manner.

2015, c.I-9.11, s.2-61.

Temporary exclusion from premium calculation

2-62(1) A reciprocal insurance exchange may provide for the assessment on its subscribers of a premium surcharge over and above the premiums required by section 2-53.

(2) The premium surcharge may be assessed only during the year in which the reciprocal insurance exchange's licence is initially issued and for two years after its initial issue, except that the Superintendent may, on application by the reciprocal insurance exchange, extend the period of authorization of the surcharge for an additional one-year period.

(3) The reciprocal insurance exchange may exclude the premium surcharge from premiums for the purpose of calculating the reserve fund requirements of section 2-61.

2015, c.I-9.11, s.2-62.

Guarantee fund

2-63 In addition to the reserve fund required by section 2-61, every reciprocal insurance exchange shall maintain a guarantee fund in cash or approved securities in an amount calculated in the prescribed manner.

2015, c.I-9.11, s.2-63.

Deficiency

2-64(1) If a reciprocal insurance exchange does not have the minimum amounts required pursuant to sections 2-61 and 2-63, the subscribers or the principal attorney of the exchange shall immediately make up the deficiency.

(2) If funds other than those that accrued from premiums of subscribers are supplied to make up a deficiency, the funds must, so long as a deficiency exists, be deposited and held for the benefit of subscribers pursuant to the terms and conditions specified by the Superintendent.

2015, c.I-9.11, s.2-64.

Investments

2-65 Every reciprocal insurance exchange shall ensure that the funds of the exchange that are required by this Act are invested in approved securities.

2015, c.I-9.11, s.2-65.

Contracts

2-66 Without the approval of the Superintendent, no reciprocal insurance exchange shall undertake any liability on a reciprocal contract or on any other contract of insurance except on behalf of a subscriber.

2015, c.I-9.11, s.2-66.

Attorney not to act until licence issued

2-67 Unless a licence for a reciprocal insurance exchange has been issued, no person shall act as principal attorney, or for or on behalf of a principal attorney:

(a) in the exchange of reciprocal contracts; or

(b) in acts or transactions in connection with the exchange of reciprocal contracts.

2015, c.I-9.11, s.2-67.

Suspension or cancellation of reciprocal insurance exchange licence

2-68(1) Subject to section 10-11, the Superintendent may suspend or cancel a reciprocal insurance exchange licence:

(a) if, in the opinion of the Superintendent, the reciprocal insurance exchange:

(i) has failed to comply with:

(A) any provision of this Act or the regulations; or

(B) an order of the Superintendent pursuant to this Act;

(ii) has failed to pay any fee, fine, penalty or costs imposed pursuant to this Act;

(iii) has provided false or misleading information to the Superintendent in the reciprocal insurance exchange's application or at any other time; or

(iv) is carrying on business in a manner that is prejudicial to the public interest; or

(b) on any ground on which the Superintendent might have refused to issue the licence pursuant to this Act.

(2) A suspension or cancellation pursuant to subsection (1) does not affect the validity of any reciprocal contracts effected before the suspension or cancellation or the rights and obligations of subscribers under the contracts.

(3) The principal attorney shall give the subscribers notice of the suspension or cancellation, and the Superintendent shall publish notice of the suspension or cancellation:

(a) in the Gazette; and

(b) in any other manner that the Superintendent considers necessary to bring the suspension or cancellation to the attention of the public.

2015, c.I-9.11, s.2-68.

DIVISION 3
Regulations for Part

Regulations for Part

2-69 The Lieutenant Governor in Council may make regulations:

(a) prescribing licensing requirements for the purposes of section 2-5;

(a.1) prescribing the number of automobiles and limits for the purposes of section 2-51;

(b) prescribing the number of separate risks and the value of property for the purposes of section 2-52;

(c) prescribing matters to be included in agreements for the purposes of section 2-57;

(d) prescribing the manner of calculating reserve funds and guarantee funds for the purposes of section 2-61 or 2-63;

(e) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(f) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2015, c.I-9.11, s.2-69; 2018, c 14, s.5.

PART III
Provincial Companies

DIVISION 1
Business Dealings

Main business

3-1 Subject to this Act and the regulations, no provincial company shall engage in or carry on any business other than the business of insurance.

2015, c.I-9.11, s.3-1.

Life insurance

3-2 No provincial company shall issue a contract of life insurance that does not appear to be self-supporting on reasonable assumptions respecting interest, mortality and expenses.

2015, c.I-9.11, s.3-2.

Security interests

3-3(1) Subject to subsection (2), no provincial company shall create a security interest in any property of the company to secure an obligation of the company.

(2) This section does not apply to the creation of a security interest:

(a) in relation to the reinsurance by the provincial company of risks insured by another insurer;

(b) on prescribed classes of personal property or prescribed classes of transactions;

(c) on property having an aggregate value that is less than the prescribed amount; or

(d) that is prescribed.

2015, c.I-9.11, s.3-3.

Beneficial interests

3-4 No provincial company shall acquire any beneficial interest in property, other than by way of realization, that is subject to a security interest.

2015, c.I-9.11, s.3-4.

Debt obligations

3-5(1) A provincial life company shall not, and shall not permit its subsidiaries to, enter into a debt obligation or issue any share, other than a common share, if as a result the aggregate of the total debt obligations and the book value of the shares of the company and its subsidiaries would exceed 20% of the total assets of the company and its subsidiaries.

(2) A provincial property and casualty company shall not, and shall not permit its subsidiaries to, enter into a debt obligation or issue any share, other than a common share, if as a result the aggregate of the total debt obligations and the book value of the shares of the company and its subsidiaries would exceed 2% of the total assets of the company and its subsidiaries.

2015, c.I-9.11, s.3-5.

Guarantees

3-6(1) No provincial company shall guarantee on behalf of any person other than itself the payment or repayment of any sum of money unless:

(a) the sum of money is a fixed sum of money with or without interest on the fixed sum; and

(b) the person on whose behalf the company has undertaken to guarantee the payment or repayment has an unqualified obligation to reimburse the company for the full amount of the payment or repayment to be guaranteed.

(2) Subsection (1) does not apply with respect to any indemnity mentioned in section 119 of *The Business Corporations Act*.

(3) Clause (1)(a) does not apply to a provincial life company if the person on whose behalf the provincial life company has undertaken to guarantee a payment or repayment:

(a) is a subsidiary of the company; and

(b) is primarily engaged in insuring risks that fall within a class of insurance that the company is authorized to insure.

2015, c.I-9.11, s.3-6.

Provincial company to seek authorization in foreign jurisdictions

3-7 No provincial company shall carry on or solicit business as an insurer in a foreign jurisdiction unless it is authorized to do so pursuant to the laws of that jurisdiction.

2015, c.I-9.11, s.3-7.

DIVISION 2
Segregated Funds

Interpretation of Division

3-8 In this Division:

"segregated fund" means, in relation to a variable insurance contract, the separate and distinct funds described in subsection 3-9(2) and section 3-10 containing the assets on which the value of the contract is based;

"variable insurance contract" means an annuity or life insurance policy with respect to which all or any part of the reserves vary in amount with the market value of a specified group of assets held in a separate and distinct fund and includes a provision in a life insurance contract under which policy dividends or policy proceeds may be retained for investment in that fund.

2015, c.I-9.11, s.3-8.

Variable insurance contracts based on segregated fund

3-9(1) Any provincial life company may:

(a) issue policies for which the reserves vary in amount with the market value of a specified group of assets; and

(b) retain the following for investment on the basis that the liability of the insurer with respect to them varies in amount with the market value of a specified group of assets:

(i) policy dividends;

(ii) policy proceeds that become payable on surrender or maturity of the policy not less than five years after the date of its issue if the policyholder so directs;

(iii) policy proceeds that become payable on the death of the policyholder if the policyholder or beneficiary so directs.

(2) A provincial life company shall:

(a) maintain with respect to the policies, dividends and proceeds mentioned in subsection (1), as the case may be, one or more separate and distinct funds with separate assets for each fund that are segregated from the other assets of the company;

(b) obtain the approval of the Superintendent before issuing policies or accepting or retaining amounts; and

(c) comply with any prescribed requirements.

2015, c.I-9.11, s.3-9.

Creation and maintenance of segregated funds

3-10 Subject to the regulations, a provincial life company may transfer an amount to a separate fund mentioned in subsection 3-9(2) for the purpose of maintaining or establishing a segregated fund pursuant to section 3-9.

2015, c.I-9.11, s.3-10.

Transfers from segregated funds

3-11 With the approval of the Superintendent, a provincial life company may return the current value of an amount transferred pursuant to section 3-10 to the fund from which the amount was transferred.

2015, c.I-9.11, s.3-11.

Claims against segregated funds

3-12 A claim against a segregated fund maintained pursuant to section 3-9 under a policy or for an amount with respect to which the fund is maintained has priority over any other claim against the assets of that fund.

2015, c.I-9.11, s.3-12.

Restriction of claims

3-13(1) Subject to subsection (2), the liability of a provincial life company under a policy or for an amount with respect to which a segregated fund is maintained pursuant to section 3-9 does not, except to the extent that the assets of the fund are insufficient to satisfy a claim for any minimum amount that the company agrees to pay under the policy or with respect to the amount, give rise to a claim against any assets of the company other than the assets of that fund.

(2) To the extent that the assets of a segregated fund are insufficient to satisfy a claim mentioned in subsection (1), the liability of a provincial life company may give rise to a claim against the assets of the company, other than the assets of the segregated fund.

2015, c.I-9.11, s.3-13.

Variable insurance contracts, forms and information folders

3-14(1) No provincial life company shall issue a variable insurance contract or offer to enter into a variable insurance contract that pursuant to this Act would be deemed to be made in Saskatchewan until the following have been filed with the Superintendent and a receipt has been obtained from the Superintendent:

(a) a specimen form of the variable insurance contract;

(b) an information folder relating to the variable insurance contract;

(c) any other prescribed materials.

(2) The forms of variable insurance contracts and information folders with respect to them must comply with the requirements of Part VII and Part VIII and the regulations.

(3) If a provincial life company continues to issue a variable insurance contract with respect to which it has filed an information folder, it shall file with the Superintendent a new information folder with respect to the variable insurance contract:

(a) immediately after the occurrence of any material change in the contract or in any other facts set out in the latest information folder so filed; and

(b) within 13 months after the date of filing of the latest information folder, or any other prescribed period.

(4) The Superintendent may prohibit the provincial life company from continuing to issue any variable insurance contracts if the Superintendent is of the opinion that the financial condition of the provincial life company or its method of operation in connection with the issuance of its variable insurance contracts will not afford sufficient protection to prospective purchasers of those variable insurance contracts in Saskatchewan.

2015, c.I-9.11, s.3-14.

Provincial property and casualty companies not to issue variable insurance contracts

3-15 No provincial property and casualty company shall issue variable insurance contracts.

2015, c.I-9.11, s.3-15.

DIVISION 3
Applying to Carry on Business

Application

3-16(1) Notwithstanding any other Act or law, no person shall apply for incorporation or for continuance pursuant to an Act for the purpose of carrying on business as a provincial company unless the person has received the written approval of the Superintendent.

(2) An application for the written approval of the Superintendent pursuant to subsection (1) must contain the following:

(a) the information and material specified by the Superintendent;

(b) a plan for the future conduct and development of the business of the proposed provincial company;

(c) the proposed provincial company's proposed financial year;

(d) the location of the head office of the proposed provincial company in Saskatchewan;

(e) the names of the directors of the proposed provincial company.

(3) On receiving an application for the purposes of subsection (1), the Superintendent shall cause notice of the application to be published:

(a) in the Gazette; and

(b) in any other manner that the Superintendent considers necessary to bring the application to the attention of the public.

(4) Any person who objects to the proposed incorporation or continuance of a provincial company may, within 30 days after the date of publication of the notice in the Gazette pursuant to subsection (3), submit an objection in writing to the Superintendent.

2015, c.I-9.11, s.3-16.

Factors to be considered

3-17(1) Subject to section 10-11, the Superintendent may approve or reject an application for written approval pursuant to section 3-16.

(2) In determining whether to approve or reject an application pursuant to section 3-16, the Superintendent shall take into account all matters that the Superintendent considers relevant to the application, including:

(a) the nature and sufficiency of the financial resources of the applicant as a source of continuing financial support for the proposed provincial company;

(b) the soundness and feasibility of the plan for the future conduct and development of the business of the proposed provincial company;

(c) the business record and experience of the applicant; and

(d) whether the proposed provincial company will be operated by persons who are of good character and who have the competence and experience suitable for involvement in the operation of an insurer.

2015, c.I-9.11, s.3-17.

DIVISION 4
Provincial Mutual Companies

Application to licensed companies

3-18(1) This Division applies to every provincial mutual company.

(2) If there is a conflict between this Division and the Statutory Conditions in Part VIII, this Division prevails.

2015, c.I-9.11, s.3-18.

Subdivision 1
Powers and Restrictions

General reinsurance agreement

3-19 A provincial mutual company that is a member of the Farm Mutual Reinsurance Plan Inc. on the day on which this Act comes into force shall remain a party to a general reinsurance agreement with the Farm Mutual Reinsurance Plan Inc. or another prescribed mutual reinsurance company.

2015, c.I-9.11, s.3-19.

Power to make bylaws

3-20(1) A provincial mutual company may make bylaws, not inconsistent with this Act, for the conduct of its affairs.

(2) A provincial mutual company shall provide the Superintendent with two copies of any proposed bylaw or amendment of or addition to any bylaw.

(3) On receiving the materials mentioned in subsection (2), the Superintendent may:

(a) accept them for filing and return one copy bearing the endorsement of the Superintendent to that effect; or

(b) subject to section 10-11, refuse to accept them.

2015, c.I-9.11, s.3-20.

Insured persons deemed members

3-21(1) Subject to subsection (2), a person insured under a policy issued by a provincial mutual company is, from the date on which the policy becomes effective, a member of the company.

(2) A person insured under a policy of crop hail insurance issued by a provincial mutual company is deemed to be a member of the company until June 15 of the year following the date on which the policy becomes effective or until he or she withdraws from the company, whichever is earlier.

(3) Every member of the company is liable with respect to any loss or other claim or demand against the provincial mutual company to the maximum amount of the lesser of:

(a) the extent of the amount unpaid on his or her premium note; and

(b) the extent of his or her cash premium.

(4) A member of the company may, with the consent of the directors, withdraw from the provincial mutual company on any terms that the directors may set out.

(5) On the withdrawal of a member of the company pursuant to subsection (4), the member's policy is cancelled, but the member, subject to subsection (3), is liable to be assessed for and to pay his or her proportion of the losses, expense and reserve to the time of cancelling of the policy.

2015, c.I-9.11, s.3-21.

Subdivision 2
Meetings

Annual meeting

3-22(1) The annual meeting of the members of a provincial mutual company must be held before March 31 in every year at a time and place that may be set by the directors or by the bylaws of the company.

(2) At an annual meeting, in addition to the election of directors, there must be considered:

(a) a report of the transactions of the provincial mutual company for the preceding year;

(b) a full statement of the provincial mutual company's affairs, exhibiting in detail its receipts and expenditures and its assets and liabilities; and

(c) a report on the affairs mentioned in clause (b) by the auditors of the provincial mutual company.

(3) With the consent of the Superintendent, the annual meeting may be held at a date later than the date mentioned in subsection (1).

2015, c.I-9.11, s.3-22.

Special meeting

3-23 The directors may call a special general meeting of the provincial mutual company at any time and shall do so at the written request of 10 members of the provincial mutual company.

2015, c.I-9.11, s.3-23.

Notice of meeting

3-24(1) Notice of every annual or special meeting of the provincial mutual company must be given to every member at least 14 days before the date of the meeting.

(2) In addition to the requirements set out in subsection (1), a notice of the meeting must be published in any manner that the Superintendent considers appropriate.

2015, c.I-9.11, s.3-24.

Members entitled to vote at meetings

3-25(1) Each member of a provincial mutual company who is present is entitled at all meetings of the company to one vote on each question, but no member is entitled to vote while in arrears for any assessment or premium due by him or her to the company.

(2) If two or more persons are named as the insured in a policy, only one is entitled to vote at a meeting of the company, and the right of voting belongs to the one first named in the policy if he or she is present, and, if not present, to the one who is next named and so on.

(3) If the insured is a body corporate or partnership, any person appointed by resolution of the board of the body corporate or in accordance with an agreement of the partnership may vote on its behalf.

2015, c.I-9.11, s.3-25.

Quorum

3-26 Twelve members is a quorum for a meeting of a provincial mutual company.

2015, c.I-9.11, s.3-26.

Subdivision 3

Board of Directors

Number of directors

3-27(1) A board of directors shall manage the affairs of a provincial mutual company.

(2) The board of directors must consist of six, nine, 12 or 15 directors as determined by the provincial mutual company.

(3) The number of directors may be increased or decreased at an annual or special meeting of the provincial mutual company if 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 must in any case be six, nine, 12 or 15.

2015, c.I-9.11, s.3-27.

Persons eligible as directors

3-28(1) Subject to section 3-31, no person is eligible to be or act as a director unless he or she is a member of the provincial mutual company.

(2) If a member is a corporation or a partnership, one director of the corporation or one member of the partnership is eligible to be a director of the provincial mutual company.

2015, c.I-9.11, s.3-28.

Retirement of directors in rotation

3-29(1) One-third of the directors shall retire annually in rotation, and at the first meeting of the directors, or as soon as possible after the meeting, 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.

(2) At every annual meeting, one-third of the total number of directors must be elected to fill the places of the retiring directors.

(3) Retiring directors are eligible for re-election.

(4) The election shall be by ballot.

(5) The directors shall, at their first meeting after the annual meeting, elect from among themselves a president and vice-president.

(6) For the purposes of subsection (5), the secretary shall preside at the election.

2015, c.I-9.11, s.3-29.

Vacancies

3-30(1) Subject to subsection (2), if a vacancy occurs among the directors, the vacancy:

(a) shall be filled, in the case of a board limited to six directors, until the next annual meeting by any person qualified, chosen by a majority of the remaining directors as soon as possible after the vacancy occurs; and

(b) may be filled, in the case of a board limited to a number of directors exceeding six, until the next annual meeting by any person qualified, chosen by a majority of the remaining directors as soon as possible after the vacancy occurs.

(2) At the next annual meeting, the vacancy shall be filled for the unexpired portion of the term.

(3) For the purposes of subsection (1), the office of a director becomes vacant if a director:

(a) ceases to have the prescribed qualifications;

(b) resigns, dies or is unable to act;

(c) is absent from three consecutive meetings of the board without being excused by a resolution of the board; or

(d) becomes insolvent.

(4) A vacancy in the membership of the board does not impair the power of the remaining members of the board to act.

2015, c.I-9.11, s.3-30.

Manager may be a director and may be paid a salary

3-31 The manager of the provincial mutual company, although he or she is not a member of the company, may be a director and may be paid an annual salary for his or her services as manager.

2015, c.I-9.11, s.3-31.

Travelling expenses

3-32 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 provincial mutual company.

2015, c.I-9.11, s.3-32.

Duty to administer affairs of company, etc.

3-33(1) The board of directors shall:

(a) administer the affairs of the provincial mutual company and make rules, not inconsistent with this Act or the regulations or the bylaws of the company, for the conduct of those affairs; and

(b) perform the duties imposed on it by this Act, the regulations and the bylaws and generally carry out its responsibilities in the best interests of the provincial mutual company.

(2) Without limiting the generality of subsection (1), the board of directors shall:

(a) keep a full and correct record of the proceedings at every meeting of the provincial mutual company and of the board;

(b) enter in the minutes of every meeting the names of the persons present; and

(c) preserve the records of the provincial mutual company.

2015, c.I-9.11, s.3-33.

Appointment of officers and security for performance of their duties

3-34(1) The board of directors may:

(a) appoint a manager, a secretary, a treasurer and any other officers, agents or assistants that are necessary;

(b) determine their duties, fix their respective compensation or allowances and take any security from them that is required for the performance of their respective duties; and

(c) remove them and appoint others instead.

(2) The treasurer or other officer having charge of the money of the provincial mutual company shall give security in an amount determined by the directors.

2015, c.I-9.11, s.3-34.

Table of rates

3-35 Subject to this Act and the regulations, the board of directors of a provincial mutual company may:

(a) adopt a table of rates, premiums or premium notes, as the case may be, and vary those tables; and

(b) fix the maximum amount of any risk to be undertaken.

2015, c.I-9.11, s.3-35.

Prorated payments of losses

3-36(1) If the board of directors considers that the assets, any reinsurance secured pursuant to section 3-38 and the total actual and estimated revenue of the provincial mutual company for a year are not sufficient to pay in full all losses incurred during the year, the board of directors shall:

(a) pay the losses on a prorated basis; and

(b) for that purpose, fix the percentage of the prorated payment and file with the Superintendent a statement showing how the prorated percentage has been determined.

(2) The percentage of the prorated payment determined in accordance with subsection (1) must be approved by the Superintendent before any payments are made.

2015, c.I-9.11, s.3-36.

Distribution of profits

3-37 Subject to sections 3-53, 3-124 and 8-94, the board of directors may, out of the earnings of the provincial mutual company, distribute equitably to the members of the provincial mutual company the sums that in the opinion of the board are proper and justifiable.

2015, c.I-9.11, s.3-37.

Reinsurance

3-38 The board of directors of the provincial mutual company may make arrangements with any insurer for the reinsurance of a risk or any portion of it on any conditions with respect to the rate and payment of premiums respecting the reinsurance that may be agreed on.

2015, c.I-9.11, s.3-38.

Loans to or by directors prohibited

3-39(1) Subject to subsection (2), no provincial mutual company shall lend money to or borrow money from one of its directors or enter into any contract with one of its directors other than a contract of insurance in the ordinary course of business.

(2) Nothing in this section prevents a director of a provincial mutual company from acting as an insurance agent on behalf of the provincial mutual company and accepting the regular commissions allowed to insurance agents.

2015, c.I-9.11, s.3-39.

Subdivision 4
Cancellation and Transfer of Contracts

Liability on cancellation or avoidance of policy

3-40(1) If a policy is cancelled or avoided by a provincial mutual company, the liability of the insured on his or her premium note ceases from the date of the cancellation or avoidance on account of any loss that occurs to the company after that date, but the insured continues to be liable to pay his or her proportion of the losses and expenses of the company to the time of cancelling or avoiding the policy.

(2) On payment of the insured's proportion of all assessments then payable and to become payable with respect to losses and expenses sustained up to the date of cancellation or avoidance mentioned in subsection (1), the insured is entitled to a return of his or her premium note and to the portion of the premium paid by him or her that has not been absorbed by the losses and expenses of the provincial mutual company up to that time.

(3) A condition respecting the entitlement mentioned in subsection (2) must be endorsed on the policy.

2015, c.I-9.11, s.3-40.

Assignment of policy

3-41(1) Subject to subsection (2), if the insured property or any interest in it is assigned or partly assigned by the insured and the assignee has the policy transferred to him or her, the provincial mutual company that issued the policy may accept the assignment.

(2) The provincial mutual company may accept the assignment mentioned in subsection (1) if within 30 days after the assignment:

(a) the assignee makes an application in a form acceptable to the company; and

(b) the assignee gives a new premium note or other proper security to the company's satisfaction for the portion of the premium note that remains unpaid.

(3) On accepting an assignment of the policy pursuant to subsection (1), the assignee is entitled to all the rights and privileges, and is subject to all the liabilities and conditions, to which the original party insured was entitled and subject.

(4) If the assignee is a mortgagee, the provincial mutual company that issued the policy may permit the policy to remain in force and to be transferred to the mortgagee by way of additional security, without requiring any premium note from the assignee or without the assignee becoming in any manner personally liable for premiums or otherwise.

(5) Notwithstanding subsection (4), the premium note and liability of the mortgagor with respect to the premium for the policy assigned to the mortgagor continues and is not affected by the assignment.

2015, c.I-9.11, s.3-41.

Subdivision 5
Premium Notes and Assessments

Interpretation of Subdivision

3-42 In this Subdivision and in Subdivision 6:

"assessment" means an assessment on premium notes made pursuant to section 3-45;

"notice" means a notice respecting an assessment given pursuant to section 3-46.

2015, c.I-9.11, s.3-42.

Company may accept premium notes

3-43(1) A provincial mutual company may accept premium notes for insurance and may issue policies.

(2) The premium notes mentioned in subsection (1) are to be assessed for the losses and expenses of the provincial mutual company in the manner set out in this Subdivision.

(3) A premium note does not create an interest against the title to the land on which the insured property is situated.

2015, c.I-9.11, s.3-43.

Part of premium may be in cash

3-44(1) With respect to the premium payable for a policy, a provincial mutual company may:

(a) demand and collect a portion of the premium in cash; and

(b) take a premium note for the remainder of the premium.

(2) If the amount collected pursuant to subsection (1) is more than sufficient to pay all losses and expenses during the continuance of the policy, any surplus becomes part of the earnings of the provincial mutual company.

2015, c.I-9.11, s.3-44.

Power to make assessments on premium notes

3-45(1) A provincial mutual company may make assessments on premium notes before losses have happened or expenses have been incurred.

(2) Any surplus from an assessment pursuant to subsection (1) becomes part of the earnings of the provincial mutual company.

2015, c.I-9.11, s.3-45.

Assessments

3-46(1) If a provincial mutual company makes an assessment pursuant to section 3-45, the assessment must be made on all premium notes and, subject to section 3-47, the assessments must be made at those intervals and for those amounts that the provincial mutual company determines to be necessary to meet losses, expenses and reserve of the provincial mutual company during the currency of the policies for which the notes were given.

(2) Every insured shall pay the assessments from time to time payable by the insured pursuant to this section to the provincial mutual company during the currency of the insured's policy.

(3) The provincial mutual company shall provide notice of an assessment pursuant to this section to:

(a) each insured, directed to the insured's address as given in the insured's application, or otherwise given in writing to the provincial mutual company; and

(b) each encumbrancer of the property insured known to the provincial mutual company.

(4) Every assessment pursuant to this section must be paid within 30 days after the date of payment specified in the notice mentioned in subsection (3).

(5) A notice of assessment is deemed sufficient if it states:

(a) the number of the policy;

(b) the period over which the assessment extends;

(c) the amount of the assessment; and

(d) the time within which and the place where the assessment is payable.

2015, c.I-9.11, s.3-46.

Assessments in the case of crop hail insurance

3-47 In the case of insurance against loss of or damage to crops by hail:

(a) the provincial mutual company shall make the assessment in each year after the expiry of the crop season;

(b) in making the assessment, the provincial mutual company may:

(i) make any addition to the premium, not to exceed 20% of the amount estimated to be necessary to pay the losses and expenses, that will enable it to allow a discount for prompt payment;

(ii) compute the assessment on any basis that, in its opinion, will result in sufficient payment to meet the requirements of the provincial mutual company after allowing the discount; and

(iii) pass a bylaw allowing a discount pursuant to subclause (i);

(c) the aggregate amount of the assessment must be:

(i) an amount that the provincial mutual company estimates to be necessary to pay all losses incurred during the crop season and all expenses of the provincial mutual company for the whole of the year; and

(ii) an amount that the provincial mutual company decides to add to the provincial mutual company's surplus; and

(d) all premium notes applicable to the crop season of the year for which the assessment is made are liable for the proportionate part of the aggregate assessment irrespective of the fact that the policy issued in consideration of any premium note is in force only during a portion of the crop season.

2015, c.I-9.11, s.3-47.

Policy void if assessment not paid

3-48(1) If the assessment with respect to a policy is not paid within 30 days after the date of payment specified in the notice, the policy is deemed to be void with respect to any claim for losses occurring during the time of the non-payment, but the policy is revived when the assessment is paid unless the provincial mutual company gives notice to the contrary to the person assessed.

(2) Nothing in this section relieves the insured from the insured's liability to pay the assessment or any subsequent assessments.

(3) An insured is not entitled to recover the amount of any loss or damage that happens to property insured under the policy mentioned in subsection (1) while the assessment remains due and unpaid.

2015, c.I-9.11, s.3-48.

Assessments to be proportionate

3-49(1) Subject to subsection (2), the assessment must always be in proportion to the amount of the premium notes held by the provincial mutual company making the assessment having regard to the branch or department to which the policies subject to the assessment relate.

(2) If a provincial mutual company alters its premium rate and still holds, with respect to contracts of insurance, premium notes at the prior rate, the provincial mutual company may make and levy different assessments between the respective premium notes that will, in risks of the same amount and of the same class of perils, equalize the cost of insurance to the makers of the respective premium notes.

2015, c.I-9.11, s.3-49.

Action for recovery

3-50(1) If an insured 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 provincial mutual company may commence an action to recover the assessment.

(2) An action commenced pursuant to subsection (1) is not a waiver of any forfeiture incurred by the non-payment mentioned in that subsection.

2015, c.I-9.11, s.3-50.

Evidence of amount due to company

3-51 In an action commenced pursuant to section 3-50 to recover an assessment, the certificate of the secretary of the provincial mutual company specifying the assessment and the amount due on the premium note with respect to the assessment is admissible in evidence as proof, in the absence of evidence to the contrary, of those facts.

2015, c.I-9.11, s.3-51.

Return of premium note after expiration of insurance

3-52 Within 40 days after the cancellation or expiration of a policy and on the application of the insured, the provincial mutual company shall return the premium note given for the policy to the person who signed it if all assessments levied and all losses and expenses with which the premium note is chargeable have been paid.

2015, c.I-9.11, s.3-52.

Surplus to be property of provincial mutual company

3-53(1) Unless the surplus of a provincial mutual company transacting property insurance exceeds $100,000 or any greater amount that 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.

(2) The surplus of a provincial mutual company is the property of the provincial mutual company as a whole, and no member of the provincial mutual company has a right to claim any share or interest in the surplus with respect to any payment contributed by the member towards the surplus, except in the event that the provincial mutual company is wound up.

2015, c.I-9.11, s.3-53.

Limits on provincial mutual company licensed to transact crop hail insurance

3-54 A provincial mutual company licensed to transact crop hail insurance must not be licensed to transact any other class of insurance.

2015, c.I-9.11, s.3-54.

Setting off debts against hail losses

3-55(1) Subject to subsection (2), if a member of a provincial mutual company is indebted to the provincial mutual company with respect to a contract of crop hail insurance and a loss occurs under the contract, no credit out of any moneys payable by reason of the loss may be applied on the indebtedness until the provincial mutual company ascertains what percentage of its total losses the company will be able to pay.

(2) A credit pursuant to subsection (1) is not to exceed that percentage of the moneys payable by reason of the loss.

(3) Subject to subsection (4), no provincial mutual company shall deduct the amount of any indebtedness of a member from the amount of the loss sustained under a contract of crop hail insurance until the provincial mutual company ascertains the percentage of its total losses the company will be able to pay.

(4) Any deduction pursuant to subsection (3) is to be made from the amount of the percentage of the loss.

2015, c.I-9.11, s.3-55.

Rights of members in case of winding up

3-56 If a provincial mutual company is being wound up and the number of members of the provincial mutual company does not equal at least 25% of the persons who were members in the preceding year, the members in both the current and the preceding year are, from the date on which the winding-up is commenced, deemed to be the members of the provincial mutual company.

2015, c.I-9.11, s.3-56.

Application and policy to set out certain information

3-57 Every application for a contract of crop hail insurance and every policy must bear the words "mutual insurance company – subject to prorated distribution of assets and losses" printed or stamped in conspicuous bold type at the head of the contract.

2015, c.I-9.11, s.3-57.

Subdivision 6
Demutualization

Conversion into provincial company with common shares

3-58(1) On the application of a provincial mutual company, the Superintendent may approve the conversion of the provincial mutual company into a provincial company with common shares.

(2) The Superintendent shall not approve the conversion mentioned in subsection (1) unless the Superintendent is satisfied that the prescribed requirements have been met.

2015, c.I-9.11, s.3-58.

Effect of conversion on policyholders of provincial mutual company

3-59 On the day on which the conversion mentioned in section 3-58 becomes effective, the policyholders of the provincial mutual company cease to have any rights with respect to the company as a provincial mutual company or any interest in the company as a provincial mutual company.

2015, c.I-9.11, s.3-59.

DIVISION 5
Amalgamation, Transfer, Fundamental Reinsurance and Purchase

Powers of companies re amalgamation, transfer and fundamental reinsurance

3-60(1) A licensed provincial company may do any of the following:

(a) amalgamate its property and business with those of any other licensed insurer;

(b) fundamentally reinsure its contracts of insurance with any other licensed insurer;

(c) transfer any or all of its property and business to any other licensed insurer.

(2) A licensed insurer mentioned in subsection (1) may enter into all contracts and agreements necessary, incidental or conducive to the activities mentioned in subsection (1) on compliance with the conditions set out in this Division.

(3) Subject to section 6-6, any licensed provincial company may:

(a) fundamentally reinsure the contracts of insurance of any other insurer; or

(b) purchase and take over any or all of the business and property of any other insurer.

(4) Notwithstanding anything in this Division, no insurer formed outside Canada may be amalgamated with any provincial company pursuant to this Act.

2015, c.I-9.11, s.3-60.

Approval by the Superintendent

3-61 No licensed provincial company shall amalgamate, transfer contracts of insurance or fundamentally reinsure contracts of insurance with another licensed insurer unless:

(a) they have entered into a written agreement;

(b) they apply to the Superintendent for approval of the agreement; and

(c) the written agreement mentioned in clause (a) has been approved by the Superintendent.

2015, c.I-9.11, s.3-61.

Documents filed

3-62 If the application for approval of a transaction mentioned in section 3-60 is made, the licensed insurers that are parties to the agreement shall file with the Superintendent the following documents, together with the application:

(a) copies of the statement of the assets and liabilities of the parties, certified by their officers or directors;

(b) a statement of the nature and terms of the transaction;

(c) a copy of the agreement under which the transaction is effected, certified by their officers or directors;

(d) a copy of the report on the transaction of an actuary who, in the opinion of the Superintendent, is independent of the parties, certified by their officers or directors;

(e) a declaration by the president and manager of each party that to the best of their knowledge and belief:

(i) every payment made or to be made to any person on account of the transaction is fully set forth; and

(ii) 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;

(f) evidence of the provision to policyholders and shareholders of the information required by subsection 3-64(2), if any, and evidence of publication of the notices required by subsection 3-64(1);

(g) any other information and reports that the Superintendent may require.

2015, c.I-9.11, s.3-62.

Superintendent's examination

3-63 Before providing an approval mentioned in section 3-61, the Superintendent may examine the general affairs of each of the parties to the transaction.

2015, c.I-9.11, s.3-63.

Notice given

3-64(1) The Superintendent may require a licensed provincial company mentioned in section 3-61 to publish notice of its proposed transaction at least 30 days before the application for approval is made:

(a) in the Gazette; and

(b) in any other manner that the Superintendent considers necessary to bring the proposed transaction to the attention of the public.

(2) If a licensed provincial company publishes a notice mentioned in subsection (1), the Superintendent may direct the company to provide its policyholders and shareholders with any information the Superintendent specifies.

(3) If a licensed provincial company publishes a notice mentioned in subsection (1), the company shall:

(a) make the proposed agreement to which the notice relates available for inspection by the policyholders of the company at the head office of the company for a period of at least 30 days after the publication of the notice in the Gazette; and

(b) provide a copy of the agreement to any policyholder or shareholder who sends a request in writing to the head office of the company.

(4) If the Superintendent is of the opinion that it is in the best interests of a group of policyholders affected by an agreement, the Superintendent may shorten the periods mentioned in subsections (1) and (3).

(5) The Superintendent may designate a professional advisor to evaluate the agreement, and the licensed provincial company that is proposing to enter into the agreement must provide any assistance required by the professional advisor to enable the advisor to complete the evaluation.

(6) The remuneration and expenses of the professional advisor for carrying out the evaluation mentioned in subsection (5) are payable by the licensed provincial company on being certified by the Superintendent.

2015, c.I-9.11, s.3-64.

Approval of transaction

3-65(1) On receiving an application for an approval pursuant to section 3-61, the Superintendent may:

(a) approve the transaction if the Superintendent is satisfied that the applicant has met all the requirements of this Act and the regulations; or

(b) subject to section 10-11, refuse to approve the transaction.

(2) The Superintendent shall not provide an approval pursuant to section 3-61 unless the Superintendent is satisfied that:

(a) the capital of the combined licensed insurers after the transaction is not impaired;

(b) the laws of any jurisdiction in which the insurers are licensed permit the transaction;

(c) the proposed transaction has obtained the approvals required pursuant to the laws of those jurisdictions mentioned in clause (b); and

(d) any other prescribed requirements are met.

2015, c.I-9.11, s.3-65.

Amalgamation under the laws of another jurisdiction

3-66 The requirements of this Division apply, with any necessary modification, to a licensed provincial company proposing to amalgamate with one or more insurers in accordance with the laws of a foreign jurisdiction.

2015, c.I-9.11, s.3-66.

Notice to other jurisdiction

3-67 If a federally authorized company or an extraprovincial company is amalgamated with a licensed provincial company pursuant to this Division, the Superintendent shall promptly send a copy of the certificate of amalgamation to the appropriate official or public body in the jurisdiction in which the federally authorized company or extraprovincial company was authorized to apply to be amalgamated pursuant to this Division.

2015, c.I-9.11, s.3-67.

DIVISION 6
If Licensed Insurer Leaves Saskatchewan

Transfer of contracts if licensed insurer leaves Saskatchewan

3-68(1) In this section:

"continuing insurer" means a licensed insurer that is to assume liability under contracts of insurance issued by a retiring insurer under an agreement with that retiring insurer;

"retiring insurer" means a licensed insurer that intends to cease to do business in Saskatchewan and that has entered into an agreement with a continuing insurer for the transfer of specified contracts of insurance issued by the retiring insurer.

(2) If a continuing insurer and a retiring insurer have entered into an agreement for the transfer of specified contracts of insurance, on the day on which the retiring insurer ceases to carry on business in Saskatchewan, an insured or other person entitled to rights under the contracts that are the subject-matter of the agreement may enforce the rights as though those contracts had been issued by the continuing insurer.

2015, c.I-9.11, s.3-68.

DIVISION 7
Liquidation

Subdivision 1
Liquidation

Interpretation of Division

3-69 In this Division:

"insured person" means a person who enters into a contract of insurance with an insurer and includes:

(a) every person insured by a contract of insurance, whether named or not;

(b) every person to whom or for whose benefit all or part of the proceeds of a contract of insurance are payable; and

(c) every person entitled to have insurance money applied towards satisfaction of that person's judgment in accordance with section 8-61;

"liquidator" means the liquidator of a provincial company appointed by the court;

"loss" includes the happening of an event or the coming to pass of a 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;

"provisional liquidator" means the provisional liquidator of a provincial company appointed pursuant to section 3-77;

"Saskatchewan contract" means a contract of insurance that:

(a) has for its subject:

(i) property that at the time of the making of the contract is in Saskatchewan or is in transit to or from Saskatchewan; or

(ii) 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 the person's head office in Saskatchewan; or

(b) makes provision for payment primarily to a resident of Saskatchewan or to a body corporate that has its head office in Saskatchewan.

2015, c.I-9.11, s.3-69.

Division to prevail

3-70 This Division and any regulations made for the purposes of this Division prevail if there is any conflict between this Division and those regulations and any other Act, regulation or law that may apply to the liquidation or dissolution of a provincial company.

2015, c.I-9.11, s.3-70.

Notice of intention to cease business

3-71(1) If a provincial company proposes to cease transacting insurance or to call a general meeting to consider a resolution for the voluntary liquidation of the provincial company, it shall give at least one month's notice in writing to that effect to the Superintendent and to the equivalent official of each other province or territory in which the provincial company is licensed.

(2) If a provincial company has passed a resolution for voluntary liquidation, the company shall notify the Superintendent of:

(a) the resolution; and

(b) the date at which contracts of insurance will cease to be entered into by the company.

2015, c.I-9.11, s.3-71.

Property and liabilities

3-72(1) The voluntary liquidation and dissolution of a provincial company that has property or has property and liabilities:

(a) may be proposed by its directors; or

(b) subject to the regulations, may be initiated by way of a proposal made by a shareholder who is entitled to vote at an annual meeting of shareholders.

(2) A notice of any meeting of shareholders at which the voluntary liquidation and dissolution of a provincial company is to be proposed must set out the terms of the proposal.

2015, c.I-9.11, s.3-72.

Application

3-73 If the voluntary liquidation and dissolution of a provincial company is proposed pursuant to section 3-72, the company may apply to the Superintendent to cancel its licence if authorized to do so:

(a) by a special resolution of the shareholders; or

(b) if the company has issued more than one class of shares, by special resolution of each class of shareholders whether or not those shareholders are otherwise entitled to vote.

2015, c.I-9.11, s.3-73.

Approval of Superintendent required

3-74(1) No provincial company shall take any action towards the voluntary liquidation and dissolution of a provincial company pursuant to section 3-72 until an application made by the company in accordance with section 3-73 has been approved by the Superintendent.

(2) On an application pursuant to section 3-73, the Superintendent may:

(a) approve the application if the Superintendent is satisfied on the basis of the application that:

(i) the circumstances warrant the voluntary liquidation and dissolution of the provincial company; and

(ii) the provincial company, in accordance with Division 5:

(A) has transferred or will be transferring all or substantially all of its policies; or

(B) has fundamentally reinsured or will be fundamentally reinsuring itself against all or substantially all of the risks undertaken by it; or

(b) subject to section 10-11, refuse the application.

(3) If the Superintendent approves an application pursuant to subsection (2) with respect to a provincial company, the provincial company shall not carry on business except to the extent necessary to complete its voluntary liquidation.

(4) If the Superintendent approves an application pursuant to subsection (2) with respect to a provincial company, the provincial company shall:

(a) cause notice of the approval to be sent to each claimant against and creditor of the company known to the company, except policyholders;

(b) publish notice of the approval in two consecutive issues of the Gazette and the official gazette of each province or territory in which the company is licensed, and in any other manner that the Superintendent considers necessary to bring the approval to the attention of the public;

(c) proceed to:

(i) collect its property;

(ii) dispose of property that is not to be distributed in kind to its shareholders;

(iii) discharge or provide for all its obligations; and

(iv) do all other acts required to liquidate its business;

(d) transfer its remaining policies, or fundamentally reinsure itself against the remaining risks undertaken by it; and

(e) after giving the notice required pursuant to clauses (a) and (b) and adequately providing for the payment or discharge of all its obligations, distribute its remaining property, either in money or in kind, among its shareholders according to their respective rights.

2015, c.I-9.11, s.3-74.

Subdivision 2
Court Supervised Liquidation

Court supervision – voluntary liquidation

3-75(1) The Superintendent or any interested person may, at any time during the voluntary liquidation of a provincial company, apply to the court for an order directing that the company be wound up subject to the supervision of the court in accordance with this Subdivision.

(2) An application pursuant to subsection (1) to the court for supervision of a voluntary liquidation must state the reasons, verified by an affidavit of the applicant, why the court should supervise the liquidation.

(3) If a person other than the Superintendent makes an application pursuant to subsection (1):

(a) the person shall give the Superintendent notice of the application; and

(b) the Superintendent may appear and be heard in person or by a lawyer at the hearing of the application.

2015, c.I-9.11, s.3-75.

Order of court

3-76 A provincial company may be liquidated and wound up by order of the court on the application of the Superintendent or any person the court considers interested, if the court is satisfied that:

(a) the provincial company has failed to exercise its corporate powers during any continuous period of two years;

(b) the provincial company has not commenced business or gone into actual operation within four years after it was incorporated;

(c) the provincial company has discontinued business for one year after it has undertaken contracts of insurance;

(d) the provincial company's licence has been suspended for one year or more;

(e) the provincial company 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 instrument of incorporation; or

(f) it is otherwise just and equitable to do so.

2015, c.I-9.11, s.3-76.

Appointment of provisional liquidator

3-77(1) The Superintendent may appoint a provisional liquidator for a provincial company if:

(a) its licence expires and:

(i) the insurer fails to obtain a new licence; or

(ii) a new licence is refused; or

(b) its licence is cancelled.

(2) Until a liquidator is appointed by the court:

(a) the provisional liquidator shall exercise the powers of the directors and shareholders, if any, of the provincial company;

(b) the powers of the directors and shareholders, if any, cease and vest in the provisional liquidator, except as specifically authorized by the Superintendent; and

(c) the directors, officers or employees of the provincial company shall not make any contract for, incur any liability on behalf of or expend any moneys of the provincial company without the approval of the provisional liquidator.

(3) The provisional liquidator shall apply to the court pursuant to section 3-85 for an order to wind up the provincial company.

2015, c.I-9.11, s.3-77.

Remuneration of provisional liquidator

3-78(1) The Superintendent shall fix the remuneration to be paid to a provisional liquidator appointed pursuant to subsection 3-77(1).

(2) The provincial company with respect to which a provisional liquidator is appointed shall pay the remuneration and all expenses in connection with the appointment of the provisional liquidator, together with all expenses of the provisional liquidator while he or she acts in that capacity.

(3) The remuneration and expenses mentioned in subsection (2) form a first lien or charge on the assets of the provincial company with respect to which a provisional liquidator is appointed.

2015, c.I-9.11, s.3-78.

Power to fundamentally reinsure

3-79(1) Before fixing a termination date pursuant to section 3-80, the provisional liquidator or the liquidator may arrange to fundamentally reinsure the contracts of insurance of the provincial company with another licensed insurer.

(2) The entire assets of the provincial company in Saskatchewan are to be made available for the purposes of this section, except the amount reasonably estimated by the provisional liquidator or the liquidator as being required to pay:

(a) the costs of the liquidation or winding-up;

(b) all claims for losses covered by the provincial company's contracts of insurance of which notice has been received by the provincial company, provisional liquidator or liquidator before the date on which the reinsurance is effected; and

(c) the claims of the preferred creditors.

(3) Creditors of the provincial company, other than the insured persons and the preferred creditors, are entitled to receive a payment on their claims only if provision has been made for payment of the amounts mentioned in subsection (2) and for the reinsurance mentioned in subsection (1).

(4) If, after providing for the payment of the amounts mentioned in subsection (2), the balance of the assets of the provincial company is insufficient to fundamentally reinsure the contracts of the insured persons in full, the reinsurance may be effected for that portion of the full amount of the contracts that may be possible.

(5) A contract of reinsurance to fundamentally reinsure a provincial company's contracts of insurance pursuant to this section shall not be entered into without court approval.

(6) Nothing in this section prejudices or affects the priority of any mortgage, lien or charge on the property of the provincial company.

2015, c.I-9.11, s.3-79.

Termination date for contracts

3-80(1) Subject to subsection (2), if the provisional liquidator or the liquidator fails to fundamentally reinsure the contracts of insurance, or if in his or her opinion it is impracticable or inexpedient to arrange to fundamentally reinsure the contracts of insurance, the provisional liquidator or the liquidator may fix a termination date for the contracts of insurance of the provincial company and publish a notice pursuant to section 3-81.

(2) The provisional liquidator or the liquidator may act pursuant to subsection (1) only:

(a) with the approval of the court and subject to any terms that may be set by the court; and

(b) for the purpose of securing the payment of existing claims and avoiding further losses.

(3) On and after the termination date fixed pursuant to subsection (1):

(a) coverage and protection under the Saskatchewan contracts of insurance cease; and

(b) the provincial company is not liable under any contract of insurance for a loss that occurs after that termination date.

(4) If a provisional liquidator or a liquidator has been appointed in another province or territory of Canada to wind up an insurer incorporated in that province or territory and the provisional liquidator or the liquidator fixes a termination date for the contracts of insurance of that insurer, on and after that termination date:

(a) coverage and protection under the Saskatchewan contracts of insurance cease; and

(b) the insurer is not liable under any contract of insurance for a loss that occurs after that termination date.

2015, c.I-9.11, s.3-80.

Publication of notice of termination date

3-81 The provisional liquidator or the liquidator shall cause the notice fixing the termination date pursuant to section 3-80:

(a) to be published in the Gazette and in the official gazette of each other province or territory in which the provincial company is licensed, and in any other manner that the court may direct in order to give reasonable notice of the termination date; and

(b) to be given to each policyholder at his or her address as shown in the records of the provincial company.

2015, c.I-9.11, s.3-81.

Amounts to be paid or set aside by liquidator

3-82(1) The provisional liquidator or the liquidator shall pay or set aside from the assets of the insurer amounts that are in his or her 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 3-80 that have not been paid and of which notice has been received by the insurer, the provisional liquidator or the liquidator;

(c) the full amount of the legal reserve with respect to each unmatured life insurance contract; and

(d) the claims of preferred creditors.

(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) must be used to pay the claims of the insured persons for refunds of unearned premiums on a prorated basis in proportion to the unexpired periods of their contracts on the termination dates.

(3) The claims of the insured persons for refunds of unearned premiums must be calculated as of the earlier of:

(a) a termination date fixed pursuant to section 3-80; and

(b) the date the insured person cancelled the contract.

(4) The refund of all or a portion of the premium does not defeat any other remedy the insured person may have against the insurer with respect to that premium or for any other cause.

(5) Nothing in this section prejudices or affects the priority of any mortgage, lien or charge on the property of the insurer.

2015, c.I-9.11, s.3-82.

Payment of provincial taxes, etc.

3-83 The provisional liquidator or the liquidator shall:

(a) pay all fees, taxes and costs payable by the provincial company to each foreign jurisdiction in which the provincial company is licensed out of the assets of the provincial company remaining after:

(i) the reinsurance of the contracts of insurance of the provincial company; and

(ii) the payment of the claims of policyholders for refund of unearned premiums; and

(b) distribute any remaining assets among the remaining creditors of the provincial company.

2015, c.I-9.11, s.3-83.

Schedules to be filed by liquidator

3-84(1) Unless otherwise ordered by the court, the liquidator shall file, in accordance with subsection (2), with the court or other authority appointing him or her and with the Superintendent, detailed schedules showing in any form that the court, other authority or the Superintendent may require:

(a) receipts and expenditures with respect to sections 3-82 and 3-83; and

(b) assets and liabilities of the provincial company.

(2) The schedules mentioned in subsection (1) must be filed within seven days after the close of each period of three months and until the affairs of the provincial company are wound up and are finally closed pursuant to section 3-92.

(3) Whenever he or she is required to do so by the court or other authority appointing him or her or by the Superintendent, the liquidator shall make available records of the provincial company and provide any other information respecting the affairs of the provincial company that may be required.

2015, c.I-9.11, s.3-84.

Powers of court

3-85(1) In connection with the liquidation of a provincial company, the court may, if it is satisfied that the company is able to pay or adequately provide for the discharge of all its obligations and to make satisfactory arrangements for the protection of its policyholders, make any order it considers appropriate, including an order doing all or any of the following:

(a) an order to liquidate;

(b) an order appointing a liquidator, with or without security, fixing a liquidator's remuneration and replacing a liquidator;

(c) an order appointing inspectors, specifying their powers, fixing their remuneration and replacing inspectors;

(d) an order determining the notice to be given to any interested person, or dispensing with notice to any person;

(e) an order determining the validity of any claims made against the company;

(f) an order, at any stage of the proceedings, restraining the directors and officers of the company from:

(i) exercising any of their powers; or

(ii) collecting or receiving any debt or other property of the company, and from paying out or transferring any property of the company, except as permitted by the court;

(g) an order determining and enforcing the duty or liability of any present or former director, officer, policyholder or shareholder:

(i) to the company; or

(ii) for an obligation of the company;

(h) an order approving the payment, satisfaction or compromise of claims against the company and the retention of assets for that purpose, and determining the adequacy of provisions for the payment, discharge or transfer of any obligation of the company, whether liquidated, unliquidated, future or contingent;

(i) with the concurrence of the Superintendent, an order providing for the disposal or destruction of the documents, records or registers of the company;

(j) on the application of a creditor, an inspector or the liquidator, an order giving directions on any matter arising in the liquidation;

(k) after notice has been given to all interested parties, an order relieving the liquidator from any omission or default on any terms that the court considers appropriate and confirming any act of the liquidator;

(l) subject to sections 3-91 to 3-94, an order approving any proposed, interim or final distribution to shareholders, if any, or incorporators, in money or in property;

(m) an order disposing of any property belonging to a creditor, policyholder, shareholder and incorporator who cannot reasonably be found;

(n) on the application of any director, officer, policyholder, shareholder, incorporator or creditor or the liquidator:

(i) an order staying the liquidation proceedings on the terms and conditions the court considers appropriate;

(ii) an order continuing or discontinuing the liquidation proceedings; or

(iii) an order to the liquidator to restore to the company all of its remaining property.

(2) The court may appoint any person as liquidator, including a director, an officer or a shareholder of the provincial company being liquidated or of any other provincial company.

(3) Subject to the approval of the court, the provisional liquidator or the liquidator may sell the business and undertaking of the company as a going concern.

2015, c.I-9.11, s.3-85.

Cessation of business and powers

3-86(1) If the court makes an order for the liquidation of a provincial company:

(a) the company continues in existence but shall cease to carry on business, except the business that is, in the opinion of the liquidator, required for an orderly liquidation; and

(b) the powers of the directors and shareholders, if any, cease to be vested in the directors and shareholders and are vested in the liquidator, except as specifically authorized by the court.

(2) A liquidator may delegate any of the powers vested pursuant to clause (1)(b) to the directors, officers or shareholders, if any.

2015, c.I-9.11, s.3-86.

Vacancy in liquidator's office

3-87 If an order for the liquidation of a provincial company has been made and the office of liquidator is or becomes vacant, the property of the provincial company is under the control of the court until the office of liquidator is filled.

2015, c.I-9.11, s.3-87.

Duties and powers of liquidator

3-88(1) A liquidator shall:

(a) immediately after being appointed:

(i) give notice of the appointment to the Superintendent and to each claimant and creditor of the provincial company known to the liquidator;

(ii) publish notice in the Gazette and once a week for two consecutive weeks in a newspaper in general circulation in the place where the head office of the provincial company is located and in any other manner directed by the Superintendent, setting out the matters mentioned in subclause (iii); and

(iii) take reasonable steps to give notice in each province and territory where the company carried on business within the preceding 12 months that:

(A) any person indebted to the company is required to render an account and to pay any amount owing to the liquidator at the time and place specified in the notice;

(B) any person possessing property of the company is required to deliver it to the liquidator at the time and place specified in the notice; and

(C) any person having a claim against the company, whether liquidated, unliquidated, future or contingent, other than a policyholder having an unliquidated claim, is required to present written particulars of the claim to the liquidator not later than 60 days after the publication of the notice in the Gazette;

(b) take the property of the provincial company into custody and control;

(c) transfer the remaining policies of the provincial company, or reinsure the remaining risks undertaken by the company in accordance with Division 5;

(d) open and maintain a trust account for the moneys of the provincial company received by the liquidator;

(e) keep accounts of the moneys of the provincial company received and paid out by the liquidator;

(f) maintain separate lists of each class of creditors, shareholders, policyholders and other persons having claims against the provincial company;

(g) if at any time the liquidator determines that the provincial company is unable to pay or adequately provide for the discharge of its obligations, apply to the court for directions;

(h) deliver to the court and to the Superintendent, at least once in every 12-month period after the liquidator's appointment or more often, as the court requires, the annual return of the provincial company prepared in accordance with section 2-33 or 2-56 or prepared in a manner acceptable to the Superintendent or that the court requires; and

(i) after the final accounts are approved by the court, distribute any remaining property of the provincial company among the shareholders, if any, or incorporators, according to their respective rights.

(2) A liquidator may, with respect to a liquidation of a provincial company:

(a) retain professional advisors;

(b) bring, defend or take part in any civil, criminal or administrative action or proceeding in the name of and on behalf of the company;

(c) carry on the business of the company as required for an orderly liquidation;

(d) sell any property of the company by public auction or private sale;

(e) do all acts and execute documents in the name of and on behalf of the company;

(f) with the prior approval of the court, borrow money on the security of the property of the company;

(g) settle or compromise any claims by or against the company; and

(h) do all other things necessary for the liquidation of the company and the distribution of its property.

(3) No liquidator shall purchase, directly or indirectly, all or any part of the property of the provincial company without the prior approval of the court.

2015, c.I-9.11, s.3-88.

Reliance on statements

3-89 A liquidator is not liable in any action if the liquidator relies in good faith on:

(a) financial statements of the provincial company represented to the liquidator by an officer of the company, or in a written report of the auditor of the company, as reflecting the financial condition of the company fairly; or

(b) an opinion, a report or a statement of a professional advisor retained by the liquidator.

2015, c.I-9.11, s.3-89.

Examination of others

3-90(1) If a liquidator has reason to believe that any property of the provincial company is in the possession or under the control of a person or that a person has concealed, withheld or misappropriated any of the company's property, the liquidator may apply to the court for an order requiring that person to appear before the court at the time and place designated in the order to be examined.

(2) If an examination conducted pursuant to subsection (1) discloses that a person has the possession or control of or has concealed, withheld or misappropriated any property of the provincial company, the court may order that person to restore the property or pay compensation to the liquidator.

2015, c.I-9.11, s.3-90.

Costs of liquidation

3-91 A liquidator shall:

(a) pay the costs of liquidation out of the property of the provincial company; and

(b) pay or make adequate provision for all claims against the company.

2015, c.I-9.11, s.3-91.

Final accounts

3-92(1) Within one year after the appointment of a liquidator and after paying or making adequate provision for all claims against the provincial company, the liquidator shall apply to the court:

(a) for approval of the final accounts of the liquidator and for an order permitting the distribution, in money or in kind, of the remaining property of the company to its shareholders, if any, or to the incorporators, according to their respective rights; or

(b) for an extension of time for the approval mentioned in clause (a).

(2) If a liquidator fails to make an application required by subsection (1), a shareholder of the provincial company or, if there are no shareholders of the company, an incorporator may apply to the court for an order for the liquidator to show cause why a final accounting and distribution should not be made.

(3) A liquidator shall give notice of the liquidator's intention to make an application pursuant to subsection (1) to:

(a) the Superintendent;

(b) each inspector appointed pursuant to section 3-85;

(c) each shareholder of the provincial company or, if there are no shareholders, each incorporator; and

(d) any person who provided a financial security for the liquidation.

(4) The liquidator shall publish the notice required pursuant to subsection (3):

(a) in the Gazette and in the official gazette of each province or territory in which the former provincial company carried on business within the preceding 12 months;

(b) once a week for two consecutive weeks in one or more newspapers in general circulation in each province or territory in which the provincial company carried on business within the preceding 12 months; and

(c) in any other manner that the court or the Superintendent may direct.

2015, c.I-9.11, s.3-92.

Right to distribution of money

3-93(1) A shareholder or incorporator may apply to the court for an order requiring the distribution of the remaining property of a provincial company to be in money if, in the course of the liquidation of the provincial company, the shareholders resolve or the liquidator proposes:

(a) to exchange all or substantially all of the remaining property of the company for securities of another body corporate that are to be distributed to the shareholders or to the incorporators; or

(b) to distribute all or part of the remaining property of the company to the shareholders or to the incorporators in kind.

(2) On an application pursuant to subsection (1), the court may determine whether any shareholder or incorporator of the provincial company is opposed to the resolution or proposal and, if so, join that shareholder or incorporator as a party and may order:

(a) that all of the remaining property of the company is to be converted into and distributed in money; or

(b) that the claim of any shareholder or incorporator applying pursuant to this section is to be satisfied by a distribution in money.

(3) If an order is made by the court pursuant to clause (2)(b), the court:

(a) must fix a fair value on the share of the property of the provincial company attributable to the shareholder or incorporator;

(b) may, in its discretion, appoint one or more appraisers to assist the court in fixing a fair value in accordance with clause (a);

(c) must render a final order against the provincial company in favour of the shareholder or incorporator for the amount of the share of the property of the company attributable to the shareholder or incorporator; and

(d) must fix the time within which the liquidator must pay the amount mentioned in clause (c) to a shareholder or incorporator.

(4) Payment of an amount mentioned in clause (3)(c) to a shareholder may occur only after delivery of the shareholder's shares to the liquidator or as the court orders.

2015, c.I-9.11, s.3-93.

Final order

3-94(1) If the court approves the final accounts rendered by a liquidator with respect to a provincial company, the court shall make an order:

(a) directing the custody or disposal of the documents, records and registers of the company; and

(b) discharging the liquidator except with respect to the duty of a liquidator pursuant to subsection (2).

(2) The liquidator shall promptly send a certified copy of the order mentioned in subsection (1) to the Superintendent.

2015, c.I-9.11, s.3-94.

DIVISION 8
Head Office, Records, Financial Statements and Directors

Head office

3-95(1) Every provincial company shall have its head office in Saskatchewan.

(2) A provincial company that changes the address of its head office shall, before the change occurs, notify the Superintendent in writing of the date of the change and of the new address.

2015, c.I-9.11, s.3-95.

Records

3-96(1) Subject to the regulations, every provincial company shall keep a copy of the following records at its head office:

(a) records respecting its assets, liabilities, revenues and expenditures for a financial year;

(b) particulars of the business of insurance undertaken in Saskatchewan during a financial year;

(c) its instrument of incorporation or continuance and its bylaws;

(d) the particulars of any terms or conditions imposed on its licence;

(e) the particulars of exceptions granted by the Superintendent that are applicable to the company;

(f) the minutes of meetings and resolutions of shareholders;

(g) the name, address and date of appointment of its auditor;

(h) the register of directors containing:

(i) with respect to all persons who are or have been directors:

(A) their names and addresses, including any mailing address, and a statement of their citizenship;

(B) the date on which each became a director;

(C) the terms of the appointments and the dates on which they ceased to be directors; and

(D) a note distinguishing, in the case of a life company, between policyholders' directors and shareholders' directors;

(ii) a list of the bodies corporate of which each director is an officer or director and the partnerships of which each director is a partner;

(iii) the names of the directors who are also officers or employees of the company or any of its affiliates and a list of the positions they occupy in the company or affiliates; and

(iv) the name of each committee on which each director serves;

(i) a central securities register set up and maintained in accordance with the Act pursuant to which it is incorporated or continued;

(j) a copy of the current financial statements of the company and each of its subsidiaries;

(k) a copy of the investment committee procedures and policies;

(l) minutes of meetings and resolutions of the directors and any committee of the directors;

(m) adequate accounting records:

(i) that will enable the Superintendent to determine the company's financial position and whether it is in compliance with this Act and the regulations;

(ii) that set out the company's investments; and

(iii) that set out the amount owing to it by each insured or claimant under a policy issued by the provincial company, and the nature of its liabilities to the insured or claimant;

(n) claims history records;

(o) policy and payments history for all insureds;

(p) complaints history with respect to all contract of insurance;

(q) any other prescribed records.

(2) Subject to any terms and conditions that the Superintendent considers appropriate, the Superintendent may exempt a provincial company from keeping all or any of the records mentioned in subsection (1) in Saskatchewan.

(3) A provincial company shall keep the records mentioned in subsection (1) for the prescribed period.

(4) A provincial company that is permitted to keep records at a place outside Saskatchewan pursuant to subsection (2) shall pay the reasonable transportation and living expenses of the Superintendent and any person authorized or appointed by the Superintendent to travel to that place to examine those records.

(5) An amount payable pursuant to this section is a debt due to and recoverable by the Crown in right of Saskatchewan and may be recovered in any manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

2015, c.I-9.11, s.3-96.

Access to records

3-97(1) Every provincial company shall ensure that:

(a) its records mentioned in clauses 3-96(1)(a) to (k) are accessible to shareholders of the company and their agents during normal business hours; and

(b) the shareholders of the company and their agents may examine those records, free of charge, or have copies made of the records on payment of a reasonable fee.

(2) Records of a provincial company mentioned in section 3-96 must at all reasonable times be open to inspection by the directors and their agents.

2015, c.I-9.11, s.3-97.

Standards of financial reporting

3-98(1) Every financial statement prepared for the purposes of this Act or the regulations by a provincial company must be prepared in accordance with all of the following:

(a) generally accepted accounting principles published by Chartered Professional Accountants of Canada, as amended from time to time;

(b) generally accepted auditing standards published by Chartered Professional Accountants of Canada, as amended from time to time;

(c) subject to subsection (2), generally accepted actuarial practices described in the Standards of Practice of the Canadian Institute of Actuaries, as amended from time to time;

(d) any modification of the principles, standards or practices mentioned in clauses (a) to (c) that are established by the Superintendent and any additional requirements, principles, standards or practices established by the Superintendent.

(2) Clause (1)(c) does not apply to a provincial property and casualty company or its subsidiaries if the actuary of the provincial company is not a Fellow in good standing of the Canadian Institute of Actuaries but has been approved by the Superintendent pursuant to clause 3-105(2)(b).

2015, c.I-9.11, s.3-98.

Information to be given to Superintendent by provincial companies

3-99(1) Every provincial company shall provide to the Superintendent:

(a) if the provincial company applies to be licensed in a foreign jurisdiction:

(i) a copy of any application and supporting documents within seven days after making the application; and

(ii) a copy of the approval or refusal of the application within seven days after the receipt of the approval or refusal;

(b) a copy of an order or direction by a court or person in a foreign jurisdiction in which the company is licensed that affects the status of the company in the jurisdiction or that requires the company to undergo special examinations or to do anything or to refrain from doing anything;

(c) a copy of the prescribed form if the prescribed actions or proceedings are brought against the provincial company; and

(d) a copy of any order or judgment with respect to the prescribed actions or proceedings brought against the provincial company.

(2) The Superintendent is entitled to appear and be heard, in person or by a lawyer, in any action or proceeding mentioned in clause (1)(c).

2015, c.I-9.11, s.3-99.

Records as evidence

3-100(1) Every record that a provincial company is, by this Act, required to keep or maintain is, in any action or proceeding against the provincial company or against a shareholder, admissible in evidence as proof, in the absence of evidence to the contrary, of all facts purporting to be stated in the record.

(2) A certificate issued on behalf of a provincial company stating any fact that is set out in the bylaws, in the minutes of the meetings of the directors, a committee of directors or the shareholders, or in a contract to which the company is a party may be signed by a director, an officer or a transfer agent of the company.

(3) If introduced as evidence in any action or proceeding, any of the following is proof, in the absence of evidence to the contrary, of the facts certified without proof of the signature or official character of the person appearing to have signed the certificate:

(a) a fact stated in a certificate mentioned in subsection (2);

(b) a certified extract from a securities register of a provincial company;

(c) a certified copy of minutes or of an extract from minutes of a meeting of directors, a committee of directors or the shareholders of a provincial company.

(4) An entry in a securities register of, or a security certificate issued by, a provincial company is admissible in evidence as proof, in the absence of evidence to the contrary, that the person in whose name the security is registered is the owner of the security described in the register or in the certificate.

2015, c.I-9.11, s.3-100.

Duty to manage

3-101(1) Subject to this Act, the directors of a provincial company shall manage or supervise the management of the business and affairs of the company.

(2) Without limiting the generality of subsection (1), the directors of a provincial company must:

(a) establish an audit committee and a conduct review committee;

(b) establish procedures to resolve conflicts of interest, including techniques for the identification of potential conflict situations and for restricting the use of confidential information;

(c) establish procedures to provide disclosure of information that this Act or the regulations require to be disclosed;

(d) establish policies and procedures to ensure that the provincial company applies prudent investment standards in accordance with section 3-128;

(e) except as otherwise prescribed, appoint the actuary of the company.

(3) Clause (2)(a) does not apply to the directors of a provincial company if:

(a) all the voting shares of the company, other than directors' qualifying shares, if any, are beneficially owned by a financial institution incorporated by or pursuant to an Act; and

(b) the audit committee or the conduct review committee of the financial institution mentioned in clause (a) performs for and on behalf of the company all the functions that would otherwise be required to be performed by the audit committee or conduct review committee of the company pursuant to this Act.

2015, c.I-9.11, s.3-101.

DIVISION 9
Actuaries

Interpretation of Division

3-102 In this Division, **"designated individual"** means an individual whom an actuary designates pursuant to section 3-104.

2015, c.I-9.11, s.3-102.

Notice of appointment

3-103 Within five business days after the directors appoint a person to be the actuary of the provincial company in accordance with clause 3-101(2)(e), the provincial company shall notify the Superintendent in writing of the appointment.

2015, c.I-9.11, s.3-103.

Designated individual

3-104 If the actuary of a provincial company is not an individual, the actuary shall:

(a) designate an individual who is responsible for acting on behalf of the actuary;

(b) inform the Superintendent in writing of the name and address of the designated individual;

(c) inform the Superintendent of any change to the appointment of the designated individual; and

(d) if there is a change to the appointment, provide the Superintendent with:

(i) the name and address of a new designated individual; and

(ii) a written statement of the circumstances relating to and the reasons for the change to the designated individual.

2015, c.I-9.11, s.3-104.

Qualifications of actuary

3-105(1) A designated individual or an individual who is the actuary of a provincial life company shall:

(a) be ordinarily resident in Canada; and

(b) be a Fellow in good standing of the Canadian Institute of Actuaries.

(2) A designated individual or an individual who is the actuary of a provincial property and casualty company shall:

(a) be ordinarily resident in Canada; and

(b) be a Fellow in good standing of the Canadian Institute of Actuaries or be approved by the Superintendent as having the training and experience that are relevant to the duties of an actuary of a provincial property and casualty company.

2015, c.I-9.11, s.3-105.

Chief executive officer and chief operating officer

3-106(1) The chief executive officer or chief operating officer or a person performing similar functions shall not be appointed as or hold the position of actuary of a provincial company unless the appointment or holding of the position is authorized in writing by the Superintendent.

(2) An authorization pursuant to subsection (1) may contain limitations and conditions, including a limitation on the time during which the person named in the authorization may hold the position of actuary of the provincial company.

(3) If an authorization pursuant to subsection (1) includes a time limit as described in subsection (2), a person holding the position of actuary pursuant to the authorization ceases to hold that position after the time limit expires.

2015, c.I-9.11, s.3-106.

Chief financial officer

3-107(1) The chief financial officer or a person performing similar functions shall not be appointed as or hold the position of actuary of a provincial company unless:

(a) the audit committee of the company has provided the Superintendent with a written statement indicating that it is satisfied that the duties of both positions in the company will be adequately performed and that the actuarial duties will be performed in an independent manner; and

(b) the appointment or holding of the position is authorized in writing by the Superintendent.

(2) An authorization pursuant to clause (1)(b) may contain limitations and conditions, including a limitation on the time during which the person named in the authorization may hold the position of actuary of the provincial company.

(3) If an authorization pursuant to clause (1)(b) includes a time limit as described in subsection (2), a person holding the position of actuary pursuant to the authorization ceases to hold that position after the time limit expires.

2015, c.I-9.11, s.3-107.

Revocation of actuary's appointment

3-108(1) The directors of a provincial company may revoke the appointment of the actuary of the company.

(2) The directors of a provincial company shall revoke the appointment of its actuary if:

(a) the actuary no longer meets the qualifications set out in section 3-105 and does not resign; or

(b) if an actuary is required to appoint a designated individual, the designated individual no longer meets the qualifications of section 3-105 and the actuary does not replace its designated individual with an individual who meets the qualifications set out in that section.

(3) The Superintendent may revoke the appointment of an actuary of a provincial company if the Superintendent is satisfied that the actuary or the designated individual does not meet the qualifications set out in section 3-105.

(4) Nothing in this section permits the revocation of the appointment of an actuary if the actuary was appointed by the court unless the court provides otherwise.

(5) A provincial company shall give the Superintendent written notice of the revocation of the appointment of an actuary immediately after the revocation.

2015, c.I-9.11, s.3-108.

Declaration of vacancy by court

3-109(1) Any person the court considers interested may apply to the court for an order declaring that an actuary or a designated individual does not meet the qualifications set out in section 3-105 and declaring the office of actuary to be vacant.

(2) On an application pursuant to subsection (1), the court may make any order it considers appropriate.

2015, c.I-9.11, s.3-109.

Ceasing to hold office

3-110(1) The office of actuary of a provincial company becomes vacant when:

(a) the actuary resigns;

(b) if the actuary is an individual, the individual dies;

(c) if the actuary is not an individual, the actuary is dissolved;

(d) the appointment of the actuary is revoked; or

(e) the office of actuary is declared to be vacant pursuant to section 3-109.

(2) The resignation of an actuary becomes effective at the time a written resignation is sent to the provincial company or at the time specified in the resignation, whichever is later.

2015, c.I-9.11, s.3-110.

Filling vacancy

3-111 If a vacancy occurs in the office of actuary of a provincial company, the directors shall promptly:

(a) submit a written statement to the Superintendent of the circumstances in which and reasons why, in the directors' opinion, the office of actuary became vacant; and

(b) fill the vacancy.

2015, c.I-9.11, s.3-111.

Statement of actuary

3-112 An actuary of a provincial company who resigns or whose appointment is revoked shall submit a written statement of the circumstances in which and reasons why the actuary resigned or why, in the actuary's opinion, the actuary's appointment was revoked to:

(a) the directors of the company;

(b) the Superintendent; and

(c) the replacement actuary of the company when a request for the statement is made by the replacement actuary.

2015, c.I-9.11, s.3-112.

Duty of replacement actuary

3-113(1) If an actuary of a provincial company has resigned or the appointment of an actuary has been revoked, the replacement actuary shall promptly, after being appointed, request the previous actuary to provide the replacement actuary with a copy of the statement mentioned in section 3-112.

(2) If the replacement actuary does not receive the statement mentioned in section 3-112 within 15 days after making the request, the replacement actuary shall promptly notify the Superintendent that the statement has not been received and, if the Superintendent has received the statement, the Superintendent shall provide it to the replacement actuary.

2015, c.I-9.11, s.3-113.

Right to information

3-114 On the request of the actuary of a provincial company, the present or former directors, officers, employees or representatives of the company, and any former actuary of the company and of any of the company's subsidiaries and holding bodies corporate shall, to the extent that they are reasonably able to do so:

(a) obtain or permit access to any records held by the company or any of its subsidiaries or holding bodies corporate; and

(b) provide any information and explanations that are, in the opinion of the actuary, necessary to enable the actuary to perform the duties of actuary of the company.

2015, c.I-9.11, s.3-114.

Protection from liability re statements made pursuant to section 3-114

3-115 A person who in good faith makes an oral or written communication pursuant to section 3-114 is not liable in any action arising from having made the communication.

2015, c.I-9.11, s.3-115.

Actuary's valuation

3-116(1) The actuary of a provincial company shall value:

(a) the actuarial and other policy liabilities of the company as at the end of a financial year; and

(b) any other matter specified in any direction made by the Superintendent.

(2) An actuary shall ensure that the valuation performed pursuant to subsection (1) is in accordance with generally accepted actuarial practices with any modification established by the Superintendent pursuant to section 3-98, and any additional requirements, principles, standards or practices established by the Superintendent.

2015, c.I-9.11, s.3-116.

Special valuation

3-117(1) The Superintendent may appoint an individual as an actuary to value the matters mentioned in clause 3-116(1)(a) or (b) in relation to a provincial company if the Superintendent is of the opinion that the appointment is necessary.

(2) The provincial company shall pay the remuneration and expenses incurred in carrying out a valuation pursuant to subsection (1) in the amount and within the period specified by the Superintendent.

(3) An amount payable pursuant to this section is a debt due to and recoverable by the Crown in right of Saskatchewan and may be recovered in any manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

2015, c.I-9.11, s.3-117.

Actuary's report re valuation

3-118(1) Not less than 21 days before the date of the annual meeting of the shareholders of a provincial company, the actuary of the company shall make a report to them on the valuation made pursuant to section 3-116 and on any other prescribed matter.

(2) In each report required pursuant to subsection (1), the actuary shall state whether, in the actuary's opinion, the annual statement presents fairly the results of the valuation made pursuant to section 3-116.

2015, c.I-9.11, s.3-118.

Report to directors

3-119(1) The directors of a provincial company or, on the direction of the directors, the audit committee of the company shall meet with the actuary of a provincial company at least once during each financial year.

(2) The actuary shall report at the meeting mentioned in subsection (1):

(a) on the financial position of the provincial company in accordance with generally accepted actuarial practices and any direction made by the Superintendent; and

(b) if directed to do so by the Superintendent, on the expected future financial condition of the company.

2015, c.I-9.11, s.3-119.

Report by actuary to officers of provincial company re adverse effects

3-120(1) An actuary of a provincial company shall report in writing to the chief executive officer, the chief financial officer and the audit committee of the provincial company any matters that have come to the actuary's attention in the course of carrying out the actuary's duties if, in the actuary's opinion:

(a) those matters have material adverse effects on the financial condition of the provincial company; and

(b) those matters require rectification.

(2) An actuary of the provincial company shall also provide a copy of the report mentioned in subsection (1) to the directors of the provincial company immediately after making it.

(3) If, in the opinion of the actuary of the provincial company, suitable action is not being taken to rectify the matters mentioned in subsection (1), the actuary shall immediately send a copy of the report to the Superintendent and advise the directors of the provincial company that he or she has done so.

2015, c.I-9.11, s.3-120.

Actuary's procedures

3-121(1) The Superintendent may, in writing:

(a) require that the actuary of a provincial company report to the Superintendent on the scope of the valuation used in valuing the actuarially based liability figures contained in the annual return; and

(b) require that the actuary enlarge or extend the scope of the valuation mentioned in clause (a) or direct that any other particular procedure be performed in any particular case.

(2) The actuary shall:

(a) comply with any requirement of the Superintendent mentioned in subsection (1) within the period specified by the Superintendent in the written requirement; and

(b) report to the Superintendent respecting the actuary's compliance.

(3) On being approved by the Superintendent, the expenses incurred as a result of the actuary's performing duties pursuant to subsections (1) and (2) are payable by the provincial company.

2015, c.I-9.11, s.3-121.

Protection from liability

3-122 The actuary or former actuary of a company who in good faith makes an oral or written statement or report pursuant to section 3-112 or 3-120 is not liable in any action attributable to the actuary's or former actuary's having made the statement or report or because of anything in it.

2015, c.I-9.11, s.3-122.

Exemptions

3-123 On the written application by a provincial company, the Superintendent may, if the Superintendent considers it appropriate, exempt the provincial company from all or any part of this Division on any terms and conditions that may be specified in the exemption.

2015, c.I-9.11, s.3-123.

DIVISION 10
Adequacy of Capital and Liquidity

Capital and liquidity

3-124(1) A provincial company shall, in relation to its operations:

(a) maintain adequate capital and adequate and appropriate forms of liquidity; and

(b) comply with any regulations in relation to capital and liquidity.

(2) The Lieutenant Governor in Council may make regulations respecting the maintenance by provincial companies of:

(a) adequate capital; and

(b) adequate and appropriate forms of liquidity.

(3) The regulations made pursuant to subsection (2) may specify different requirements for different classes of provincial companies.

(4) Notwithstanding that a provincial company is complying with regulations made pursuant to subsection (2), the Superintendent may, by order, direct the company:

(a) to increase its capital; or

(b) to provide additional liquidity in the forms and amounts that the Superintendent requires.

(5) A provincial company shall comply with an order made pursuant to subsection (4) within the period the Superintendent specifies in the order.

2015, c.I-9.11, s.3-124.

Exemption orders

3-125(1) On the report of the Superintendent, the Lieutenant Governor in Council may, by order, exempt a provincial company from the prescribed capital requirements pursuant to section 2-12 or 3-124 if the provincial company:

(a) is offering its services only within Saskatchewan; or

(b) is offering a specialized or limited service that in the opinion of the Superintendent does not require the support of higher capital requirements.

(2) An exemption ordered pursuant to subsection (1) may be subject to terms and conditions.

2015, c.I-9.11, s.3-125.

DIVISION 11
Investments

Interpretation of Division

3-126 In this Division and in Division 12:

"commercial loan" means:

(a) any loan other than:

(i) loans to an individual in an aggregate amount that is equal to or less than the prescribed amount;

(ii) a loan to the Government of Canada or a province or territory, a municipality or any of their agencies, or to the government of a foreign country or any of its agencies, or to a prescribed international agency;

(iii) a loan that is guaranteed by, or fully secured by securities issued by, a government, a municipality or an agency mentioned in subclause (ii);

(iv) a loan that is secured by a mortgage on real property:

(A) if the mortgage is on residential property and the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the property, does not exceed 75% of the value of the property at the time the loan is made; or

(B) if the mortgage is on real property other than residential property and the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the property, does not exceed 75% of the value of the property at the time the loan is made and the property provides an annual income sufficient to pay all annual expenses related to the property, including the payments owing under the mortgage and the mortgages having an equal or prior claim against the property;

(v) a loan that is secured by a mortgage on real property if the amount of the loan, together with the amount then outstanding of any mortgage having an equal or prior claim against the property, exceeds 75% of the value of the property at the time the loan is made if repayment of the amount of the loan that exceeds 75% of the value of the property is guaranteed or insured by an insurer approved by the Superintendent or a government agency;

(vi) a loan that:

(A) is fully secured by a deposit with any deposit-taking institution;

(B) is fully secured by debt obligations that are guaranteed by any financial institution other than the provincial company or an affiliate of the company;

(C) is fully secured by a guarantee of a financial institution other than the provincial company or an affiliate of the company; or

(D) is an advance on the security of or against the cash surrender value of a policy;

(b) an investment in debt obligations, other than:

(i) debt obligations that are:

(A) guaranteed by any financial institution other than the provincial company or an affiliate of the company;

(B) fully secured by deposits with any deposit-taking institution; or

(C) fully secured by debt obligations that are guaranteed by any financial institution other than the provincial company or an affiliate of the provincial company;

(ii) debt obligations that are issued by the Government of Canada or a province or territory, a municipality or any of their agencies, or by the government of a foreign country or any of its agencies, or by a prescribed international agency;

(iii) debt obligations that are guaranteed by, or fully secured by securities issued by, a government, a municipality or an agency mentioned in subclause (ii); or

(iv) debt obligations that are widely distributed;

(c) an investment in shares of a body corporate or ownership interests in an unincorporated body, other than:

(i) shares or ownership interests that are widely distributed; or

(ii) participating shares; and

(d) any other prescribed financing;

"debt obligation" means a bond, debenture, note or other evidence of indebtedness, whether secured or unsecured;

"investment" includes a loan;

"loan" includes an acceptance, an advance on the security of or against the cash surrender value of a policy, endorsement, letter of credit or other guarantee, a financial lease, a conditional sales contract, a repurchase agreement and any other similar arrangement for obtaining funds or credit, but does not include investments in securities;

"participating share" means a share of a body corporate that carries the right to participate in the earnings of the body corporate to an unlimited degree and to participate in a distribution of the remaining property of the body corporate on dissolution;

"widely distributed", with respect to securities of a body corporate, means:

(a) securities issued by way of a prospectus and traded on a recognized stock exchange; or

(b) securities issued to more than 25 investors within a six-month period, no one of which holds more than 10% of the total amount of the securities issued and of which, on an ongoing basis, the body corporate does not own more than 10% of the securities outstanding.

2015, c.I-9.11, s.3-126.

Prudent investment standards

3-127(1) A provincial company shall adhere to prudent investment standards in making investment decisions and in managing its total investments.

(2) For the purposes of this Act, prudent investment standards are those that, in the overall context of an investment portfolio, a reasonable and prudent person would apply to investments made on behalf of another person with whom there exists a fiduciary relationship to make those investments without undue risk of loss or impairment and with a reasonable expectation of fair return or appreciation.

(3) Compliance by a provincial company with the other provisions of this Act relating to investments does not of itself constitute compliance with subsection (1).

2015, c.I-9.11, s.3-127.

Policies and procedures

3-128(1) The directors of a provincial company shall establish policies and procedures to ensure that the company applies prudent investment standards in making investment decisions and in managing its total investments.

(2) The directors shall review the policies and procedures established pursuant to subsection (1) at least once each year.

2015, c.I-9.11, s.3-128.

Prohibited investments

3-129(1) No provincial company shall, directly or indirectly, make loans to or other investments in any person or any two or more persons that to the knowledge of the company are connected if the outstanding balance of principal and interest of loans for the person or the connected persons, together with the book value of investments in the person or connected persons, would exceed the greater of:

(a) $500,000; and

(b) the prescribed percentage of the company's assets.

(2) Notwithstanding subsection (1), this section does not restrict a provincial company from acquiring or making investments in:

(a) a security issued or guaranteed by the Government of Canada, the Government of Saskatchewan or the government of another province or territory;

(b) a mortgage that is:

(i) insured under the *National Housing Act* (Canada) or through an agency of the Government of Canada or of the government of a province or territory; or

(ii) insured by an insurer approved by the Superintendent;

(c) an unincorporated body in accordance with section 3-131;

(d) a body corporate in accordance with section 3-132; or

(e) other prescribed investments.

2015, c.I-9.11, s.3-129.

Restriction on residential mortgages

3-130(1) No provincial company shall make a loan in Canada on the security of residential property in Canada for the purpose of purchasing, renovating or improving that property, or refinance that loan, if the amount of the loan, together with the amount then outstanding of mortgages having an equal or prior claim against the property, would exceed 75% of the value of the property at the time of the loan.

(2) Subsection (1) does not apply with respect to:

(a) a loan if repayment of the amount of the loan that exceeds the maximum set out in subsection (1) is guaranteed or insured by the Government of Canada, the Government of Saskatchewan or the government of another province or territory, an agency of any of those governments or an insurance policy issued by a licensed insurer;

(b) the acquisition by the provincial company from an entity of securities issued or guaranteed by the entity that are secured on any residential property, whether in favour of a trustee or otherwise, or the making of a loan by the company to the entity against the issue of securities of that kind; or

(c) a loan secured by a mortgage if:

(i) the mortgage is taken back by the provincial company on a property disposed of by the company, including if the disposition is by way of a realization of a security interest; and

(ii) the mortgage secures payment of an amount payable to the provincial company for the property.

2015, c.I-9.11, s.3-130.

Limitation on ownership of unincorporated body

3-131(1) Subject to subsections (2) and (4), no provincial company shall beneficially own more than a 10% interest in an unincorporated body.

(2) Subsection (1) does not apply if the unincorporated body is carrying on a business that may be carried on by a body corporate mentioned in subsection 3-132(4) and is carrying on that business in the same way as if it were a body corporate.

(3) For the purposes of subsection (1), an interest beneficially owned by a subsidiary of a provincial company is deemed to be beneficially owned by the company.

(4) A provincial company may, through realization of a security interest held by the company or, subject to the approval of the Superintendent, by means of a loan workout procedure, beneficially own more than a 10% interest in an unincorporated body, but the company shall dispose of the excess interest within:

(a) two years after acquiring the excess interest; or

(b) any longer period the Superintendent allows.

2015, c.I-9.11, s.3-131.

Limitation on shareholding

3-132(1) In this section, **"foreign financial institution"** means an entity that:

(a) is engaged in the business of banking, in the trust or loan business, in the business of a cooperative credit society or in the business of dealing in securities or is otherwise engaged primarily in the business of providing financial services; and

(b) is not incorporated or continued pursuant to an Act of the Parliament of Canada or an Act of the Legislature of a province or a territory of Canada.

(2) Subject to subsections (3) to (5) and to the regulations, no provincial company shall have a substantial investment in a body corporate.

(3) A provincial company may, through realization of a security interest held by the company or, subject to the approval of the Superintendent, by means of a loan workout procedure, have a substantial investment in a body corporate, but the company shall dispose of the excess shares that give the company a substantial investment within:

(a) two years after acquiring the excess shares; or

(b) any longer period the Superintendent allows.

(4) Subject to the regulations, a provincial company may, with the approval of the Superintendent, have a substantial investment in any of the following bodies corporate:

(a) a bank;

(b) a loan corporation or trust corporation incorporated by or pursuant to an Act of the Parliament of Canada or an Act of the Legislature of a province or a territory of Canada;

(c) an extraprovincial company or an insurer formed by or pursuant to an Act of the Parliament of Canada;

(d) a foreign financial institution;

(e) a prescribed body corporate.

(5) No provincial company shall have a substantial investment in a body corporate mentioned in subsection (4) if that body corporate has a substantial investment in another body corporate that is not a body corporate mentioned in subsection (4).

2015, c.I-9.11, s.3-132.

Duty to provide information

3-133 If a provincial company acquires control of an unincorporated body mentioned in subsection 3-131(1), or of a body corporate mentioned in subsection 3-132(4), the provincial company shall provide the Superintendent with any information respecting the unincorporated body or body corporate that the Superintendent requires within the period that the Superintendent requires.

2015, c.I-9.11, s.3-133.

Divestment order

3-134(1) If a provincial company beneficially owns an interest in an unincorporated body in accordance with subsection 3-131(1), the Superintendent may, by order, direct the company to divest itself of all or part of its beneficial ownership within the time specified in the order if:

(a) the unincorporated body is carrying on business in an unsound manner that may imperil the company's investment if continued; or

(b) in the case of an unincorporated body that is controlled by the company, the company fails to provide information to the Superintendent pursuant to section 3-133.

(2) If a provincial company beneficially owns shares in a body corporate in accordance with subsection 3-132(4), the Superintendent may, by order, direct the company to divest itself of all or part of its beneficial ownership within the period specified in the order if:

(a) the body corporate is carrying on business in an unsound manner that may imperil the company's investment if continued; or

(b) in the case of a body corporate that is a subsidiary, the company fails to provide information to the Superintendent pursuant to section 3-133.

2015, c.I-9.11, s.3-134.

Power of Superintendent to require disposition of unauthorized investments

3-135(1) The Superintendent may direct any provincial company to dispose of and realize any investment not authorized by this Act, the regulations or by law at the time of its acquisition.

(2) No provincial company in receipt of the Superintendent's direction shall fail, within 60 days after receiving the direction, to dispose of and realize that investment.

(3) If the amount realized from the disposal and realization of the provincial company's investment pursuant to the Superintendent's direction in subsection (1) is less than the amount paid by the company for the investment, the directors who approved the investment are jointly and severally liable for the payment to the company of the amount of the deficiency.

2015, c.I-9.11, s.3-135.

DIVISION 12
Portfolio Limits

Exclusion from portfolio limits

3-136(1) Subject to subsection (3), the value of all investments acquired by a provincial company and any of its subsidiaries as a result of a realization of a security interest must not be included in calculating the value of the investments of the company and its subsidiaries pursuant to sections 3-137 to 3-142:

(a) in the case of an interest in real property, for a period of seven years after the day on which the interest was acquired; and

(b) in the case of an investment other than an interest in real property, for a period of two years after the day on which the investment was acquired.

(2) The Superintendent may, in the case of any particular provincial company, extend any period mentioned in subsection (1) for any further period and on any terms and conditions that the Superintendent considers necessary.

(3) Subsection (1) does not apply to prescribed interests in real property.

2015, c.I-9.11, s.3-136.

Lending limit – life companies

3-137(1) Subject to subsection (2) and to the regulations, no provincial life company shall, and no provincial life company shall permit its subsidiaries to, make or acquire a commercial loan or acquire control of a body corporate mentioned in subsection 3-132(4) that holds commercial loans if the aggregate value of all commercial loans held by the company and its subsidiaries exceeds, or if the making or acquisition of the commercial loan or the acquisition of control of the body corporate would cause the aggregate value of all commercial loans held by the company and its subsidiaries to exceed, 5% of the total assets of the company.

(2) A provincial life company that has more than $15,000,000 of base capital may, with the prior approval of the Superintendent, make or acquire a commercial loan or acquire control of a body corporate mentioned in subsection 3-132(4) that holds commercial loans if the aggregate value of all commercial loans held by the company and its subsidiaries would, as a result, exceed the limit set out in subsection (1).

2015, c.I-9.11, s.3-137.

Lending limit – property and casualty companies

3-138 Subject to the regulations, no provincial property and casualty company shall, and no provincial property and casualty company shall permit its subsidiaries to, make or acquire a commercial loan or a loan to an individual or acquire control of a body corporate mentioned in subsection 3-132(4) that holds commercial loans or loans to individuals if the aggregate value of all those loans held by the company and its subsidiaries exceeds, or if the making or acquisition of the loan or the acquisition of control of the body corporate would cause the aggregate value of all those loans held by the company and its subsidiaries to exceed, 5% of the total assets of the company.

2015, c.I-9.11, s.3-138.

Limit on real property interest

3-139 Subject to the regulations, no provincial company shall, and no provincial company shall permit its subsidiaries to, purchase or otherwise acquire an interest in real property or make an improvement to any real property in which the company or any of its subsidiaries has an interest, if the aggregate value of all of the company's interests in real property exceeds, or if the acquisition of the interest or the making of the improvement would cause that aggregate value to exceed, 10% of the total assets of the company and its subsidiaries.

2015, c.I-9.11, s.3-139.

Limits on equity acquisitions

3-140(1) Subject to the regulations and the limits set out in subsection (2), no provincial company shall, and no provincial company shall permit its subsidiaries to:

(a) purchase or otherwise acquire any participating shares of any body corporate or any ownership interests in any unincorporated body, other than those in which the company has, or by virtue of the acquisition would have, a substantial investment; or

(b) acquire control of a body corporate that holds shares or ownership interests mentioned in clause (a).

(2) The prohibitions mentioned in subsection (1) take effect if the aggregate value of:

(a) all participating shares, excluding participating shares of bodies corporate mentioned in subsection 3-132(4) in which the provincial company has a substantial investment; and

(b) all ownership interests in unincorporated bodies;

that are beneficially owned by the company and its subsidiaries exceeds, or if the purchase or acquisition would cause that aggregate value to exceed, the prescribed percentage of the total assets of the company and its subsidiaries.

2015, c.I-9.11, s.3-140.

Aggregate limit

3-141(1) Subject to the regulations and the limits set out in subsection (2), no provincial company shall, and no provincial company shall permit its subsidiaries to:

(a) purchase or otherwise acquire:

(i) participating shares of a body corporate, other than those of a body corporate mentioned in subsection 3-132(4) in which the company has, or by virtue of the acquisition would have, a substantial investment;

(ii) ownership interests in an unincorporated body; or

(iii) interests in real property; or

(b) make an improvement to real property in which the company or any of its subsidiaries has an interest.

(2) The prohibitions mentioned in subsection (1) take effect if the aggregate value of:

(a) all participating shares and ownership interests mentioned in subclauses (1)(a)(i) and (ii) that are beneficially owned by the company and its subsidiaries; and

(b) all of the company's interests in real property mentioned in subclause (1)(a)(iii);

exceeds, or if the acquisition of the shares or interests or the making of the improvement would cause that aggregate value to exceed, 30% of the total assets of the company and its subsidiaries.

2015, c.I-9.11, s.3-141.

Assets transactions

3-142 Without the approval of the Superintendent, no provincial company shall, in any transaction or series of transactions with the same party during a period of 12 months, acquire or dispose of assets, directly or indirectly, other than assets that are debt obligations mentioned in subclauses (b)(i) to (iv) of the definition of "commercial loan" in section 3-126, that have a value in excess of 10% of the total assets of the company as at the beginning of the 12-month period.

2015, c.I-9.11, s.3-142.

Retaining investments

3-143(1) If a provincial company has acquired before the day on which this Act comes into force, an investment that was allowed pursuant to *The Saskatchewan Insurance Act*, as that Act existed at the time of acquisition, but that is not permitted pursuant to this Act and the regulations, the company may retain the investment.

(2) No provincial company that has an investment mentioned in subsection (1) shall increase the amount of or renew or extend the investment without the prior approval of the Superintendent.

2015, c.I-9.11, s.3-143.

DIVISION 13
Transactions with Related Parties

Interpretation of Division

3-144(1) In this Division, **"loan"** includes a deposit, a financial lease, a conditional sales contract, a repurchase agreement and any other similar arrangement for obtaining funds or credit, but does not include investments in securities or the making of an acceptance, endorsement or other guarantee.

(2) For the purposes of this Division, a transaction, guarantee or investment is made or entered into if an existing transaction, guarantee or investment, including one made or entered into before the coming into force of this section, is modified, added to, extended or renewed.

(3) If a transaction is required by or pursuant to this Division to be at fair market rate, that requirement is satisfied, subject to subsection (4), if the transaction is not at fair market rate but is at a rate and terms that are more financially advantageous to the provincial company or subsidiary than actual fair market rate.

(4) Subsection (3) does not apply if the transaction is between:

(a) a provincial company and its affiliate; or

(b) a subsidiary of a provincial company and an affiliate of the provincial company.

2015, c.I-9.11, s.3-144.

Meaning of related party

3-145(1) For the purposes of this Division:

(a) a person is a related party of a provincial company if the person:

(i) has a significant interest in a class of shares of the company;

(ii) is a director or senior official of the company or of a body corporate that controls the company or is acting in a similar capacity with respect to an unincorporated body that controls the company;

(iii) is the spouse, or a child who is a minor, of a person described in subclause (i) or (ii);

(iv) is an entity that is controlled by a person mentioned in any of subclauses (i) to (iii);

(v) is an unincorporated body in which the company beneficially owns more than a 10% interest;

(vi) is a body corporate in which the company has a substantial investment;

(vii) is an entity in which a person who controls the company has a substantial investment;

(viii) is an entity in which the spouse, or a child who is a minor, of a person who controls the company has a substantial investment; or

(ix) is designated pursuant to section 3-146 as a related party;

(b) a person has a significant interest in a class of shares of a body corporate if the aggregate of the following exceeds 10% of all of the outstanding shares of that class of shares of the body corporate:

(i) any shares of that class beneficially owned by the person;

(ii) any shares of that class beneficially owned by entities controlled by the person.

(2) Unless the regulations provide otherwise, the following are not related parties of a provincial company:

(a) a financial institution that wholly owns the company;

(b) a wholly owned subsidiary of the company.

(3) If the Superintendent is satisfied that a subsidiary of a provincial company that is not a wholly owned subsidiary of the company functions primarily for the purpose of providing a service, other than a financial service, to the company or the company's subsidiaries, the Superintendent may, on application, exempt the subsidiary from the status of related party of the company, subject to any terms and conditions the Superintendent considers appropriate.

2015, c.I-9.11, s.3-145.

Designated related party

3-146 For the purposes of this Division, the Superintendent may designate any person as a related party of a provincial company if the Superintendent is of the opinion that:

(a) the person is acting or has acted jointly or in concert with a related party of the company with respect to entering into a transaction that would be prohibited or restricted pursuant to this Division if entered into by or with respect to that related party;

(b) there exists or has existed between the person and the company an interest or relationship that might reasonably be expected to affect or that has affected the exercise by the company of its best judgment with respect to a transaction; or

(c) the person is acting in concert with one or more other persons to own or control, directly or indirectly, 10% or more of any class of voting shares of the company.

2015, c.I-9.11, s.3-146.

Transactions contemplating related party status

3-147 If a person who is not a related party enters into a transaction with a provincial company or its subsidiary knowing that the person is going to become a related party of the provincial company, the person is a related party of the provincial company with respect to that transaction.

2015, c.I-9.11, s.3-147.

Prohibited transactions, guarantees and investments

3-148 Except as provided in this Division:

(a) no provincial company or subsidiary of a provincial company shall, directly or indirectly, enter into any transaction with a related party of the company;

(b) no related party of a provincial company shall, directly or indirectly, enter into any transaction with the company or its subsidiary;

(c) no provincial company or subsidiary of a provincial company shall, directly or indirectly, enter into any guarantee on behalf of a related party of the company; and

(d) no provincial company or subsidiary of a provincial company shall, directly or indirectly, make an investment in or take a security interest in any securities of a related party of the company.

Exceptions to the prohibition

3-149 This Division does not apply with respect to:

(a) the issue by the provincial company of shares of any class if fully paid for in money or if issued:

(i) in accordance with any provisions for the conversion of other issued and outstanding securities of the company into shares of that class;

(ii) as a share dividend;

(iii) in exchange for shares of a body corporate that has been continued as a provincial company pursuant to Division 3;

(iv) in accordance with the terms of an amalgamation pursuant to Division 5; or

(v) with the approval of the Superintendent, in exchange for shares of another body corporate;

(b) the payment of dividends or policy dividends or bonuses;

(c) a transaction that consists of the payment or provision by a provincial company of salaries, fees, stock options, policy premiums, pension benefits, incentive benefits or other benefits or remuneration to persons who are related parties of the company in their capacity as directors, officers or employees of the company; or

(d) any other prescribed transaction or matter.

2015, c.I-9.11, s.3-149.

Permitted transactions

3-150(1) A provincial company or a subsidiary of a provincial company may:

(a) enter into a transaction with a related party that involves minor or general expenditures by the company or the subsidiary;

(b) enter into a transaction with a related party for:

(i) the sale of goods; or

(ii) the provision of financial services that are normally sold or provided to the public by the subsidiary in the ordinary course of business, so long as the prices and rates charged by the subsidiary are at fair market rate;

(c) enter into a transaction with a related party that is a financial institution if:

(i) the transaction consists of a deposit made at fair market rate and for a prescribed purpose; or

(ii) the transaction consists of the acquisition at fair market rate of prescribed securities from a securities dealer who is not an underwriter in the distribution of those securities and is not selling them as their principal; and

(d) make a loan to or give a guarantee on behalf of a senior official of the company or subsidiary if the aggregate of the outstanding principal and interest owing on all of those loans and the contracted amount of all outstanding guarantees to or on behalf of that senior official does not exceed the lesser of:

(i) $100,000; and

(ii) twice the annual salary of that senior official.

(2) The conduct review committee of a provincial company shall, subject to any prescribed limits, develop criteria with respect to what constitutes minor or general expenditures for the purposes of clause (1)(a).

(3) A provincial company may, subject to Division 2 of Part VI, fundamentally reinsure its contracts of insurance with a related party of the company.

(4) A related party of a provincial company may, subject to Division 2 of Part VI, fundamentally reinsure its contracts of insurance with the company.

(5) A provincial company may reinsure a contract of insurance in the ordinary course of its business with a related party of the company in accordance with section 6-5.

(6) A provincial company may accept or retain on the direction of a policyholder or beneficiary who is a related party amounts that are payable as:

(a) policy dividends or bonuses; or

(b) policy proceeds on the surrender or maturity of the policy or on the death of the person whose life is insured if the liabilities of the company with respect to the amount vary in amount depending on the market value of a specified group of assets.

2015, c.I-9.11, s.3-150.

Transactions requiring directors' approval

3-151(1) With the prior approval of the directors of the provincial company in accordance with section 3-152, a provincial company or its subsidiary may:

(a) enter into a written contract with a related party for the provision of management services to or by the company or subsidiary if it is reasonable that the company or subsidiary obtain or supply the services and if the consideration is reasonable for the services provided and is at fair market rate;

(b) enter into a written lease of real property or personal property with a related party if:

(i) the rent is at fair market rate;

(ii) the term of the lease and all renewals does not exceed in total:

(A) five years in the case of a lease of personal property; or

(B) 20 years in the case of a lease of real property; and

(iii) the terms of the lease are otherwise competitive and reasonable;

(c) enter into a written contract with a related party at fair market rate for pension and benefit plans, stock options, incentive benefits and other reasonable commitments incidental to employment;

(d) enter into a written contract with a related party respecting the provision of goods or services, other than management services, if the price paid for those goods or services is at fair market rate and the term of the contract and all renewals does not exceed five years in total;

(e) acquire from or sell to a related party prescribed securities, other than securities issued by the related party, if the transaction is at fair market rate;

(f) acquire beneficial ownership of shares of a body corporate as mentioned in subsection 3-132(4);

(g) make a loan to or guarantee the obligations of an entity, other than a financial institution, in which the company beneficially owns shares as permitted by subsection 3-132(4) if the loan or guarantee is at fair market rate and meets the prescribed conditions;

(h) subject to subsection (2), make a loan on the security of the residence of the person to whom the loan is made to:

(i) a director or senior official of the company;

(ii) an employee of the company who is a member of a prescribed class of employees; or

(iii) the spouse of a director or senior official of the company or of an employee mentioned in subclause (ii);

(i) subject to subsection (3), make a personal loan that is fully secured other than by promissory note to:

(i) a senior official of the company;

(ii) an employee of the company who is a member of a prescribed class of employees; or

(iii) the spouse of a senior official of the company or of an employee mentioned in subclause (ii);

(j) make a loan to a related party that is a financial institution in which the company beneficially owns shares as permitted by subsection 3-132(4), if the loan is:

(i) at fair market rate;

(ii) fully secured by securities that meet the prescribed qualifications; and

(iii) for the prescribed purposes;

(k) enter into a transaction with a related party that is a financial institution if the transaction consists of a disposition by the company or subsidiary of assets for which the consideration is fully paid in money and is at fair market rate;

(l) guarantee the obligations of a related party that is a financial institution; and

(m) enter into any other prescribed transaction with a related party.

(2) For the purposes of clause (1)(h), the loan must be at fair market rate except in the case of a loan to:

(a) a director or senior official of the company; or

(b) an employee of the company who is a member of a prescribed class of employees.

(3) For the purposes of clause (1)(i), the personal loan must be at fair market rate except in the case of a personal loan to:

(a) a senior official of the company; or

(b) an employee of the company who is a member of a prescribed class of employees.

2015, c.I-9.11, s.3-151.

Procedures for approvals by directors

3-152(1) If this Division requires that a transaction, guarantee or investment have prior approval of the directors of a provincial company:

(a) the approval must be given in writing and in accordance with procedures established pursuant to section 3-156; and

(b) the approval may be given with respect to a guarantee or investment or with respect to a prescribed class of transactions.

(2) If this Division requires that a transaction, guarantee or investment have prior approval of the directors of a provincial company and the transaction, guarantee or investment will be reviewed by the directors of a subsidiary of the company and the subsidiary is a financial institution, the directors of the company are not required to review the transaction, guarantee or investment.

2015, c.I-9.11, s.3-152.

Disclosure

3-153(1) A person who knows or has reason to believe that he, she or it is a related party of a provincial company and who proposes to enter into a transaction, guarantee or investment with the provincial company or its subsidiary for which the prior approval of the directors of the provincial company is required shall disclose in writing to the provincial company the nature of the person's interest in the proposed transaction, guarantee or investment without delay after becoming aware of the facts that make or may make the person a related party of the provincial company.

(2) If the related party mentioned in subsection (1) is a director or senior official of a provincial company, disclosure must be made in accordance with section 3-161.

(3) If, with respect to a proposed transaction, guarantee or investment mentioned in subsection (1), a provincial company knows or has reason to believe that a party is a related party of the company, the company shall take all reasonable steps to obtain from that other party full disclosure in writing of any interest or relationship, direct or indirect, that would make that other party a related party of the company.

(4) The directors of the provincial company shall ensure that a disclosure made pursuant to subsection (1) or (3) is entered in the minutes of the first directors' meeting held after the making of the disclosure.

(5) No related party shall:

(a) vote or attempt in any way to influence the voting on any resolution to approve the transaction, guarantee or investment mentioned in subsection (1); or

(b) be present while the subject-matter of the transaction, guarantee or investment mentioned in subsection (1) is being discussed or the vote is being conducted.

(6) If a provincial company does not receive full disclosure as required by this section with respect to a proposed transaction, guarantee or investment, the company or its subsidiary, as the case may be, shall not enter into the transaction, guarantee or investment.

2015, c.I-9.11, s.3-153.

Transactions requiring Superintendent approval

3-154 With the prior approval of the Superintendent, a provincial company or its subsidiary may enter into a transaction, guarantee or investment or a class of transactions, guarantees or investments with a related party of the company that would otherwise be prohibited or restricted by this Act or the regulations if the Superintendent is satisfied that the transaction, guarantee or investment:

(a) is in the best interests of the company; and

(b) is not prejudicial to the interests of the shareholders and policyholders.

2015, c.I-9.11, s.3-154.

Limits on permitted transactions

3-155 No provincial company or subsidiary of a provincial company shall enter into a transaction, guarantee or investment with a related party of the company that is permitted pursuant to this Division if the transaction, guarantee or investment exceeds the prescribed limits.

2015, c.I-9.11, s.3-155.

Review and approval procedures

3-156(1) The conduct review committee of a provincial company shall establish written review and approval procedures to be followed by the company to ensure compliance with this Division.

(2) The conduct review committee shall review the procedures mentioned in subsection (1) at least once each year.

(3) The conduct review committee shall:

(a) report on its review pursuant to subsection (2) to the board of directors; and

(b) give its recommendations, if any, with respect to the procedures to the board of directors.

(4) The procedures mentioned in subsection (1) must include:

(a) the formalities governing transactions, guarantees and investments with respect to a related party;

(b) the obligations of the provincial company, its subsidiaries and the related party to disclose information;

(c) the protection of confidential information held by the provincial company or its subsidiaries relating to its business associates; and

(d) the conduct of the provincial company or subsidiary in cases where the interests of the company or subsidiary or of a person affiliated with either of them may be in conflict with the interests of its business associates.

(5) The procedures mentioned in subsection (1) are subject to the approval of the board of directors and the board of directors, on receipt of any recommendation from the conduct review committee, must review the procedures and make any changes the board considers necessary.

2015, c.I-9.11, s.3-156.

Duty to report contraventions

3-157(1) The auditor of a provincial company shall promptly report to the board of directors and the Superintendent any contravention of this Division of which the auditor is aware or is made aware pursuant to subsection (2) and, if the provincial company does not act to rectify the contravention within 30 days after receiving the report, the auditor shall promptly report the failure to rectify to the Superintendent.

(2) Any professional advisor of a provincial company who, in providing the professional services, becomes aware of a contravention of this Division shall promptly report the contravention to the board of directors and the auditor of the company, unless the contravention has already been reported pursuant to subsection (1).

(3) This section does not apply to information that is subject to solicitor-client privilege.

(4) A person who in good faith makes a report pursuant to subsection (1) or (2) is not liable in any action arising from it.

(5) A provincial company, on becoming aware that it or its subsidiary has entered into any of the following transactions, shall promptly notify the auditor and Superintendent of that fact:

(a) a transaction that is prohibited pursuant to this Division;

(b) a transaction that did not receive the approvals required pursuant to this Division.

2015, c.I-9.11, s.3-157.

Reliance on information

3-158(1) A provincial company and any person who is a director, officer, employee or agent of the provincial company may rely on:

(a) any information received pursuant to section 3-153; or

(b) any information otherwise acquired with respect to any matter that might be the subject of a disclosure pursuant to section 3-153.

(2) The provincial company and any person mentioned in subsection (1) are not liable in any action for anything done or omitted to be done in good faith in reliance on any information mentioned in subsection (1).

2015, c.I-9.11, s.3-158.

Onus of proof

3-159 For the purposes of this Division, the onus is on the related party and the provincial company or its subsidiary to establish that a transaction, guarantee or investment between the company or subsidiary and the related party is permitted pursuant to this Division.

2015, c.I-9.11, s.3-159.

Applications to court

3-160(1) If a transaction, guarantee or investment that is prohibited pursuant to this Division takes place, the Superintendent or any person the court considers interested may apply to the court for an order:

(a) setting aside the transaction, guarantee or investment and directing that the related party account to the provincial company for any profit or gain realized; and

(b) directing that each person who participated in or facilitated the transaction, guarantee or investment pay to the provincial company on a joint and several basis:

(i) the damages suffered;

(ii) the face value of the transaction, guarantee or investment; or

(iii) the amount expended by the provincial company in the transaction, guarantee or investment.

(2) On an application pursuant to subsection (1), the court may make any order it considers appropriate, including an order for compensation for the loss or damage suffered by the provincial company and punitive or exemplary damages from the related party.

(3) A person who is not a director is not liable pursuant to clause (1)(b) unless the person knew or ought reasonably to have known that the transaction, guarantee or investment contravened this Division.

(4) An application pursuant to subsection (1) with respect to a transaction, guarantee or investment must be made within three months after:

(a) the day on which the notice mentioned in subsection 3-157(5) with respect to the transaction, guarantee or investment is given to the Superintendent; or

(b) if no notice is given, the day on which the Superintendent becomes aware of the transaction, guarantee or investment.

2015, c.I-9.11, s.3-160.

DIVISION 14
Conflicts of Interest

Disclosure of interest

3-161(1) A director or a senior official of a provincial company shall disclose in writing to the company or request to have entered in the minutes of the meetings of the board of directors the nature and extent of any of the following interests:

(a) if the director or senior official is a party to a material contract or proposed material contract with the company;

(b) if the director or senior official is a director or a senior official of any entity that is a party to a material contract or proposed material contract with the company;

(c) if the director or senior official has a material interest in any person who is a party to a material contract or proposed material contract with the company.

(2) The disclosure required by subsection (1) must be made, in the case of a director:

(a) at or before the meeting of the board of directors at which a proposed material contract is first considered;

(b) if the director was not then interested in the proposed material contract, at the first meeting after the director becomes so interested;

(c) if the director becomes interested after a material contract is made, at the first meeting after the director becomes so interested; or

(d) if a person who is interested in a material contract later becomes a director, at the first meeting after that person becomes a director.

(3) The disclosure required by subsection (1) must be made, in the case of a senior official who is not a director:

(a) promptly after the senior official becomes aware that a proposed material contract is to be considered or a contract has been considered at a meeting of the board of directors;

(b) if the senior official becomes interested after a material contract is made, promptly after the senior official becomes so interested; or

(c) if a person who is interested in a material contract later becomes a senior official, promptly after the person becomes a senior official.

(4) If a material contract or proposed material contract is one that, in the ordinary course of business of the provincial company, would not require approval by the board of directors or the shareholders, a director or a senior official mentioned in subsection (1) shall disclose in writing to the provincial company or request to have entered in the minutes of meetings of the board of directors the nature and extent of the director's or senior official's interest promptly after the director or senior official becomes aware of the contract or proposed contract.

2015, c.I-9.11, s.3-161.

Voting

3-162(1) No director mentioned in subsection 3-161(1) shall be present or vote on any resolution to approve the material contract unless the material contract is:

(a) an arrangement by way of security for money lent to or obligations undertaken by the director for the benefit of the provincial company or a subsidiary of the company;

(b) a contract relating primarily to the director's remuneration as a director or a senior official, employee or agent of the provincial company, a subsidiary of the company, an entity controlled by the company or an entity in which the company has a substantial investment;

(c) a contract for indemnity or insurance of directors and senior officials that is equivalent to the indemnity or insurance described in section 119 of *The Business Corporations Act*; or

(d) a contract with an affiliate of the provincial company.

(2) Any director who contravenes subsection (1) ceases to hold office as director and is not eligible, for a period of five years after the date on which the contravention occurred, for election or appointment as a director of any financial institution that is incorporated by or pursuant to an Act.

2015, c.I-9.11, s.3-162.

Continuing disclosure

3-163 For the purposes of subsection 3-161(1), a general notice to the directors by a director or a senior official declaring that the director or senior official is a director or senior official of an entity or has a material interest in a person and is to be regarded as interested in any contract made with that entity or person is a sufficient declaration of interest in relation to any contract so made.

2015, c.I-9.11, s.3-163.

Avoidance standards

3-164(1) Subject to subsection (2), a material contract between a provincial company and one or more of its directors or senior officials, or between a provincial company and another entity of which a director or a senior official of the company is a director or a senior official, or between a provincial company and a person in which the director or senior official has a material interest, is neither void nor voidable:

(a) by reason only of that relationship; or

(b) by reason only that a director with an interest in the contract is present at or is counted to determine the presence of a quorum at the meeting of the board of directors or the committee of the board of directors that authorized the contract.

(2) Subsection (1) applies only if:

(a) the director or senior official disclosed the interest in accordance with section 3-161 or 3-163;

(b) the contract was approved by the directors and shareholders; and

(c) the contract was reasonable and fair to the company at the time it was approved.

2015, c.I-9.11, s.3-164.

Application to court

3-165 If a director or a senior official of a provincial company fails to disclose an interest in a material contract in accordance with section 3-161 or 3-163, the court may, on the application of the company or a shareholder of the company, set aside the contract on any terms that the court considers appropriate.

2015, c.I-9.11, s.3-165.

DIVISION 15
Regulations

Regulations for Part

3-166 The Lieutenant Governor in Council may make regulations:

(a) respecting the businesses that a provincial company may engage in or carry on;

(b) prescribing classes of personal property and classes of transactions for the purposes of clause 3-3(2)(b);

(c) prescribing an amount for the purposes of clause 3-3(2)(c);

(d) prescribing security interests for the purposes of clause 3-3(2)(d);

(e) prescribing requirements for the purposes of clause 3-9(2)(c);

(f) respecting the transfer of amounts with respect to a segregated fund for the purposes of section 3-10;

(g) prescribing the form, content, time of filing and delivery of information folders for variable insurance contracts and the persons to whom information folders are to be delivered;

(h) prescribing a mutual reinsurance company for the purpose of section 3-19;

(i) prescribing requirements that must be met before a provincial mutual company may be converted into a provincial company with common shares;

(j) respecting the requirements for amalgamation, transfer, fundamental reinsurance or purchase agreements;

(k) respecting requirements that must be met before provincial companies may enter into amalgamation, transfer, fundamental reinsurance or purchase agreements pursuant to Division 5;

(l) prescribing the records to be kept by a provincial company pursuant to subsection 3-96(1) and the length of time those records are to be retained for the purposes of subsection 3-96(3);

(m) prescribing the form, actions and proceedings for the purposes of clause 3-99(1)(c);

(n) prescribing a matter for the purposes of subsection 3-118(1);

(o) for the purposes of the definition of "commercial loan" in section 3-126:

(i) prescribing an amount for the purposes of subclause (a)(i);

(ii) prescribing an international agency for the purposes of subclause (a (ii);

(iii) prescribing an international agency for the purposes of subclause (b (ii);

(iv) prescribing financing for the purposes of clause (d);

(p) prescribing the percentage of a company's assets for the purposes of clause 3-129(1)(b);

(q) prescribing investments for the purposes of clause 3-129(2)(e);

(r) prescribing a body corporate for the purposes of clause 3-132(4)(e);

(s) defining interests in real property for the purposes of one or more provisions of Division 12 and determining the method of calculating the value of those interests;

(t) prescribing quantitative limits on investments that may be made by a provincial company or its subsidiary, including quantitative limits on investments mentioned in subsections 3-132(4) and 3-141(1) and, if a limit has been imposed by this Act, prescribing limits that are more restrictive;

(u) prescribing percentages for the purposes of subsection 3-140(2);

(v) respecting exceptions to subsection 3-145(2);

(w) prescribing transactions or matters for the purposes of clause 3-149(d);

(x) imposing terms and conditions and prescribing limits subject to which a provincial company or its subsidiary may make investments, give guarantees or enter into other transactions, and imposing restrictions on the manner in which investments, guarantees and other transactions may be made, given or entered into;

(y) prescribing investments, guarantees and other transactions that a provincial company or its subsidiary shall not make, give or enter into;

(z) respecting the method to be used to value the assets of a provincial company for the purposes of this Act;

(aa) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(bb) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2015, c.I-9.11, s.3-166.

PART IV
Fraternal Societies

DIVISION 1
Preliminary Matters

Interpretation of Part

4-1 In this Part:

"assessments" includes all contributions, assessments, fees, dues and other amounts that a member is required to pay as set out in the fraternal society's constitution, bylaws and rules;

"member" means a member of a fraternal society;

"rates of contribution" means the regular net premiums, dues, rates or contributions receivable by a fraternal society from its members for the purpose of the payment at maturity of the fraternal society's contracts of insurance;

"readjustment committee" means a readjustment committee appointed pursuant to section 4-13.

2015, c.I-9.11, s.4-1.

Application of Part

4-2(1) This Part applies to all fraternal societies that held a valid licence on October 2, 2003 pursuant to *The Saskatchewan Insurance Act*, as that Act existed on that date.

(2) This Part does not apply to a fraternal benefit society that is a federally authorized company.

2015, c.I-9.11, s.4-2.

DIVISION 2
Restrictions on Licensing of Fraternal Societies

Cases in which fraternal societies are not to be licensed

4-3(1) No fraternal society is to be licensed:

(a) if it undertakes contracts of insurance with persons other than its own members and their spouses and children;

(b) if it insures or indemnifies against contingencies other than accident and sickness, disability or death or funeral expenses;

(c) if the sum or sums payable on the death of any one member, other than a funeral benefit, exceed the prescribed amount;

(d) if it undertakes endowment insurance or annuities on lives;

(e) if it has fewer than 75 members in good standing;

(f) if it is in effect the property of its officers or collectors or of any other person for their or that person's own benefit;

(g) if it is conducted as a commercial or business enterprise or for the purpose of commercial profit;

(h) if its funds are under the control of persons or officers who are appointed pursuant to its constitution, bylaws or rules for a period exceeding four years or who are not elected periodically by the members; or

(i) if it does not, for the purposes of its contracts of insurance, keep distinct and separate funds, securities, books and vouchers.

(2) Every fraternal society shall establish an audit committee consisting of at least three directors.

(3) Two-thirds of the members of the audit committee must be directors who are not affiliated directors of the fraternal society as determined pursuant to the regulations, and none of the members of the audit committee are to be officers, employees, insurance agents, adjusters or brokers of the society or of a subsidiary of the society.

2015, c.I-9.11, s.4-3.

DIVISION 3
Constitution, Bylaws and Rules

Constitution, bylaws and rules deliverable on demand

4-4(1) A fraternal society shall provide a copy of its constitution, bylaws and rules relating to its contracts of insurance and to the management and application of its insurance funds to any person who requests them and who pays a fee that the fraternal society considers reasonable to recover its costs in providing the copy.

(2) On the request of the Superintendent, a fraternal society shall provide the Superintendent with a copy of its instrument of incorporation, its constitution, bylaws and rules and with any amendments to them.

(3) The constitution, bylaws and rules and any amendment, revision or consolidation of them passed by a fraternal society:

(a) are deemed to be the constitution, bylaws and rules in force on and after the date of their passing by the fraternal society; and

(b) are binding on all members and on all their beneficiaries and legal representatives and on everyone entitled to any benefit under any certificate of the fraternal society.

(4) The passing of any bylaw or rule of the fraternal society or of any amendment of a bylaw or rule does not make valid any provision of the bylaw or rule that is inconsistent with this Act.

2015, c.I-9.11, s.4-4.

DIVISION 4
Members' Rights and Liabilities

Limitation of member's liability – withdrawal of member

4-5(1) The liability of a member pursuant to the member's contract of insurance is limited to the assessments that:

(a) became payable within the 12 months preceding the date on which the liability is determined; and

(b) the fraternal society has given to the member in accordance with its constitution, bylaws and rules.

(2) A member may, at any time, withdraw from the fraternal society by:

(a) serving written notice of the member's intention to withdraw on the fraternal society; and

(b) paying the assessments mentioned in subsection (1).

(3) On withdrawal, a member is released from all further liability under the member's contract of insurance and continues to be entitled to any insurance benefits paid for under that contract.

(4) This section is subject to the constitution, bylaws and rules of the fraternal society.

2015, c.I-9.11, s.4-5.

Insurance policy and terms and conditions to be provided

4-6(1) If a person becomes a member, the fraternal society shall provide that person with a 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 shall provide notice of the amendment to each affected member as soon as is practicable after the date of the amendment.

(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.

2015, c.I-9.11, s.4-6.

Notice before forfeiture of benefit

4-7 A member does not incur any forfeiture or suspension of benefits by reason of default in paying any assessment, except those assessments that are payable in fixed sums and at fixed dates, until:

(a) the member has been served with a written notice stating:

(i) the amount of the assessment due by the member; and

(ii) that, if the member does not pay the amount mentioned in subclause (i) to an officer of the fraternal society named in the notice within a reasonable period of not less than 30 days after being served, the member's benefit will be forfeited or suspended; and

(b) the member has defaulted in paying the amount due in accordance with the written notice.

2015, c.I-9.11, s.4-7.

Saving rights to reinstatement

4-8 If pursuant to the constitution, bylaws and rules of the fraternal society a defaulting member is entitled to be reinstated on payment of arrears of assessments, after a stated number of days' default, section 4-11 is to be interpreted as not prejudicing the rights of that member.

2015, c.I-9.11, s.4-8.

Conditions of forfeiture restricted

4-9 Subject to section 10-11, if a provision of the constitution, bylaws or rules of the fraternal society states that the member's benefit pursuant to the contract of insurance is suspended or reduced or forfeited for any reason other than for non-payment of assessments, that provision is valid only if the Superintendent finds that it is just and reasonable under the circumstances.

2015, c.I-9.11, s.4-9.

DIVISION 5
Reports and Readjustment of Contracts

Information to be provided when required

4-10(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 shall provide the information required by subsection (1) to its members:

(a) at the times and in the manner required by the Superintendent; and

(b) in a form and with the contents acceptable to the Superintendent.

2015, c.I-9.11, s.4-10.

Insufficiency of assets

4-11(1) The Superintendent may do the things mentioned in this section if it appears to the Superintendent from the statement and reports filed with the Superintendent 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:

(a) without deduction or reduction of benefits; and

(b) without an increase in the existing rates of contribution.

(2) In the circumstances mentioned in subsection (1), the Superintendent may direct the fraternal society in writing to do all or any of the following for the purpose of enabling the fraternal society to provide for the payment of its contracts of insurance at maturity:

(a) increase the rates of contribution;

(b) reduce the benefits payable pursuant to its contracts of insurance;

(c) make any other changes to the operations of the fraternal society that the Superintendent considers necessary.

(3) The Superintendent may specify the period, not exceeding four years, within which the fraternal society must do the things set out in the written direction pursuant to subsection (2).

(4) On receipt of a written direction pursuant to subsection (2), the fraternal society shall, in accordance with its constitution, bylaws and rules, put into effect the changes in a manner that conforms to the written direction and that is approved by an actuary.

(5) If, in the opinion of the governing executive authority, a special meeting of the society is desirable for the purpose of considering a written direction of the Superintendent pursuant to subsection (2), the governing executive authority may call a special meeting of the membership of the fraternal society on the notice that it considers reasonable and that the Superintendent may approve.

(6) A meeting called pursuant to subsection (5) is deemed to be a regularly constituted meeting notwithstanding the constitution, bylaws and rules of the fraternal society.

2015, c.I-9.11, s.4-11.

Reduction of benefits or increase of rates

4-12(1) For the purposes of complying with a written direction given pursuant to section 4-11, a fraternal society may amend its constitution, bylaws and rules to:

(a) reduce all or any of the benefits payable under its contracts of insurance;

(b) increase the rates of contribution payable by all or any class of its members; or

(c) make any other changes to the operations of the fraternal society.

(2) Any amendments to its constitution, bylaws and rules when adopted by the fraternal society at a regular or special meeting of the fraternal society are binding on the members, on their beneficiaries and legal representatives and on all persons deriving legal rights from any member or beneficiary.

(3) Subsection (2) applies notwithstanding anything to the contrary in:

(a) the fraternal society's constitution, bylaws and rules before those amendments;

(b) the fraternal society's instrument of incorporation; or

(c) any of the fraternal society's contracts of insurance, insurance policies or certificates of insurance, whether entered into or issued before or after the amendments.

2015, c.I-9.11, s.4-12.

Readjustment committee, appointment and duties

4-13(1) Subject to subsection (2), if a fraternal society does not comply with a written direction issued pursuant to section 4-11 within the period specified by the Superintendent, the Superintendent shall appoint a readjustment committee of three persons to investigate the assets, liabilities, rates of contribution and contracts of insurance of the fraternal society.

(2) The readjustment committee shall:

(a) prepare a report containing any amendments to the fraternal society's constitution, bylaws and rules that will result in:

(i) reducing the benefits payable pursuant to all or some of its contracts of insurance;

(ii) increasing the rates of contribution payable by all or any class of its members; or

(iii) making any other changes that the readjustment committee considers necessary to provide for the payment of all of its contracts of insurance as they mature in accordance with the amendments; and

(b) fix the date that is not more than six months after the date of filing the report when the amendments come into force.

(3) At least one of the members of the readjustment committee must be an actuary.

2015, c.I-9.11, s.4-13.

Amendments of committee to become part of constitution

4-14(1) A readjustment committee shall file its report with the Superintendent and deliver to the fraternal society a certified copy of its report.

(2) After filing the report pursuant to subsection (1), the amendments contained in the readjustment committee's report, on the date fixed pursuant to clause 4-13(2)(b):

(a) become part of the constitution, bylaws and rules of the fraternal society; and

(b) are binding on all members, on their beneficiaries and legal representatives and on all persons deriving legal rights from any member or beneficiary.

(3) Subsection (2) applies notwithstanding anything to the contrary in:

(a) the fraternal society's constitution, bylaws and rules before those amendments;

(b) the fraternal society's instrument of incorporation; or

(c) any of the fraternal society's contracts of insurance, insurance policies or certificates of insurance, whether entered into or issued before or after the amendments.

2015, c.I-9.11, s.4-14.

Duty of fraternal society to provide information and pay expenses

4-15(1) A fraternal society shall:

(a) provide a readjustment committee with any information required by the readjustment committee; and

(b) pay the costs of the readjustment committee, including the costs of any investigation carried out by that committee and the costs of preparing a report.

(2) The Superintendent may, in writing, direct that a fraternal society provide the Superintendent with any information that he or she may require respecting the costs of the readjustment committee.

(3) No fraternal society shall fail to provide the information directed pursuant to subsection (2) within the period specified in the direction.

2015, c.I-9.11, s.4-15.

DIVISION 6
Special Rates and Benefits

Separate accounts to be maintained

4-16 A fraternal society shall maintain a separate account with respect to each class of insurance for which it is authorized to insure risks.

2015, c.I-9.11, s.4-16.

Epidemic or unforeseen contingency

4-17(1) If an epidemic or other unforeseen contingency, in the opinion of the governing executive authority of the fraternal society, impairs the funds of a fraternal society, the governing executive authority may impose one or more special assessments on all or any class of the members of the fraternal society that the governing executive authority considers necessary.

(2) Any special assessment imposed pursuant to subsection (1) is binding on the members of the fraternal society.

(3) Subsection (2) applies notwithstanding anything to the contrary in:

(a) the fraternal society's constitution, bylaws and rules before that special assessment;

(b) the fraternal society's instrument of incorporation; or

(c) any of the fraternal society's contracts of insurance, insurance policies or certificates of insurance, whether entered into or issued before or after the assessment.

2015, c.I-9.11, s.4-17.

Additional levies for general or expense fund

4-18(1) The governing executive authority of a fraternal society may make any additional levies on all the members that are, in the opinion of the governing executive authority, necessary to carry on properly the work of the fraternal society and to prevent any deficit in its general or expense fund.

(2) Any additional levies made pursuant to subsection (1) are binding on the members.

(3) Subsection (2) applies notwithstanding anything to the contrary in:

(a) the fraternal society's constitution, bylaws and rules before the levies;

(b) the fraternal society's instrument of incorporation; or

(c) any of the fraternal society's contracts of insurance, insurance policies or certificates of insurance, whether entered into or issued before or after the levies.

2015, c.I-9.11, s.4-18.

New benefits or rates of contribution

4-19(1) Subject to subsection (2), no fraternal society shall put into effect new or additional benefits or any new scale of rates of contribution pursuant to contracts of insurance until at least 30 days after the fraternal society files a written notice of the changes with the Superintendent.

(2) On receipt of the written 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.

2015, c.I-9.11, s.4-19.

Regulations for Part

4-20 The Lieutenant Governor in Council may make regulations:

(a) prescribing amounts for the purposes of clause 4-3(1)(c);

(b) respecting the determination of affiliated directors for the purposes of subsection 4-3(3);

(c) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(d) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2015, c.I-9.11, s.4-20.

PART V
Insurance Intermediaries and Insurance Councils

DIVISION 1
Preliminary Matters

Interpretation of Part

5-1 In this Part:

"business", unless the context requires otherwise, means a body corporate, a partnership or a sole proprietor but does not include an insurer;

"general insurance" means any class of property and casualty insurance other than accident and sickness insurance;

"insurance intermediary" means an insurance agent, an insurer's representative, a managing general agent or a third party administrator;

"insurer's representative" means an individual director, officer or employee of an insurer or a member of a fraternal society who carries out one or more of the activities of an insurance agent;

"property and casualty insurance" means any class of insurance other than life insurance.

2015, c.I-9.11, s.5-1.

Special provisions respecting partnerships

5-2(1) Every partnership acting as an insurance agent or adjuster shall hold a licence as an insurance agent or adjuster in the name of the partnership.

(2) If there is a change in the membership of a partnership or of the general partners of a limited partnership:

(a) the change is deemed to create a new partnership; and

(b) any existing licence issued to the partnership is automatically cancelled.

2015, c.I-9.11, s.5-2.

Service of notices, etc.

5-3(1) Subject to subsection (2), any notice or document that is required pursuant to this Part or the regulations to be given to or served by the Superintendent on a business that is required to hold a licence may be given to or served on the business's designated representative pursuant to section 5-20 or 5-43.

(2) Any notice or document that is required pursuant to this Part or the regulations to be given to or served by the Superintendent on a business that holds a restricted insurance agent's licence may be given to or served on the business's designated representative pursuant to section 5-78.

2015, c.I-9.11, s.5-3.

DIVISION 2
Insurance Intermediaries

Subdivision 1
Licensing

Insurance agent's licence required

5-4(1) No business shall act or offer to act as an insurance agent with respect to a class of insurance unless the business holds a valid insurance agent's licence for that class of insurance.

(2) No individual shall act or offer to act as an insurance agent with respect to a class of insurance unless the individual:

(a) is an employee or independent contractor of a business or partner of a partnership that holds a valid insurance agent's licence for that class of insurance and the individual holds a valid insurance agent's licence for that class of insurance;

(b) is an employee of a business that holds a valid restricted insurance agent's licence for that class of insurance;

(c) is an employee or independent contractor of a managing general agent that holds a valid licence for that class of insurance and the individual holds a valid insurance agent's licence for that class of insurance; or

(d) is an employee or independent contractor or partner of a partnership of a prescribed entity.

(3) No business that holds an insurance agent's licence, other than a restricted insurance agent's licence, shall employ or appoint an individual to act as an insurance agent unless the individual holds a valid insurance agent's licence.

(4) No insurer shall allow a business to act as an insurance agent on its behalf unless the business holds a valid insurance agent's licence.

(5) No insurer shall allow a managing general agent to act on its behalf with respect to a class of insurance unless the managing general agent holds a valid managing general agent's licence for that class of insurance.

(6) No insurer shall allow a third party administrator to act on its behalf with respect to a class of insurance unless the third party administrator holds a valid third party administrator's licence for that class of insurance.

2015, c.I-9.11, s.5-4; 2018, c 14, s.6.

Insurer's representative's licence required

5-5(1) No insurer shall employ as an employee an individual to carry on an insurance agent's activities unless the individual holds a valid insurer's representative's licence.

(2) No individual shall act as an insurer's representative unless the individual holds a valid insurer's representative's licence.

(3) Notwithstanding subsections (1) and (2) but subject to subsection (4), a member of a fraternal society licensed pursuant to Part IV who acts or offers to act as an insurer's representative only with respect to insurance issued by the fraternal society for its members is not required to obtain an insurer's representative's licence.

(4) Subsection (3) does not apply to a member of the fraternal society who receives a salary or commission for the purpose of acting as an insurer's representative.

2015, c.I-9.11, s.5-5.

Managing general agent's licence required

5-6 No business or insurer shall act or offer to act as a managing general agent with respect to a class of insurance unless the business or insurer holds a valid managing general agent's licence for that class of insurance.

2015, c.I-9.11, s.5-6.

Prohibition on who may be managing general agent

5-7 Prescribed persons and prescribed classes of persons are not eligible to be issued a licence as a managing general agent.

2015, c.I-9.11, s.5-7.

Third party administrator's licence required

5-8 No business or insurer shall act or offer to act as a third party administrator with respect to a class of insurance unless the business or insurer holds a valid third party administrator's licence for that class of insurance.

2015, c.I-9.11, s.5-8.

Prohibition respecting holding out

5-9 No person shall hold himself, herself or itself out as an insurance intermediary unless the person holds a valid insurance intermediary's licence.

2015, c.I-9.11, s.5-9.

Prohibition respecting appointment of unlicensed persons

5-10 Except where permitted in the regulations, no insurer and no insurance intermediary shall appoint, permit or authorize any person to do any of the things for which an insurance intermediary's licence is required by this Part unless the person is the holder of a valid insurance intermediary's licence.

2015, c.I-9.11, s.5-10.

Application for licence

5-11 An application for an insurance intermediary's licence must:

(a) be filed with the Superintendent;

(b) specify the classes of insurance that the applicant intends to transact;

(c) be accompanied by proof satisfactory to the Superintendent that the requirements respecting financial security mentioned in section 5-26 have been met;

(d) be accompanied by the recommendations required by this Division;

(e) contain the prescribed information and material;

(f) in the case of an application for a managing general agent's licence, be accompanied by a managing general agent agreement between the applicant and the insurer on whose behalf the applicant is to act;

(g) in the case of an application for a third party administrator's licence, be accompanied by a third party administrator agreement between the applicant and the insurer on whose behalf the applicant is to act; and

(h) contain any other information and material required by the Superintendent.

2015, c.I-9.11, s.5-11.

Superintendent may require other information

5-12(1) At any time, the Superintendent may, in writing, require an applicant for or holder of an insurance intermediary's licence to submit to the Superintendent within a specified time any other information or material.

(2) An applicant for or holder of an insurance intermediary's licence must not fail to comply with subsection (1) within the period specified by the Superintendent.

2015, c.I-9.11, s.5-12.

Form of application for licence

5-13 Every application for an insurance intermediary's licence must:

(a) be in a form approved by the Superintendent; and

(b) be accompanied by the prescribed fee.

2015, c.I-9.11, s.5-13.

Issue of licence

5-14(1) Subject to subsection (2), the Superintendent may:

(a) issue an insurance intermediary's licence if, in the Superintendent's opinion, the applicant:

(i) is suitable to be licensed and the proposed licensing is not for any reason objectionable; and

(ii) has met all the requirements of this Act and the regulations; or

(b) subject to section 10-11, refuse to issue a licence to the applicant if, after any investigation the Superintendent considers reasonable, the Superintendent is of the opinion that the applicant should not be issued a licence.

(2) The Superintendent may refuse to issue a licence without complying with section 10-11:

(a) if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant;

(b) if the applicant has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations; or

(c) in the prescribed circumstances.

2015, c.I-9.11, s.5-14.

Categories of insurance intermediary's licences

5-15 The following categories of licences may be issued to insurance intermediaries:

(a) insurance agent's licences for:

(i) life and accident and sickness insurance;

(ii) accident and sickness insurance;

(iii) crop hail insurance; or

(iv) one or more classes of property and casualty insurance;

(b) insurer's representative's licences for:

(i) life and accident and sickness insurance;

(ii) accident and sickness insurance;

(iii) crop hail insurance; or

(iv) one or more classes of property and casualty insurance;

(c) managing general agent's licences for:

(i) life and accident and sickness insurance;

(ii) accident and sickness insurance;

(iii) crop hail insurance; or

(iv) one or more classes of property and casualty insurance;

(d) third party administrator's licences for:

(i) life and accident and sickness insurance;

(ii) accident and sickness insurance; or

(iii) one or more classes of property and casualty insurance;

(e) any other prescribed categories.

2015, c.I-9.11, s.5-15.

Contents of licences

5-16(1) If an insurance intermediary's licence is issued to an individual, the licence must state the following:

(a) the name of the individual;

(b) the name of the business that the individual is authorized to represent;

(c) the category of the licence and the classes of insurance for which the licence is issued;

(d) the licence number;

(e) any terms and conditions imposed on the licence;

(f) any other prescribed information;

(g) any other information that the Superintendent considers necessary or appropriate.

(2) If an insurance intermediary's licence is issued with respect to a business, the licence must state the following:

(a) the name of the business;

(b) the category of the licence and the classes of insurance for which the licence is issued;

(c) the licence number;

(d) any terms and conditions imposed on the licence;

(e) any other prescribed information;

(f) any other information that the Superintendent considers necessary or appropriate.

2015, c.I-9.11, s.5-16.

Terms and conditions

5-17(1) Subject to section 10-11, at the time an insurance intermediary's licence is issued or reinstated, the Superintendent may impose any terms and conditions on the licence that the Superintendent considers necessary.

(2) Subject to section 10-11, at any time after an insurance intermediary's licence is issued or reinstated, the Superintendent may do all or any of the following:

(a) amend terms and conditions imposed on the licence;

(b) impose new terms and conditions on the licence;

(c) repeal terms and conditions on the licence and substitute new terms and conditions in their place.

(3) No holder of an insurance intermediary's licence shall fail to comply with the terms and conditions imposed on the licence.

2015, c.I-9.11, s.5-17.

Subdivision 2
Recommendations, Screening and Supervision

Recommendations for insurance agents and insurer's representatives – life insurance

5-18(1) Every person that applies for or holds an insurance agent's licence for life insurance must be recommended by:

(a) a licensed life company that has entered into an agency contract with the person; or

(b) the managing general agent of the licensed life company mentioned in clause (a).

(2) Every individual who applies for or holds an insurer's representative's licence for life insurance must:

(a) be an employee of a licensed life company; and

(b) be recommended by the licensed life company by which he or she is employed.

(3) The designated representative of the licensed life company shall certify in writing that the applicant or insurance agent is:

(a) of good character;

(b) qualified to act as an insurance agent; and

(c) knowledgeable about the class of insurance for which the designated representative is recommending that the applicant or insurance agent be licensed.

(4) **Repealed.** 2018, c 14, s.7.

(5) **Repealed.** 2018,c 14, s.7.

(6) A holder of a valid insurance agent's licence for life insurance that has been issued on the recommendation of a licensed life company must not be issued another insurance agent's licence for life insurance to represent a different licensed life company.

2015, c.I-9.11, s.5-18; 2018, c 14, s.7.

Recommendations – other insurance

5-19(1) Every business that applies for or holds an insurance agent's licence for property and casualty insurance must be recommended by:

(a) an insurer that is licensed to undertake the class of insurance for which the business is applying; or

(b) the managing general agent of the licensed insurer mentioned in clause (a).

(2) Every individual who applies for or holds an insurance agent's licence for property and casualty insurance must:

(a) be an employee or independent contractor of a business that holds an insurance agent's licence for the class of insurance for which the individual is applying; and

(b) be recommended by the designated representative of the business for the class of insurance for which the individual is applying.

(3) The designated representative of the business shall certify in writing that the applicant or insurance agent is:

(a) of good character;

(b) qualified to act as an insurance agent; and

(c) knowledgeable about the class of insurance for which the designated representative is recommending that the applicant or insurance agent be licensed.

(4) Every individual who applies for or holds an insurer's representative's licence for property and casualty insurance must:

(a) be an employee of a licensed insurer that is licensed for the class of insurance for which the individual is applying; and

(b) be recommended by the licensed insurer by which he or she is employed.

(5) A business, or employee of a business, that holds an insurance agent's licence for a class of property and casualty insurance may, unless the licence is made subject to prescribed conditions that provide otherwise, act as an insurance agent for any insurer that is licensed to undertake that class of property and casualty insurance.

(6) A business or employee of a business that holds an insurance agent's licence for accident and sickness insurance that does not include a death benefit may, unless the licence is made subject to prescribed conditions that provide otherwise, act as an insurance agent for any insurer that is licensed to undertake accident and sickness insurance if it is not a life insurance insurer.

2015, c.I-9.11, s.5-19.

Designated representative required for business that is an insurance agent, managing general agent or third party administrator

5-20(1) In this section, **"required class of insurance"** means life insurance or property and casualty insurance.

(2) Every business that is licensed as an insurance agent, managing general agent or third party administrator for a required class of insurance shall have a designated representative for that class of insurance who:

(a) is licensed in that required class of insurance;

(b) meets the prescribed requirements;

(c) is recommended by the licensed insurer that recommended that the business be issued an insurance agent's, managing general agent's or third party administrator's licence for that class of insurance; and

(d) is responsible for receiving notices and other documents on behalf of the insurance agent, managing general agent or third party administrator pursuant to this Act and for carrying out any other prescribed duties.

(3) A designated representative may delegate his or her duties in the prescribed circumstances.

(4) The designated representative of a business that is a sole proprietorship is its sole proprietor, unless the sole proprietor designates someone else to be the designated representative.

(5) This section does not apply to a business that holds a restricted insurance agent's licence.

2015, c.I-9.11, s.5-20.

Changes in designated representative

5-21(1) A designated representative who resigns shall:

(a) give a notice of resignation to the business that the designated representative represents; and

(b) file a copy of the notice with the Superintendent.

(2) If a business that a designated representative represents revokes the designation or if the designated representative of a business dies, the business shall immediately:

(a) notify the Superintendent in writing of that fact; and

(b) in the case of revocation, provide the Superintendent with specific reasons for the revocation.

(3) If an insurer or managing general agent that has recommended that a designated representative be issued an insurance agent's licence cancels the recommendation, the insurer or managing general agent shall immediately:

(a) notify the business and the Superintendent in writing of the cancellation of the recommendation; and

(b) provide the specific reasons for the cancellation.

(4) If a designated representative of a business resigns or dies, the business shall, within 14 days after the resignation or death, submit to the Superintendent a written designation of an individual who meets the requirements of this Act and the regulations to be the new designated representative.

(5) If a business does not comply with subsection (4), the business's insurance agent's, managing general agent's or third party administrator's licence is automatically suspended.

(6) Subject to subsection (7), the insurance agent's, managing general agent's or third party administrator's licence of a business represented by a designated representative is automatically suspended if:

(a) the business revokes the designation of the designated representative;

(b) an insurer or a managing general agent cancels its recommendation of the designated representative; or

(c) the designated representative no longer meets the prescribed requirements.

(7) Subsection (6) does not apply if, before any of the events mentioned in clauses (6)(a) to (c) occur, the business submits to the Superintendent a written designation of an individual who meets the requirements of this Act and the regulations to be the new designated representative.

(8) If a business's insurance agent's, managing general agent's or third party administrator's licence is suspended pursuant to subsection (5) or (6), the licence of each of the business's employees is automatically suspended.

(9) If a designated representative of a business dies, a reference in this section to suspending the business's licence or to suspending the licences of the employees of the business refers to every category of licence that was held by the designated representative.

(10) Subsection (11) applies if:

(a) a business's designated representative resigns as a designated representative with respect to a category of licence;

(b) a business revokes the designation of a designated representative with respect to a category of licence;

(c) an insurer or managing general agent cancels a recommendation of a designated representative of a business; or

(d) a business's designated representative no longer meets the prescribed requirements for being a designated representative with respect to a category of licence.

(11) In the circumstances mentioned in subsection (10), a reference in this section to suspending the business's insurance agent's licence or to suspending the licences of the employees of the business refers to those licences that are of the same category as the category of licence:

(a) with respect to which the designated representative resigned or had his or her designation revoked;

(b) for which the designated representative was no longer meeting the prescribed requirements; or

(c) with respect to which the recommendation was cancelled.

(12) No business, insurer or managing general agent shall fail to give the notice of resignation, revocation, cancellation or designation within the period required by this section after the resignation, revocation, cancellation or designation.

(13) The Superintendent may approve a temporary designated representative in the prescribed circumstances.

Cancellation of recommendation by insurer or managing general agent – businesses

5-22(1) If an insurer or managing general agent that has recommended that a business be issued an insurance agent's licence cancels the recommendation or if the agency contract between that insurer and business is no longer in force:

(a) the insurer or managing general agent shall immediately notify the Superintendent in writing:

(i) of the cancellation of the recommendation and the specific reasons for the cancellation; or

(ii) that the agency contract is no longer in force and the specific reasons why the agency contract is no longer in force; and

(b) the business's insurance agent's licence is automatically suspended unless, before the cancellation of the recommendation or the termination or expiration of the agency contract, the business submits to the Superintendent a new insurer's written recommendation mentioned in subsection 5-18(1) or 5-19(1), as the case may be.

(2) If a business's insurance agent's licence is suspended pursuant to clause (1)(b), the insurance agent's licence for each of the business's employees is automatically suspended.

(3) If an insurer or managing general agent that has recommended that an employee of a business be issued an insurance agent's licence cancels the recommendation, the insurer or managing general agent shall immediately notify the Superintendent in writing of the cancellation and the specific reasons for the cancellation.

(4) If an insurer or managing general agent that has recommended that an employee of a business be issued an insurance agent's licence cancels the recommendation, the employee's licence is automatically suspended unless, before the cancellation of the recommendation, the employee submits to the Superintendent a new insurer's recommendation mentioned in subsection 5-18(2) or 5-19(2) or (4), as the case may be.

(5) If a business is required to replace the recommendation of an insurer or managing general agent, a reference in this section to suspending the business's licence or to suspending the licences of the employees of the business refers to:

(a) licences for life insurance if the insurer or managing general agent mentioned in subsection (3) was the insurer or managing general agent that recommended that the business or employee receive an insurance agent's licence for life insurance;

(b) licences for general insurance if the insurer or managing general agent mentioned in subsection (3) was the insurer or managing general agent that recommended that the business or employee receive an insurance agent's licence for general insurance; and

(c) licences for accident and sickness insurance if the insurer or managing general agent mentioned in subsection (3) was the insurer or managing general agent that recommended that the business or employee receive an insurance agent's licence for accident and sickness insurance.

2015, c.I-9.11, s.5-22.

Cancellation of recommendation by designated representative

5-23 If a designated representative who recommended that an individual be issued an insurance agent's licence cancels the recommendation:

(a) the licence is automatically suspended; and

(b) the designated representative shall immediately notify the Superintendent in writing of the cancellation and the specific reasons for the cancellation.

2015, c.I-9.11, s.5-23.

Cancellation of recommendation by insurer – employees

5-24 If an insurer that recommended that one of its employees be issued an insurer's representative's licence cancels the recommendation:

(a) the licence is automatically suspended; and

(b) the insurer shall immediately notify the Superintendent in writing of the cancellation and the specific reasons for the cancellation.

2015, c.I-9.11, s.5-24.

Screening procedures for insurance agents

5-25(1) Every insurer or managing general agent that recommends that a business or individual be issued an insurance agent's licence shall:

(a) establish reasonable screening procedures to determine whether the business or individual is suitable to act as an insurance agent; and

(b) use those procedures to screen the business or individual before making a recommendation.

(2) Every business for which a designated representative recommends that an individual be issued an insurance agent's licence shall:

(a) establish reasonable screening procedures to determine whether the individual is suitable to act as an insurance agent; and

(b) use those procedures to screen an individual before making a recommendation.

2015, c.I-9.11, s.5-25.

Subdivision 3
Business Conduct and Changes to Status

Financial security required for insurance intermediaries

5-26(1) Every business and individual that applies for or holds an insurance intermediary's licence shall meet and maintain the prescribed financial security requirements.

(2) This section does not apply with respect to:

(a) a licence issued to an employee of a licensed insurer; or

(b) a licence for a prescribed class of insurance or for a prescribed category of licence holder.

(3) Financial security maintained pursuant to this section may be forfeited in the prescribed manner.

2015, c.I-9.11, s.5-26.

Ongoing monitoring

5-27 Every insurer or managing general agent that recommends that a person be licensed or business for which a designated representative recommends that an individual be licensed shall:

(a) establish reasonable procedures to ensure that those licensees are knowledgeable about the class of insurance for which they have been licensed; and

(b) ensure that those procedures established pursuant to clause (a) are being used.

2015, c.I-9.11, s.5-27.

Expiration of licence

5-28(1) Subject to subsection (2), an insurance intermediary's licence expires on the prescribed date unless it is sooner suspended or cancelled in accordance with this Act.

(2) If authorized pursuant to the regulations, an insurance intermediary's licence continues in force indefinitely unless it is suspended or cancelled in accordance with this Act.

2015, c.I-9.11, s.5-28.

Reinstatement of suspended licence

5-29(1) The Superintendent may reinstate a suspended insurance intermediary's licence if, in the opinion of the Superintendent, the insurance intermediary is suitable to be licensed and the reinstatement is not for any reason objectionable.

(2) If an insurance intermediary's licence is suspended by or pursuant to this Act for a definite period, the licence shall not be reinstated until the expiration of that period.

(3) An insurance intermediary that applies to have his, her or its licence reinstated shall:

(a) submit an application for reinstatement to the Superintendent;

(b) pay a reinstatement fee; and

(c) comply with any other prescribed criteria.

(4) The Superintendent may refuse to reinstate an insurance intermediary's licence if the applicant for reinstatement:

(a) has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant; or

(b) has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations.

2015, c.I-9.11, s.5-29.

Ceasing to be employee

5-30(1) In this section, **"employee"** means an employee of a business or an insurer.

(2) The insurance agent's licence or insurer's representative's licence of an individual who is an employee is automatically suspended if the individual ceases to be an employee.

(3) If an individual who is an employee acts as an insurance agent or insurer's representative and ceases to be an employee, the business or insurer shall, within five days after the date on which the individual ceased to be an employee:

(a) notify the Superintendent in writing of that fact; and

(b) provide the Superintendent with specific reasons for the cessation of employment.

2015, c.I-9.11, s.5-30.

Rules re employees of insurance agent

5-31(1) Subject to subsection (2), an individual who is an employee of a business licensed in the class of property and casualty insurance may act as an insurance agent for more than one business, but, if the individual does so, the individual shall obtain a separate insurance agent's licence for each business that the individual represents.

(2) An individual who is an employee of an insurer and who holds a valid insurer's representative's licence may act as an insurer's representative only for:

(a) that insurer; and

(b) an insurer that is a prescribed affiliate.

(3) An individual who is an employee of an insurer and who holds a valid insurer's representative's licence specifying that the individual is authorized to represent that insurer shall not be issued another insurer's representative's licence or insurance agent's licence to represent a different insurer or business.

(4) An individual who is an employee of a managing general agent or a third party administrator and who holds a valid insurance agent's licence specifying that the individual is employed by that managing general agent or third party administrator shall not be issued another insurance agent's licence to represent a different managing general agent, third party administrator, insurer or business.

2015, c.I-9.11, s.5-31.

Financial security not in force

5-32(1) If, during the term of an insurance intermediary's licence, the financial security required pursuant to section 5-26 to be maintained with respect to that licence is no longer in force:

(a) the grantor of the financial security shall notify the Superintendent of that fact in accordance with the terms of the security; and

(b) the licence is automatically suspended unless, while the security is in force, the holder of the licence satisfies the Superintendent that the holder is covered by new financial security that meets the requirements of section 5-26.

(2) If a business's licence is suspended pursuant to clause (1)(b), the licence for each employee of the business is automatically suspended.

2015, c.I-9.11, s.5-32.

Notice of automatic suspension

5-33(1) If the insurance agent's licence of an employee of a business is automatically suspended pursuant to this Division, the business shall immediately notify the employee of the suspension.

(2) If the insurer's representative's licence of an employee of an insurer is automatically suspended pursuant to Part III, the insurer shall immediately notify the employee of the suspension.

2015, c.I-9.11, s.5-33.

Restriction on title

5-34 No person shall use the title of "insurance broker" or "insurance brokerage" unless:

(a) that person holds a valid insurance agent's licence;

(b) that person represents two or more insurers; and

(c) that person complies with section 5-35.

2015, c.I-9.11, s.5-34.

Insurance broker

5-35(1) For the purposes of this section, an insurance agent represents an insurer as an insurance broker if the insurance agent:

(a) has an agency contract with the insurer; or

(b) has obtained a contract of insurance from the insurer for an insured within the preceding 12-month period and the insurance agent's authority to obtain contracts of insurance from the insurer has not been revoked since obtaining that contract of insurance.

(2) If an insurance agent that purports to be an insurance broker can only obtain a contract of insurance for a particular risk from one insurer, the insurance agent shall disclose to an insured or potential insured seeking a contract of insurance for that risk:

(a) that the insurance agent can only obtain a contract of insurance for that risk from one insurer; and

(b) the name of the insurer mentioned in clause (a).

2015, c.I-9.11, s.5-35.

Advertising

5-36 No business that or individual who is required to hold an insurance intermediary's licence before acting as an insurance intermediary shall indicate in an advertisement that the business or individual is an insurance intermediary or offer in an advertisement to provide the services of an insurance intermediary unless the business or individual, as the case may be, holds the appropriate valid licence.

2015, c.I-9.11, s.5-36.

Disclosure of business name

5-37(1) No business that holds an insurance intermediary's licence and no employee of a business that holds an insurance intermediary's licence shall indicate in any advertisement or document or in any other manner that the business's insurance intermediary activities are carried out under a business name that is different from the business name set out in the licence.

(2) No business that holds an insurance intermediary's licence shall fail to ensure that its business name as set out in the licence is shown in a conspicuous manner in all of its advertising, correspondence and contracts relating to the activities authorized by the licence.

2015, c.I-9.11, s.5-37.

Representative's duty of disclosure

5-38 No individual who acts as an insurance agent for two or more businesses or as an insurer's representative for affiliated insurers shall, before a potential insured purchases insurance from the individual, fail to disclose in writing to the insured:

(a) the name of the business or insurer the individual is representing;

(a.1) in the case of an individual acting for two or more businesses, the names of all businesses that the individual is authorized to represent;

(a.2) in the case of an insurer's representative for affiliated insurers, the names of all affiliated insurers that the individual is authorized to represent; and;

(b) that the disclosure pursuant to clauses (a) to (a.2) is made for the purposes of complying with this section.

2015, c.I-9.11, s.5-38; 2018, c 14, s.8.

Subdivision 4
Prohibitions and Penalties

Penalties affecting insurance intermediary's licence

5-39(1) The Superintendent may act pursuant to subsection (2) if the Superintendent is satisfied that the holder or a former holder of an insurance intermediary's licence:

(a) has made a material misstatement in the application for the licence;

(b) has been guilty of misrepresentation, fraud, deceit, untrustworthiness or dishonesty;

(c) has contravened any provision of this Act or the regulations or similar legislation in another jurisdiction or a predecessor to this Act or the regulations;

(d) has unreasonably failed to pay any premium collected by the holder within the period stipulated in the holder's agency contract to an insurer or an insurance intermediary who is entitled to the premium;

(e) has placed insurance with an insurer not licensed in Saskatchewan pursuant to this Act or a predecessor to this Act without complying with the provisions of this Act or the predecessor to this Act relating to unlicensed insurers; or

(f) has demonstrated incompetence to act as an insurance intermediary.

(2) In the circumstances mentioned in subsection (1) and subject to section 10-11, the Superintendent may do all or any of the following:

(a) revoke, suspend or refuse to reinstate one or more of the licences held by the holder;

(b) impose prescribed terms and conditions on one or more of the licences held by the holder;

(b.1) order the holder or former holder to pay restitution in the prescribed circumstances and in an amount not exceeding the prescribed amount;

(c) impose any prescribed penalty that the Superintendent considers appropriate on the holder or former holder.

(3) If a penalty imposed against a holder of an insurance intermediary's licence pursuant to subsection (2) is not paid within 30 days after the holder is served with the written notice of the penalty and the decision of the Superintendent is not appealed, the licence is automatically suspended immediately following the last date for paying the penalty or appealing the decision, whichever is later, and remains suspended until the penalty is paid or the licence expires.

(4) A penalty is not required to be paid while the decision imposing it is under appeal.

(5) If any amount of the penalty is due and is not paid, that amount bears interest at the prescribed rate from the last date for paying it.

(6) If a business's insurance intermediary's licence is revoked or suspended by the Superintendent pursuant to subsection (2) or by the operation of subsection (3):

(a) the licences held by employees of the business are automatically suspended if they are of the same category as the business's licence that is revoked or suspended; and

(b) the Superintendent shall notify the employees of the suspension.

(7) The Superintendent shall not impose a penalty pursuant to this section with respect to an act or omission more than three years after the date on which the Superintendent first received notice of:

(a) the occurrence of the act or omission; or

(b) if the act or omission is of a continuing nature, the termination of the act or omission.

2015, c.I-9.11, s.5-39; 2018, c 14, s.9.

Certain representation prohibited

5-40(1) No business that acts as an insurance intermediary shall indicate in any manner that it represents another business that acts as an insurance intermediary.

(2) No individual shall act as an insurance intermediary for a business unless the individual holds a valid insurance agent's licence specifying that the individual is authorized to represent that business.

2015, c.I-9.11, s.5-40.

Minimum period after revocation

5-41(1) A business or individual whose insurance intermediary's licence has been revoked is not to be issued a new insurance intermediary's licence for one year after the revocation.

(2) Notwithstanding subsection (1), a business or individual whose insurance intermediary's licence has been revoked because of incompetence with respect to a class of insurance may be issued an insurance agent's licence with respect to a different class of insurance.

2015, c.I-9.11, s.5-41.

DIVISION 3
Adjusters

Subdivision 1
Licensing

Adjuster's licence required

5-42(1) No business shall act or offer to act as an adjuster with respect to a contract of insurance unless:

(a) the business holds a valid adjuster's licence; or

(b) all of the following apply:

(i) the business holds a valid insurance agent's licence for the class of insurance under which the contract of insurance falls;

(ii) the licence mentioned in subclause (i) is not a restricted insurance agent's licence;

(iii) the amount of the loss under the contract is less than the prescribed amount;

(iv) the business is the business that sold the contract of insurance.

(2) No individual shall act or offer to act as an adjuster with respect to a contract of insurance unless:

(a) the individual:

(i) is an employee or independent contractor of a business or partner of a partnership that holds a valid adjuster's licence; and

(ii) holds a valid adjuster's licence for the class of insurance under which the contract of insurance falls;

(b) all of the following apply:

(i) the individual:

(A) is an employee or independent contractor of a business or partner of a partnership that holds a valid insurance agent's licence; and

(B) holds a valid insurance agent's licence for the class of insurance under which the contract of insurance falls;

(ii) the amount of the loss under the contract is less than the prescribed amount;

(iii) the business mentioned in subclause (i) is the business that sold the contract of insurance;

(iv) the loss adjusted is not a determination of the loss suffered by a third party;

(c) the individual is an employee of an insurer and the contract of insurance was issued by:

(i) that insurer; or

(ii) an insurer that is an affiliate of the insurer in the prescribed circumstances; or

(d) the contract of insurance is a reciprocal contract of a licensed reciprocal insurance exchange and the individual is the principal attorney, as defined in section 2-47, of the exchange.

(3) No business that holds an adjuster's licence shall employ an individual to act as an adjuster unless the individual holds a valid adjuster's licence.

(4) No insurer shall enter into a contract with a business to act as an adjuster unless the business holds a valid adjuster's licence or meets the requirements of clause (1)(b).

2015, c.I-9.11, s.5-42.

Designated representative for business that holds adjuster's licence

5-43(1) Every business that holds an adjuster's licence shall have a designated representative who:

(a) meets the prescribed requirements; and

(b) is responsible for receiving notices and other documents on behalf of the business pursuant to this Act and for carrying out any other prescribed duties.

(2) The designated representative of a business that is a sole proprietorship is its sole proprietor, unless the sole proprietor designates someone else to be the designated representative.

(3) A designated representative may delegate his or her duties in the prescribed circumstances.

(4) Section 5-21 applies, with any necessary modification, for the purposes of this section.

2015, c.I-9.11, s.5-43.

Recommendation for adjuster's licence

5-44(1) Every individual who applies for or holds an adjuster's licence must:

(a) be an employee or independent contractor of a business or partner of a partnership that holds an adjuster's licence; and

(b) be recommended by the designated representative of the business that holds a valid adjuster's licence for the class of insurance for which the individual is applying.

(2) The designated representative shall certify in writing that the applicant is:

(a) of good character;

(b) qualified to act as an adjuster; and

(c) knowledgeable about the class of insurance for which the designated representative is recommending that the applicant be licensed.

(3) Subsection (1) does not apply to the designated representative of a business.

(4) Every business that applies for or holds an adjuster's licence must be recommended by:

(a) an insurer that is licensed to undertake the class of insurance for which the business is applying; or

(b) a managing general agent of a licensed insurer mentioned in clause (a).

(5) The licensed insurer or managing general agent shall certify in writing that the applicant or business is:

(a) of good character;

(b) qualified to act as an adjuster; and

(c) knowledgeable about the class of insurance for which the insurer is recommending that the applicant or business be licensed.

2015, c.I-9.11, s.5-44.

Screening procedures – adjusters

5-45(1) Every insurer or managing general agent that recommends that a business be issued an adjuster's licence shall:

(a) establish reasonable screening procedures to determine whether the business is suitable to act as an adjuster; and

(b) use those procedures to screen the business before making a recommendation.

(2) Every business for which a designated representative recommends that an individual be issued an adjuster's license shall:

(a) establish reasonable screening procedures to determine whether the individual is suitable to act as an adjuster; and

(b) use those procedures to screen an individual before making a recommendation.

2015, c.I-9.11, s.5-45.

Ongoing monitoring

5-46 Every insurer or managing general agent that recommends that a business be licensed or business for which a designated representative recommends that an individual be licensed shall:

(a) establish reasonable procedures to ensure that those licensees are knowledgeable about the business of adjusting; and

(b) ensure that those procedures established pursuant to clause (a) are being used.

2015, c.I-9.11, s.5-46.

Financial security required for adjusters

5-47(1) Every business and individual that applies for or holds an adjuster's licence shall meet and maintain the prescribed financial security requirements.

(2) This section does not apply with respect to:

(a) a licence issued to an employee of a licensed adjuster; or

(b) a licence for a prescribed class of insurance or for a prescribed category of licence holder.

(3) Financial security maintained pursuant to this section may be forfeited in the prescribed manner.

2015, c.I-9.11, s.5-47.

Application for adjuster's licence

5-48 An application for an adjuster's licence must:

(a) be filed with the Superintendent;

(b) specify the classes of insurance that the applicant intends to adjust;

(c) be accompanied by proof satisfactory to the Superintendent that the requirements respecting financial security mentioned in section 5-47 have been met;

(d) be accompanied by the recommendation required by this Division;

(e) contain the prescribed information and material; and

(f) contain any other information and material required by the Superintendent.

2015, c.I-9.11, s.5-48; 2018, c 14, s.10.

Superintendent may require other information

5-49(1) At any time, the Superintendent may, in writing, require an applicant for or holder of an adjuster's licence to submit to the Superintendent within a specified time any other information or material.

(2) An applicant for or holder of an adjuster's licence must not fail to comply with subsection (1) within the period specified by the Superintendent.

2015, c.I-9.11, s.5-49.

Form of application for licence

5-50 Every application for an adjuster's licence must:

(a) be made on an application form approved by the Superintendent; and

(b) be accompanied by the prescribed fee.

2015, c.I-9.11, s.5-50.

Issue of adjuster's licence

5-51(1) Subject to subsection (2), the Superintendent may:

(a) issue an adjuster's licence if, in the Superintendent's opinion, the applicant:

(i) is suitable to be licensed and the proposed licensing is not for any reason objectionable; and

(ii) has met all the requirements of this Act and the regulations; or

(b) subject to section 10-11, refuse to issue the adjuster's licence to the applicant if, after any investigation the Superintendent considers reasonable, the Superintendent is of the opinion that the applicant should not be issued an adjuster's licence.

(2) The Superintendent may refuse to issue a licence without complying with section 10-11:

(a) if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant;

(b) if the applicant has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations; or

(c) in the prescribed circumstances.

2015, c.I-9.11, s.5-51.

Categories of adjuster's licences

5-52 The following categories of licences may be issued to adjusters:

(a) crop hail insurance;

(b) one or more classes of property and casualty insurance.

2015, c.I-9.11, s.5-52.

Contents of adjuster's licences

5-53(1) If an adjuster's licence is issued to an individual, the licence must state the following:

(a) the name of the individual;

(b) the name of the business that the individual is authorized to represent;

(c) the category of the licence and the classes of insurance for which the licence is issued;

(d) the licence number;

(e) any terms and conditions imposed on the licence;

(f) any other prescribed information;

(g) any other information that the Superintendent considers necessary or appropriate.

(2) If an adjuster's licence is issued with respect to a business, the licence must state the following:

(a) the name of the business;

(b) the category of the licence and the classes of insurance for which the licence is issued;

(c) the licence number;

(d) any terms and conditions imposed on the licence;

(e) any other prescribed information;

(f) any other information that the Superintendent considers necessary or appropriate.

2015, c.I-9.11, s.5-53.

Terms and conditions

5-54(1) Subject to section 10-11, at the time an adjuster's licence is issued or reinstated, the Superintendent may impose any terms and conditions on the licence that the Superintendent considers necessary.

(2) Subject to section 10-11, at any time after an adjuster's licence is issued or reinstated, the Superintendent may do all or any of the following:

(a) amend terms and conditions imposed on the licence;

(b) impose new terms and conditions on the licence;

(c) repeal terms and conditions on the licence and substitute new terms and conditions in their place.

(3) No holder of an adjuster's licence shall fail to comply with the terms and conditions imposed on the licence.

2015, c.I-9.11, s.5-54.

Expiration of adjuster's licence

5-55(1) Subject to subsection (2), an adjuster's licence expires on the prescribed date unless it is sooner suspended or cancelled in accordance with this Act.

(2) If authorized pursuant to the regulations, an adjuster's licence continues in force indefinitely unless it is suspended or cancelled in accordance with this Act.

2015, c.I-9.11, s.5-55.

Reinstatement of suspended licence

5-56(1) The Superintendent may reinstate a suspended adjuster's licence for a business or an individual:

(a) on receipt of a written recommendation by the designated representative for the business certifying to the licensee's qualifications for and knowledge of the business of insurance; and

(b) if, in the opinion of the Superintendent, the adjuster is suitable to be licensed and the reinstatement is not for any reason objectionable.

(2) If an adjuster's licence is suspended by or pursuant to this Act for a definite period, the licence shall not be reinstated until the expiration of that period.

(3) An adjuster that applies to have his, her or its licence reinstated shall:

(a) submit an application for reinstatement to the Superintendent;

(b) pay a reinstatement fee; and

(c) comply with any other prescribed criteria.

(4) The Superintendent may refuse to reinstate an adjuster's licence if the applicant for reinstatement:

(a) has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant; or

(b) has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations.

2015, c.I-9.11, s.5-56.

Ceasing to be employee

5-57(1) In this section, **"employee"** means an employee of a business that is an adjuster.

(2) The adjuster's licence of an individual who is an employee is automatically suspended if the individual ceases to be an employee.

(3) If an individual who is an employee acts as an adjuster and ceases to be an employee, the business shall, within five days after the day on which the individual ceased to be an employee:

(a) notify the Superintendent in writing of that fact; and

(b) provide the Superintendent with specific reasons for the cessation of employment.

2015, c.I-9.11, s.5-57.

Certain representation prohibited by adjusters

5-58(1) No business that acts as an adjuster shall indicate in any manner that it represents another business that acts as an adjuster.

(2) No individual shall act as an adjuster for a business unless the individual holds a valid adjuster's licence specifying that the individual is authorized to represent that business.

(3) An individual who is an employee of a business may act as an adjuster for more than one business, but, if the individual does so, the individual shall obtain a separate adjuster's licence for each business that the individual represents.

2015, c.I-9.11, s.5-58.

Cancellation of recommendation by designated representative

5-59 If a designated representative who recommended that an individual be issued an adjuster's licence cancels the recommendation:

(a) the licence is automatically suspended; and

(b) the designated representative shall immediately notify the Superintendent in writing of the cancellation and the specific reasons for the cancellation.

2015, c.I-9.11, s.5-59.

Cancellation of insurer's recommendation of designated representative

5-60 If an insurer or managing general agent that recommended that a designated representative be appointed for a business's adjuster's licence cancels the recommendation:

(a) the licence of the business is automatically suspended unless, before the cancellation of the recommendation, the business submits to the Superintendent a new insurer's written recommendation mentioned in subsection 5-21(7); and

(b) the insurer shall immediately notify the Superintendent in writing of the cancellation and the specific reasons for the cancellation.

Minimum period after revocation

5-61(1) A business or individual whose adjuster's licence has been revoked is not to be issued a new adjuster's licence for one year after the revocation.

(2) Notwithstanding subsection (1), a business or individual whose adjuster's licence has been revoked because of incompetence with respect to a class of insurance may be issued an adjuster's licence with respect to a different class of insurance.

2015, c.I-9.11, s.5-61.

Subdivision 2
Rules re Conduct of Adjusters

Financial security not in force

5-62(1) If, during the term of an adjuster's licence, the financial security required pursuant to section 5-47 to be maintained with respect to that licence is no longer in force:

(a) the grantor of the financial security shall notify the Superintendent of that fact in accordance with the terms of the security; and

(b) the licence is automatically suspended unless, while the security is in force, the holder of the licence satisfies the Superintendent that the holder is covered by new financial security that meets the requirements of section 5-47.

(2) If a business's adjuster's licence is suspended pursuant to clause (1)(b), the licence for each employee of the business is automatically suspended.

Notice of automatic suspension

5-63 If the adjuster's licence of an employee of a business is automatically suspended pursuant to this Division, the business shall immediately notify the employee of the suspension.

2015, c.I-9.11, s.5-63.

Penalties affecting adjusters' licences

5-64(1) The Superintendent may act pursuant to subsection (2) if the Superintendent is satisfied that the holder or a former holder of an adjuster's licence:

(a) has made a material misstatement in the application for the licence;

(b) has been guilty of misrepresentation, fraud, deceit, untrustworthiness or dishonesty;

(c) has contravened any provision of this Act or the regulations or similar legislation in another jurisdiction or a predecessor to this Act or the regulations; or

(d) has demonstrated incompetence to act as an adjuster.

(2) In the circumstances mentioned in subsection (1) and subject to section 10-11, the Superintendent may do all or any of the following:

(a) revoke, suspend or refuse to reinstate one or more of the licences held by the holder;

(b) impose prescribed terms and conditions on one or more of the licences held by the holder;

(c) impose any prescribed penalty that the Superintendent considers appropriate on the holder or former holder.

(3) If a penalty imposed against the holder of an adjuster's licence pursuant to subsection (2) is not paid within 30 days after the holder is served with the written notice of the penalty and the decision of the Superintendent is not appealed, the licence is automatically suspended immediately following the last date for paying the penalty or appealing the decision, whichever is later, and remains suspended until the penalty is paid or the licence expires.

(4) A penalty is not required to be paid while the decision imposing it is under appeal.

(5) If any amount of the penalty is due and is not paid, that amount bears interest at the prescribed rate from the last date for paying it.

(6) If a business's adjuster's licence is revoked or suspended by the Superintendent pursuant to subsection (2) or by the operation of subsection (3):

(a) the licences held by employees of the business are automatically suspended; and

(b) the Superintendent shall notify the employees of the suspension.

(7) The Superintendent shall not impose a penalty pursuant to this section with respect to an act or omission more than three years after the date on which the Superintendent first received notice of:

(a) the occurrence of the act or omission; or

(b) if the act or omission is of a continuing nature, the termination of the act or omission.

2015, c.I-9.11, s.5-64.

Insurer's liability for employee

5-65 If an individual mentioned in clause 5-42(2)(c) contravenes this Act or the regulations in the course of employment as an adjuster:

(a) the contravention is deemed to have been committed by the insurer that employs the individual; and

(b) any remedy available pursuant to this Act with respect to the contravention may be pursued directly against the insurer.

2015, c.I-9.11, s.5-65.

Superintendent's order re employees of insurer

5-66(1) Subject to section 10-11, if the Superintendent is satisfied that an employee mentioned in clause 5-42(2)(c) has contravened section 7-12 or a regulation made pursuant to section 7-27, the Superintendent may order the insurer to ensure that the employee ceases to act as an adjuster on behalf of the insurer.

(2) An order made pursuant to subsection (1):

(a) may be made for a definite or indefinite period; and

(b) may be made subject to any terms or conditions the Superintendent considers appropriate.

(3) No insurer to whom an order made pursuant to subsection (1) is directed shall fail to comply with that order.

2015, c.I-9.11, s.5-66.

Advertising

5-67 No business that or individual who is required to hold an adjuster's licence before acting as an adjuster shall indicate in an advertisement that the business or individual is an adjuster or offer in an advertisement to provide the services of an adjuster unless the business or individual, as the case may be, holds the appropriate valid licence.

2015, c.I-9.11, s.5-67.

Disclosure of business name

5-68(1) No business that holds an adjuster's licence and no employee of a business that holds an adjuster's licence shall indicate in any advertisement or document or in any other manner that the business's adjuster activities are carried out under a business name that is different from the name set out in the licence.

(2) No business that holds an adjuster's licence shall fail to ensure that its name as set out in the licence is shown in a conspicuous manner in all of its advertising, correspondence and contracts relating to the activities authorized by the licence.

2015, c.I-9.11, s.5-68.

DIVISION 4
Restricted Insurance Agents

Interpretation of Division

5-69 In this Division:

"cargo insurance" means insurance covering goods in transit;

"creditor's disability insurance" means a group insurance policy, or a creditor's group insurance policy, that will pay all or part of the amount of a debt of a debtor to the creditor insured under the policy, in the event of bodily injury to, or an illness or disability of:

(a) if the debtor is an individual, the debtor or the spouse of the debtor;

(b) an individual who is a guarantor of all or part of the debt;

(c) if the debtor is a corporation, any director or officer of the corporation; or

(d) if the debtor is an entity other than an individual or a corporation, an individual who is essential to the ability of the debtor to meet the debtor's financial obligations;

"creditor's life insurance" means a group insurance policy, or a creditor's group insurance policy, that will pay to a creditor insured under the policy all or part of the amount of a debt of a debtor or, if the debt is with respect to a small business or a farm, fishery or ranch, all or part of the amount of the credit limit of a line of credit, in the event of the death of:

(a) if the debtor is an individual, the debtor or the spouse of the debtor;

(b) an individual who is a guarantor of all or part of the debt;

(c) if the debtor is a corporation, any director or officer of the corporation; or

(d) if the debtor is an entity other than an individual or a corporation, an individual who is essential to the ability of the debtor to meet the debtor's financial obligations;

"creditor's loss of employment insurance" means a policy that will pay, without any individual assessment of risk, all or part of the amount of a debt of a debtor to the creditor insured under the policy in the event that:

(a) if the debtor is an individual, the debtor becomes involuntarily unemployed; or

(b) an individual who is a guarantor of all or part of the debt becomes involuntarily unemployed;

"creditor's vehicle inventory insurance" means insurance against direct and accidental loss of or damage to vehicles that are held in stock for display and sale purposes by a debtor of a creditor, if some or all of those vehicles have been financed by the creditor;

"equipment warranty insurance" means the subclass of boiler and machinery insurance that provides insurance against loss of or damage to a motor vehicle, or recreational, marine, farm implement or construction equipment, arising from its mechanical failure, but does not include automobile insurance or insurance incidental to automobile insurance or any other prescribed equipment;

"export credit insurance" means a policy that provides insurance to an exporter of goods or services against a loss incurred by the exporter due to a non-payment for exported goods or services;

"financing corporation" means a financing corporation, as defined in *The Trust and Loan Corporations Act, 1997*, that holds a valid licence issued pursuant to that Act but does not include a person carrying on the business of advancing money if the money being advanced:

(a) is in an amount of $1,500 or less;

(b) is for a term of 62 days or less; and

(c) is in exchange for a post-dated cheque, a pre-authorized debit or a future payment of a similar nature, but not for any guarantee, suretyship, overdraft protection or security on property and not through a margin loan, pawnbroking, a line of credit or a credit card;

"highway transport vehicle" means a truck, power unit or semi-trailer as defined in *The Traffic Safety Act*;

"highway transport vehicle gap insurance" means insurance respecting a highway transport vehicle that:

(a) is paid to a creditor under the loan being used to finance the purchase of the highway transport vehicle on the primary insurer's determination that the highway transport vehicle is a total loss or total write-off; and

(b) is calculated as the difference between:

(i) the amount outstanding on a loan used to finance the purchase of a highway transport vehicle; and

(ii) the value of the highway transport vehicle as assessed by the primary insurer of the debtor;

"highway transport vehicle payment insurance" means insurance respecting a highway transport vehicle that:

(a) is obtained from an insurer;

(b) is paid to a purchaser or lessor of a highway transport vehicle on a determination by the primary insurer of the highway transport vehicle that the highway transport vehicle is a total loss or total write-off; and

(c) is calculated as the value of the initial payment made by the purchaser or lessor of the highway transport vehicle to the highway transport vehicle dealer at the time of:

(i) entering into the purchase agreement respecting the highway transport vehicle; or

(ii) entering into the lease of the highway transport vehicle;

"line of credit" means a commitment on the part of a financial institution to lend to a debtor, without a predetermined repayment schedule, one or more amounts, if the aggregate amount outstanding does not exceed a predetermined credit limit;

"mortgage insurance" means a policy that provides insurance to the mortgagee against loss caused by a default on the part of a debtor who is an individual under a loan from the mortgagee that is secured by a mortgage on real property or on an interest in real property;

"personal life insurance" means a group insurance policy that provides insurance to an individual:

(a) where the insurer undertakes to pay one or more sums of money in the event of bodily injury to or the death of that individual caused by an accident; or

(b) where the insurer undertakes to pay a certain sum for each day that the individual is hospitalized in the event of:

(i) bodily injury to that individual caused by an accident; or

(ii) an illness or disability of that individual;

"restricted insurance agent's licence" means a restricted insurance agent's licence that is issued pursuant to this Division;

"restricted licensee" means a person or partnership that holds a valid restricted insurance agent's licence;

"small business" means a business that:

(a) in the case of a body corporate, is a small business corporation within the meaning of subsection 248(1) of the *Income Tax Act* (Canada); or

(b) in the case of a business that is not a body corporate, would, if incorporated, be a small business corporation within the meaning of subsection 248(1) of the *Income Tax Act* (Canada);

"travel insurance" means:

(a) a policy that provides insurance to an individual with respect to a trip by the individual away from the province or territory in which the individual ordinarily resides, without any individual assessment of risk, against:

(i) loss that results from the cancellation or interruption of the trip;

(ii) loss of or damage to personal property that occurs while on the trip; or

(iii) loss that is caused by the delayed arrival of personal baggage while on the trip; or

(b) a group insurance policy that provides insurance to an individual with respect to a trip by the individual away from the province or territory in which the individual ordinarily resides:

(i) against expenses incurred while on the trip that result from an illness or disability of the individual that occurs on the trip;

(ii) against expenses incurred while on the trip that result from bodily injury to or the death of the individual caused by an accident while on the trip;

(iii) where the insurer undertakes to pay one or more sums of money in the event of an illness or the disability of the individual that occurs on the trip or of bodily injury to or the death of the individual that is caused by an accident while on the trip;

(iv) against expenses incurred by the individual for dental care necessitated by an accident while on the trip; or

(v) if the individual dies while on the trip, against expenses incurred for the return of that individual's remains to the place where the individual was ordinarily resident before death, or for travel expenses incurred by a relative of that individual who must travel to identify that individual's remains.

2015, c.I-9.11, s.5-69.

Application for restricted insurance agent's licence

5-70(1) The following may apply to the Superintendent for a restricted insurance agent's licence:

(a) a deposit-taking institution;

(b) a financing corporation;

(c) a mortgage brokerage as defined in *The Mortgage Brokerages and Mortgage Administrators Act*;

(d) an operator of any of the following:

(i) a travel agency;

(ii) an automobile dealership, a marine dealership, a recreational vehicle dealership, a farm implement dealership or a construction equipment dealership;

(iii) a customs brokerage;

(iv) a freight-forwarding business;

(v) a car rental agency;

(e) a transportation company;

(f) a retailer of consumer goods, including electronic goods and household goods;

(g) an agent of a business or operator mentioned in clauses (a) to (f) who is engaged by that business or operator through a contract that, in the opinion of the Superintendent, provides adequate authority for the agent to meet the obligations of a restricted licensee on behalf of the business or operator;

(h) any other prescribed business.

(2) Every application for a restricted insurance agent's licence for a class of insurance must include a written recommendation recommending the issuance of that restricted licence from an insurer that:

(a) is licensed to undertake that class of insurance; and

(b) has entered into an agency contract with the applicant.

(3) In its application for a restricted insurance agent's licence, an applicant shall designate an individual to be responsible for receiving notices and other documents pursuant to this Act.

2015, c.I-9.11, s.5-70.

Issue and terms and conditions of restricted insurance agent's licence

5-71(1) On receipt of an application pursuant to section 5-70, the Superintendent may:

(a) issue the restricted insurance agent's licence that is the subject of the application if the Superintendent is satisfied that:

(i) the application complies with this Part;

(ii) the applicant has paid the prescribed fee;

(iii) the applicant meets the requirements and satisfies the criteria for the restricted insurance agent's licence set out in this Act and the regulations and has otherwise complied with this Act and the regulations; and

(iv) the applicant is suitable to be licensed and that the issuance of the restricted insurance agent's licence is not for any reason objectionable; or

(b) subject to section 10-11, refuse to issue a restricted insurance agent's licence.

(2) In issuing a restricted insurance agent's licence, the Superintendent may specify:

(a) subject to subsection (3), the classes of insurance with respect to which a restricted licensee may act or offer to act as a restricted insurance agent; and

(b) categories of business activities with respect to which a restricted licensee may or may not act or offer to act as a restricted insurance agent.

(3) The following are the classes of insurance with respect to which the Superintendent may authorize a restricted licensee to act or offer to act as a restricted insurance agent:

(a) cargo insurance;

(b) creditor's disability insurance;

(c) creditor's life insurance;

(d) creditor's loss of employment insurance;

(e) creditor's vehicle inventory insurance;

(f) equipment warranty insurance;

(g) export credit insurance;

(h) highway transport vehicle gap insurance;

(i) highway transport vehicle payment insurance;

(j) mortgage insurance;

(k) personal life insurance;

(l) travel insurance;

(m) any prescribed class of insurance;

(n) any other class of insurance that, in the opinion of the Superintendent, is similar to or contains significant features of any of the classes of insurance mentioned in clauses (a) to (m).

(4) Subject to any terms and conditions imposed on a restricted insurance agent's licence, a restricted licensee's licence authorizes the restricted licensee and the restricted licensee's employees to act or offer to act as a restricted insurance agent with respect to the classes of insurance that:

(a) are specified in the restricted insurance agent's licence; and

(b) are offered by the restricted licensee in the course of the conduct by the restricted licensee of the business activity specified in the restricted insurance agent's licence.

(5) No restricted licensee shall fail to comply with the provisions of this Part.

2015, c.I-9.11, s.5-71.

Reinstatement of suspended licence

5-72(1) The Superintendent may reinstate a suspended restricted licensee's licence:

(a) on receipt of a written recommendation by the insurer on whose behalf the restricted licensee is soliciting, negotiating or effecting insurance certifying to the licensee's qualifications for and knowledge of the business of insurance; and

(b) if, in the opinion of the Superintendent, the restricted licensee is suitable to be licensed and the reinstatement is not for any reason objectionable.

(2) If a restricted licensee's licence is suspended by or pursuant to this Act for a definite period, the licence shall not be reinstated until the expiration of that period.

(3) A restricted licensee that applies to have its licence reinstated shall:

(a) submit an application for reinstatement to the Superintendent;

(b) pay a reinstatement fee; and

(c) comply with any other prescribed criteria.

(4) The Superintendent may refuse to reinstate a restricted licensee's licence if the applicant for reinstatement:

(a) has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant; or

(b) has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations.

2015, c.I-9.11, s.5-72.

Certain exemptions from section 5-4

5-73(1) Section 5-4 does not apply to an individual who is acting in the course of his or her employment with a restricted licensee.

(2) Subsection 5-4(4) does not apply to a restricted licensee.

2015, c.I-9.11, s.5-73.

Screening procedures for restricted licensee

5-74 Every insurer that recommends that a business be issued a restricted insurance agent's licence shall:

(a) establish reasonable screening procedures to determine whether the business is suitable to act as a restricted licensee; and

(b) use those procedures to screen the business before making a recommendation.

2015, c.I-9.11, s.5-74.

Ongoing monitoring

5-75(1) Subject to the regulations, every restricted licensee shall:

(a) establish reasonable procedures to ensure that its employees who are soliciting, negotiating or effecting insurance for the restricted licensee are knowledgeable about the insurance being solicited, negotiated or effected; and

(b) ensure that the procedures established pursuant to clause (a) are being used.

(2) Every insurer on whose behalf the restricted licensee is offering insurance shall:

(a) establish reasonable procedures to ensure that employees of the restricted licensee who are soliciting, negotiating or effecting insurance for the restricted licensee are knowledgeable about the insurance being solicited, negotiated or effected; and

(b) ensure that the procedures established pursuant to clause (a) are being used.

2015, c.I-9.11, s.5-75.

Conditions to be followed when providing insurance

5-76(1) If a person applies to a restricted licensee for insurance, the licensee shall:

(a) provide to the person who applies for insurance all of the following:

(i) a summary of the terms, including limitations, exclusions and restrictions, of the insurance offered;

(ii) a summary of the circumstances under which the insurance commences or terminates and the procedures to follow in making a claim;

(b) notify the person applying for insurance that, on approval of the application:

(i) documentation describing the insurance and the policy will be sent to that person; or

(ii) in the case of a contract of group insurance, a certificate will be sent to that person; and

(c) ensure that a person applying for insurance is informed of all of the following:

(i) that the person is contracting, or is considered to be contracting, with an insurer and not with the restricted licensee;

(ii) that the person may contact the insurer for further information or clarification;

(iii) the name of the insurer that is providing the insurance and how the insurer may be contacted;

(iv) whether the restricted licensee or an employee of the licensee receives any compensation, inducement or benefit from an insurer, directly or indirectly, for selling insurance.

(2) If a person applies to a restricted licensee for creditor's disability insurance, creditor's life insurance, creditor's loss of employment insurance, mortgage insurance or personal life insurance, the licensee shall provide to the person applying for insurance:

(a) a statement that sets out the right to rescind the contract of insurance and to obtain a full refund of the premium; and

(b) if the duration of the insurance is for a period less than the term of the amortization period of any related loan or if the amount of the insurance is less than the indebtedness, a statement to that effect.

(3) The insurer on whose behalf a restricted licensee is soliciting, negotiating or effecting insurance shall ensure that:

(a) procedures are established to effect the requirements of this section; and

(b) the procedures established pursuant to clause (a) are being used.

(4) Within 20 business days after the insurance comes into force, a restricted licensee shall ensure that the following are provided to the applicant for the insurance:

(a) written documentation that:

(i) evidences the insurance; and

(ii) sets out the information required to be disclosed by clause (1)(c);

(b) written documentation describing the insurance and the policy or, in the case of group insurance, a certificate.

(5) A person who buys personal life insurance through a restricted licensee may rescind the contract of insurance on or before the expiry of seven business days, or any longer period specified in the policy or certificate, after the date on which the person received the policy or certificate.

(6) A person who rescinds a contract of insurance in accordance with subsection (5) is entitled to receive a refund from the insurer of the whole premium that has been paid.

2015, c.I-9.11, s.5-76.

Separate insurance required for other financial services

5-77 If a restricted licensee offers financial services in addition to insurance and has errors and omissions insurance respecting the other services it provides, the licensee shall ensure that the errors and omissions policy is structured to cover all errors and omissions, including the additional financial services.

2015, c.I-9.11, s.5-77.

Designated representative for a restricted licensee

5-78(1) Every business that is a restricted licensee shall have a designated representative who:

(a) meets the prescribed requirements;

(b) is recommended by the licensed insurer that recommended that the business be issued a restricted insurance agent's licence; and

(c) is responsible for receiving notices and other documents pursuant to this Act on behalf of the restricted licensee and for carrying out any other prescribed duties.

(2) Section 5-21 applies, with any necessary modification, for the purposes of this section.

2015, c.I-9.11, s.5-78.

Recommendations for restricted licensee - life insurance

5-79(1) Every business that applies for or holds a restricted insurance agent's licence for life insurance must be recommended by a licensed life company that has entered into an agency contract with the business.

(2) **Not Yet Proclaimed**.

(3) A restricted licensee for life insurance that has been issued a licence on the recommendation of a licensed life company shall not, while that licence is valid, be issued another restricted insurance agent's licence for life insurance to represent a different licensed life company.

2015, c.I-9.11, s.5-79.

Recommendations - other insurance

5-80(1) Every business that applies for or holds a restricted insurance agent's licence for general insurance must be recommended by an insurer that is licensed to undertake that class of general insurance and that has entered into an agency contract with the business.

(2) Every business that applies for or holds a restricted insurance agent's licence for accident and sickness insurance must be recommended by an insurer that is licensed to undertake that class of insurance and that has entered into an agency contract with the business.

(3) A business, or employee of a business, that is a restricted licensee for a class of property and casualty insurance may, unless the licence is made subject to prescribed conditions that provide otherwise, act as a restricted insurance agent for any insurer that is licensed to undertake that class of property and casualty insurance.

2015, c.I-9.11, s.5-80.

Cancellation of recommendation by insurer - businesses

5-81(1) If an insurer that has recommended that a business be issued a restricted insurance agent's licence cancels the recommendation or if the agency contract between that insurer and business is no longer in force:

(a) the insurer shall immediately notify the Superintendent in writing:

(i) of the cancellation of the recommendation and the specific reasons for the cancellation; or

(ii) that the agency contract is no longer in force and the specific reasons why the agency contract is no longer in force; and

(b) the business's restricted insurance agent's licence is automatically suspended unless, before the cancellation of the recommendation or the termination or expiration of the agency contract, the business submits to the Superintendent a new insurer's written recommendation mentioned in subsection 5-79(1) or 5-80(1) or (2), as the case may be.

(2) If a business is required to replace the recommendation of an insurer, a reference in this section to suspending the business's licence refers to:

(a) licences for life insurance if the insurer mentioned in subsection (1) was the insurer that recommended that the business receive a restricted insurance agent's licence for life insurance;

(b) licences for general insurance if the insurer mentioned in subsection (1) was the insurer that recommended that the business receive a restricted insurance agent's licence for general insurance; and

(c) licences for accident and sickness insurance if the insurer mentioned in subsection (1) was the insurer that recommended that the business receive a restricted insurance agent's licence for accident and sickness insurance.

2015, c.I-9.11, s.5-81.

Prohibitions and penalties to apply to restricted licensees

5-82(1) Sections 5-9, 5-12, 5-28 and 5-39 apply, with any necessary modification, to a restricted licensee.

(2) A restricted licensee may only advertise in accordance with the terms and conditions established by the Superintendent.

2015, c.I-9.11, s.5-82.

DIVISION 5
Insurance Councils

Insurance councils

5-83(1) The following insurance councils are continued:

(a) the General Insurance Council of Saskatchewan;

(b) the Life Insurance Council of Saskatchewan.

(2) The Insurance Council of Saskatchewan is established.

(3) The insurance councils mentioned in subsections (1) and (2) are bodies corporate and consist of the members determined in accordance with the regulations.

(4) An insurance council continued or established pursuant to subsection (1) or (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.

2015, c.I-9.11, s.5-83.

Delegated powers

5-84(1) The Lieutenant Governor in Council may:

(a) prescribe the powers, duties and functions of an insurance council;

(b) make regulations governing the carrying out of those functions and duties and the exercise of those powers;

(c) authorize an insurance council to exercise any of the Superintendent's powers, duties or functions; and

(d) authorize an insurance council to make decisions respecting the fees, levies, penalties and other charges that are to be paid to insurance councils by insurers, insurance intermediaries, restricted insurance agents or adjusters for anything an insurance council does pursuant to the authority of this Act, respecting the means of enforcing payment of the fees, levies, penalties or other charges and specifying that all, some or none of the fees, levies, penalties or other charges are to be remitted to the Superintendent.

(2) Without limiting subsection (1), the Lieutenant Governor in Council may make regulations authorizing an insurance council to do all or any of the following:

(a) to accept and exercise powers and carry out duties and functions delegated to it by the Superintendent;

(b) to establish the educational, training and other standards and qualifications required for the licensing, endorsement or registration of members of the insurance industry;

(c) to establish, with respect to persons or classes of persons to whom the council has issued a licence or endorsement, standards of conduct, competence and proficiency and standards of training and education, including additional and continuing training and education requirements;

(d) to establish and enforce ethical, operational and trade practices for members of the insurance industry;

(e) to investigate complaints and adjudicate or mediate disputes regarding services provided by any member of the insurance industry;

(f) to assess and collect the costs of investigations and hearings conducted by it and suspend licences for the licensee's failure to pay those costs;

(g) to fix and collect licence, registration or other annual and special fees from applicants, registrants and licensees in the insurance industry that are necessary to allow the insurance council to finance the exercise of its assigned powers and the performance of its duties and functions;

(h) to initiate and engage in programs of consumer protection;

(i) to subdelegate its powers to subcouncils or committees;

(j) to make bylaws necessary for its efficient functioning;

(k) to maintain all or any part of the Insurance Register mentioned in section 10-5;

(l) to issue certificates to the same effect as those of the Superintendent pursuant to section 10-39;

(m) to carry out audits, examinations, inspections and investigations of all classes of insurers, insurance intermediaries, restricted licensees and adjusters;

(n) to do any other prescribed thing.

(3) In a regulation or authorization made pursuant to subsection (1) or (2), the Lieutenant Governor in Council may impose any terms and conditions that the Lieutenant Governor in Council considers appropriate on the exercise of a power or the carrying out of a duty or function by an insurance council.

2015, c.I-9.11, s.5-84.

Bylaws of insurance councils

5-85(1) Every insurance council shall make bylaws governing:

(a) the notice required for and the holding and conduct of its meetings;

(b) the quorum for its meetings;

(c) the remuneration and expenses of its members;

(d) the establishment and functions of any committees of the council;

(e) the indemnification of members of the council for prescribed matters; and

(f) any other prescribed matter.

(2) An insurance council may make bylaws:

(a) respecting any aspect of its internal proceedings in addition to those mentioned in subsection (1); and

(b) respecting any other matter it considers necessary for its efficient functioning.

(3) An insurance council shall file with the Superintendent every bylaw and every amendment to a bylaw made by the council within 30 days after it is made.

(4) Within 30 days after receiving a bylaw or amendment pursuant to subsection (3), the Superintendent shall:

(a) advise the insurance council that he or she approves the bylaw or amendment, as the case may be, and fix a date on which the bylaw or amendment comes into force; or

(b) if the Superintendent is of the opinion that the bylaw or amendment, as the case may be, is unacceptable or prejudicial to the public interest, advise the insurance council of that fact.

(5) No bylaw or amendment made by an insurance council comes into force until the date fixed by the Superintendent pursuant to clause (4)(a).

2015, c.I-9.11, s.5-85.

Reviews of bylaws, etc., by Superintendent

5-86(1) Notwithstanding section 5-85, the Superintendent may review any bylaw or amendment to a bylaw made by an insurance council on the Superintendent's own initiative or at the request of a person who the Superintendent considers has an interest in the review.

(2) On a review pursuant to subsection (1), the Superintendent may confirm, rescind or vary the bylaw reviewed.

(3) The Superintendent shall provide to the insurance council and any person who requested a review a copy of the Superintendent's decision.

2015, c.I-9.11, s.5-86.

Winding up of insurance councils

5-87(1) The Lieutenant Governor in Council may wind up any insurance council on any terms and conditions that the Lieutenant Governor in Council considers appropriate.

(2) If an insurance council is wound up pursuant to subsection (1), the council shall:

(a) immediately cease to act; and

(b) promptly turn over to any person designated by the Lieutenant Governor in Council any documents, records, property and moneys that the Lieutenant Governor in Council may require.

2015, c.I-9.11, s.5-87.

DIVISION 6
Regulations

Regulations re compensation plan

5-88(1) The Lieutenant Governor in Council may make regulations establishing a plan for the purposes of compensating persons who have suffered loss as a result of the fraudulent activities of insurance intermediaries, restricted licensees and adjusters.

(2) Without limiting subsection (1), the regulations may provide for the following matters:

(a) designating or establishing an entity to operate the compensation plan and the powers, duties and functions of the entity and, if the entity is established by the regulations, whether the entity is a body corporate;

(b) determining the insurance intermediaries, restricted licensees and adjusters who are members of the compensation plan;

(c) determining the meaning of fraudulent activities for the purposes of the compensation plan;

(d) determining who is eligible to receive payments from the compensation plan, the grounds on which payments may be made, the application process for payments and the amount of payments that may be made from the compensation plan;

(e) determining the amount of assessments that members of the compensation plan are required to pay to the compensation plan, when the assessments are to be paid, the liability of members or past members for unpaid assessments and the means of collecting unpaid assessments;

(f) providing that an insurance intermediary's, restricted insurance agent's or adjuster's licence may be suspended or not renewed for non-payment of assessments;

(g) determining the subrogation of rights to the operator of the compensation plan when a payment is made from the compensation plan.

2015, c.I-9.11, s.5-88.

Regulations for Part

5-89 The Lieutenant Governor in Council may make regulations:

(a) prescribing persons and classes of persons who are not eligible to be issued a licence as a managing general agent;

(b) prescribing information and material for the purposes of clauses 5-11(e) and 5-48(e);

(c) prescribing circumstances in which the Superintendent can refuse to issue a licence for the purposes of clauses 5-14(2)(c) and 5-51(2)(c);

(d) prescribing categories of licences for the purposes of clause 5-15(e);

(e) prescribing required licence information for the purposes of sections 5-16 and 5-53;

(f) **Repealed.** 2018, c 14, s.11.

(g) prescribing licence conditions for the purposes of sections 5-19 and 5-80;

(h) prescribing requirements for designated representatives;

(i) prescribing financial security requirements and the manner in which financial security is to be forfeited in accordance with sections 5-26 and 5-47;

(j) prescribing terms of licences for the purposes of sections 5-28 and 5-55;

(k) prescribing criteria for reinstatement for the purposes of sections 5-29, 5-56 and 5-72;

(l) respecting penalties and terms and conditions that the Superintendent may impose pursuant to sections 5-39 and 5-64;

(l.1) for the purposes of section 5-39:

(i) prescribing a maximum restitution amount; and

(ii) prescribing circumstances in which a restitution order can be made, including the type of loss that can be compensated;

(m) prescribing an interest rate on unpaid penalties for the purposes of sections 5-39 and 5-64;

(n) prescribing loss amounts for the purposes of section 5-42;

(o) prescribing businesses that may apply for a restricted insurance agent's licence for the purposes of section 5-70;

(p) respecting the training and conduct of the employees of restricted licensees;

(q) respecting the composition, and the term and manner of determining members, of each insurance council;

(r) prescribing matters for which insurance councils shall make bylaws for the purposes of section 5-85;

(s) respecting the winding-up of an insurance council;

(t) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(u) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2015, c.I-9.11, s.5-89; 2018, c 14, s.11.

PART VI
Unsolicited Insurance, Reinsurance and Special Brokers

DIVISION 1
Unsolicited Insurance

Restrictions on dealing with unlicensed insurers

6-1 No person shall enter into or renew a contract of insurance to insure a risk in Saskatchewan with an unlicensed insurer unless the requirements of subsection 6-2(1) or 6-7(1) are met.

2015, c.I-9.11, s.6-1.

Unsolicited insurance

6-2(1) Notwithstanding section 2-2, an insurer that is not licensed may undertake insurance in Saskatchewan with an insured if:

(a) the insurance is effected without any solicitation through any medium to cause communication with residents of Saskatchewan on the part of that insurer;

(b) the insurance is not effected by a special broker; and

(c) the insured, not later than 30 days after signing the contract of insurance or receiving any policy, interim receipt or insuring document issued by or on behalf of the insurer, whichever occurs first:

(i) pays 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; and

(ii) delivers to the Superintendent a document that:

(A) is prepared in the prescribed manner; and

(B) contains the prescribed information.

(2) If any part of the premium paid by an insured mentioned in subclause (1)(c)(i) is refunded to the insured by the insurer, the insured is entitled to a refund of the tax paid by the insured on the amount that is refunded.

(3) This section does not apply to a motor vehicle liability policy.

(4) The tax mentioned in subclause (1)(c)(i) is a debt due to and recoverable by the Crown in right of Saskatchewan and may be recovered in any manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

2015, c.I-9.11, s.6-2; 2018, c 14, s.12.

Inspection of records to determine whether contract with unlicensed insurer entered into

6-3(1) If the Superintendent knows or reasonably believes that an insured has entered into a contract of insurance with an unlicensed insurer and has not paid the tax payable as required by section 6-2, the Superintendent may examine the contracts, records and books of the insured to determine whether the insured is in compliance with this Division.

(2) No person shall fail to provide access to the Superintendent pursuant to subsection (1).

(3) No other person who has possession, custody or control of the contracts, records or books of an insured mentioned in subsection (1) shall fail to permit the Superintendent to review those contracts, records or books.

2015, c.I-9.11, s.6-3.

DIVISION 2
Reinsurance

Reinsurance

6-4(1) In this section and section 6-5, **"Saskatchewan contract"** means a contract of insurance made in Saskatchewan, but does not include a contract of reinsurance.

(2) Notwithstanding section 2-2 but subject to section 6-6, an insurer, other than a provincial company, that is not licensed may enter into a contract of insurance as the insurer that reinsures risks with respect to a Saskatchewan contract if the insurance business in Saskatchewan of the insurer is restricted to the reinsurance of risks.

2015, c.I-9.11, s.6-4.

Reinsurance with unlicensed insurer

6-5 Subject to section 6-6, a licensed insurer that is the insurer under a Saskatchewan contract may, subject to the regulations, enter into a contract of reinsurance with respect to the Saskatchewan contract with an insurer mentioned in subsection 6-4(2).

2015, c.I-9.11, s.6-5.

No reinsurance in another exchange

6-6 No principal attorney, as defined in section 2-47, or reciprocal insurance exchange shall reinsure the risks undertaken by the reciprocal insurance exchange in any other reciprocal insurance exchange.

2015, c.I-9.11, s.6-6.

DIVISION 3
Special Brokers

Insurance through special broker

6-7(1) Notwithstanding section 2-2, an insurer that is not licensed may undertake insurance in Saskatchewan with an insured 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 proposed insured from an insurer licensed pursuant to this Act;

(b) the insurance is effected through a person who holds a valid special broker's endorsement for that class of insurance;

(c) before the insurance is undertaken, the special broker provides the proposed insured with a document that meets the requirements of subsection (2) and that:

(i) describes the nature and amount of the insurance required;

(ii) states that the insurance cannot be obtained from licensed insurers and specifying the licensed insurers who refused the proposed insured's application;

(iii) states that the insurance will be placed with an unlicensed insurer;

(iv) states 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 a licensed insurer;

(C) the Superintendent has no authority with respect to the unlicensed insurer;

(D) the proposed insured may not have the protection of any compensation plan; and

(E) the proposed insured may have to take legal proceedings in another jurisdiction outside Saskatchewan or Canada to enforce the contract of insurance; and

(v) contains any other information the Superintendent may require; and

(d) the special broker retains a copy of the document mentioned in clause (c) for its records.

(2) The document mentioned in clause (1)(c) must be signed and dated by the special broker and contain an acknowledgment of its receipt signed and dated by the proposed insured.

(3) This section does not apply to a motor vehicle liability policy.

2015, c.I-9.11, s.6-7.

Requirements for special broker's endorsement

6-8 No person is eligible to hold a special broker's endorsement for a class of insurance unless the person holds an insurance agent's licence, other than a restricted insurance agent's licence as defined in Division 4 of Part V, for that class of insurance.

2015, c.I-9.11, s.6-8.

Financial security

6-9(1) No person is eligible to hold a special broker's endorsement for a class of insurance unless the person meets and maintains the prescribed financial security requirements.

(2) Financial security maintained pursuant to this section may be forfeited in the prescribed manner.

2015, c.I-9.11, s.6-9.

Eligibility for endorsement

6-10 An insurance agent is eligible to apply for an endorsement to act as a special broker only for the same class or classes of insurance for which the insurance agent is authorized to carry on business as stated on the insurance agent's licence.

2015, c.I-9.11, s.6-10.

Application for endorsement

6-11 Every applicant for a special broker's endorsement for a class of insurance shall:

(a) apply to the Superintendent in the form provided by the Superintendent;

(b) specify the classes of insurance that the applicant intends to transact;

(c) provide the Superintendent with:

(i) the name of its attorney for service in Saskatchewan;

(ii) evidence satisfactory to the Superintendent that the financial security required by section 6-9 is maintained; and

(iii) any other information or material that the Superintendent may reasonably require;

(d) comply with the following:

(i) any prescribed errors and omissions insurance requirements;

(ii) any prescribed financial security requirements;

(e) submit to the Superintendent any prescribed fee; and

(f) comply with any other prescribed requirements and satisfy any other prescribed criteria.

2015, c.I-9.11, s.6-11.

Issuing of endorsement

6-12 The Superintendent may:

(a) issue the special broker's endorsement for a class of insurance being applied for if the Superintendent:

(i) receives an application pursuant to section 6-11;

(ii) is satisfied that the applicant meets the requirements and satisfies the criteria for the endorsement set out in this Act and the regulations and has otherwise complied with this Act and the regulations; and

(iii) is satisfied that the applicant is suitable to be endorsed and that the issuance of the special broker's endorsement is not for any reason objectionable; or

(b) subject to section 10-11, refuse to issue a special broker's endorsement for a class of insurance.

2015, c.I-9.11, s.6-12.

Terms and conditions

6-13(1) Subject to section 10-11, at the time a special broker's endorsement is issued or reinstated, the Superintendent may impose any terms and conditions on the special broker's endorsement that the Superintendent considers necessary.

(2) Subject to section 10-11, at any time after a special broker's endorsement is issued or reinstated, the Superintendent may do all or any of the following:

(a) amend terms and conditions imposed on the special broker's endorsement;

(b) impose new terms and conditions on the special broker's endorsement;

(c) repeal terms and conditions and substitute new terms and conditions in their place.

(3) No licensee shall fail to comply with the terms and conditions imposed on the licensee's special broker's endorsement.

2015, c.I-9.11, s.6-13.

Status of licence - effect on special broker's endorsement

6-14(1) If a special broker's insurance agent's licence is suspended, the special broker's endorsement is automatically suspended.

(2) If a special broker's insurance agent's licence is cancelled, the special broker's endorsement is automatically cancelled.

(3) In the circumstances mentioned in subsections (1) and (2), the Superintendent may:

(a) reinstate the suspended endorsement if the prescribed requirements are met and any fee required pursuant to clause 6-11(e) has been paid; or

(b) cancel the endorsement if it has not been reinstated within the prescribed period.

2015, c.I-9.11, s.6-14.

Endorsement not transferable or assignable

6-15 A special broker's endorsement is not transferable or assignable.

2015, c.I-9.11, s.6-15.

Reporting requirements

6-16 Within 10 days after the end of each month, a special broker to whom an endorsement has been issued shall submit to the Superintendent, with respect to the insurance effected pursuant to section 6-7 by the special broker during the month:

(a) any prescribed documents; and

(b) the amount equivalent to the amount of the tax payable in accordance with subclause 6-2(1)(c)(i).

2015, c.I-9.11, s.6-16.

6-17 Repealed. 2018, c 14, s.13.

Records

6-18 A special broker shall keep a separate record of the insurance effected by the special broker.

2015, c.I-9.11, s.6-18.

Financial security not in force

6-19(1) If, during the term of a special broker's endorsement, the financial security mentioned in section 6-9 to be maintained with respect to that endorsement is no longer in force:

(a) the special broker shall immediately notify the Superintendent, in writing, that the financial security is not in force; and

(b) the special broker's endorsement is automatically suspended unless, while the security is in force, the special broker satisfies the Superintendent that the special broker has obtained new financial security that meets the requirements of section 6-9.

(2) The Superintendent may reinstate a special broker's endorsement that has been suspended pursuant to clause (1)(b) if:

(a) the special broker submits an application for reinstatement to the Superintendent;

(b) the special broker satisfies the Superintendent that the special broker has obtained new financial security that meets the requirements of section 6-9 and files that financial security with the Superintendent; and

(c) the Superintendent is satisfied that the special broker is in compliance with the requirements of this Act and the regulations relating to special brokers.

2015, c.I-9.11, s.6-19.

Release of financial security

6-20 The Superintendent may release or cancel the financial security filed by the special broker if the Superintendent is satisfied that all insurance effected pursuant to section 6-7 by the broker:

(a) is no longer in force; or

(b) has been reinsured.

2015, c.I-9.11, s.6-20.

Regulations for Part

6-21 The Lieutenant Governor in Council may make regulations:

(a) prescribing the manner in which the document mentioned in subclause 6-2(1)(c)(ii) is to be prepared;

(b) prescribing the information that must be contained in a document mentioned in subclause 6-2(1)(c)(ii);

(c) prescribing financial security requirements and the manner in which financial security is to be forfeited in accordance with section 6-9;

(d) prescribing errors and omissions insurance or financial security requirements for the purpose of clause 6-11(d);

(e) prescribing any fees required pursuant to clause 6-11(e);

(f) prescribing additional requirements and criteria for the purpose of an application pursuant to section 6-11;

(g) prescribing requirements for reinstatement pursuant to clause 6-14(3)(a) and a period pursuant to clause 6-14(3)(b);

(h) prescribing documents required pursuant to section 6-16;

(i) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(j) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2015, c.I-9.11, s.6-21.

PART VII
Market Conduct

DIVISION 1
General Rules

Interpretation of Part

7-1 In this Part:

"insurance intermediary" means an insurance intermediary as defined in Division 1 of Part V and includes a restricted licensee;

"restricted licensee" means a restricted licensee as defined in Division 4 of Part V.

2015, c.I-9.11, s.7-1.

Dealing with unauthorized insurance intermediaries

7-2(1) No insurer, no officer, employee or agent of an insurer and no insurance intermediary 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 acting or offering to act as an insurance intermediary in Saskatchewan, unless that person is authorized to act as an insurance intermediary pursuant to this Act.

(2) Subsection (1) does not apply to the payment of renewal commissions under the terms of an agency contract.

(3) Nothing in this section:

(a) affects any payment by way of dividend, bonus, profit or saving that is provided for by the policy pursuant to which it is paid; or

(b) is to be construed so as to:

(i) prevent an insurer from compensating a salaried employee of its head office or a branch office with respect to insurance issued by the employing insurer on the life of that employee or on the employee's property or interests in Saskatchewan; or

(ii) require that the employee mentioned in subclause (i) must be licensed as an insurance agent pursuant to this Act to effect the insurance.

2015, c.I-9.11, s.7-2.

Acting as intermediary or adjuster without authority

7-3(1) No person who does not hold a valid licence as an insurance intermediary or adjuster shall represent or hold himself, herself or itself out as being an insurance intermediary or adjuster, or as being engaged in the business of insurance, by means of advertisements, cards, circulars, letterheads, signs or other methods.

(2) No holder of a valid licence as an insurance intermediary or adjuster shall advertise himself, herself or itself as an insurance intermediary or adjuster or carry on business in any other name than that stated in his, her or its licence.

2015, c.I-9.11, s.7-3.

Contract of insurance must be consistent with Act

7-4 No insurer or insurance intermediary shall effect a contract of insurance that is inconsistent with this Act.

2015, c.I-9.11, s.7-4.

Amount of premium and premium refunds

7-5(1) No insurer, no officer, employee or agent of an insurer and no insurance intermediary shall indicate that the premium to be paid for a policy is an amount that is different from the amount of the premium set out in the policy.

(2) If an insurer terminates a contract of insurance, the insurer shall pay to the insured a refund of premiums in an amount calculated using the prorated method.

(3) If an insured terminates a contract of insurance, the insurer shall pay to the insured a refund of premiums in an amount calculated using the prorated method unless the contract sets out a formula for a different method of calculating the amount of the refund and, if the different method involves a short rate premium, a table showing the short rate premiums.

2015, c.I-9.11, s.7-5.

Payments to intermediary

7-6(1) This section applies to payments respecting a premium:

(a) that is due with respect to a contract of insurance issued by the insurer; or

(b) that will become due with respect to a contract of insurance not yet issued by the insurer.

(2) A payment to an agent of an insurer or to an insurance intermediary who represents an insurer, whether in whole or in part, of the amount of a premium is deemed a payment to the insurer, notwithstanding any condition or stipulation to the contrary.

(3) No agent of an insurer and no insurance intermediary shall receive or accept payment of a premium for a life insurance policy if the form of payment is a negotiable instrument payable to the agent or insurance intermediary unless the agent or insurance intermediary is a deposit-taking institution that is a restricted licensee.

2015, c.I-9.11, s.7-6.

Intermediary receiving premiums

7-7 An insurance intermediary is, for the purpose of receiving any premium for a contract of insurance, the agent of the insurer under the contract, notwithstanding any conditions or stipulations to the contrary.

2015, c.I-9.11, s.7-7.

Intermediary trustee of premiums

7-8(1) An insurance intermediary who acts in negotiating, renewing or continuing a contract of insurance with an insurer and who receives any payment from the insured for a premium for the contract is deemed to hold the premium in trust for the insurer.

(2) If the insurance intermediary fails to pay the premium, less the insurance intermediary's commission and any deductions to which, by the written consent of the insurer, the insurance intermediary is entitled, to the insurer within 30 days after the insurance intermediary receives a written demand for payment of the premium, the insurance intermediary's failure is proof, in the absence of evidence to the contrary, that the insurance intermediary has used or applied the premium for a purpose other than paying it over to the insurer.

2015, c.I-9.11, s.7-8.

Additional fees

7-9(1) In this section, **"fee"** does not include the premium payable pursuant to a contract of insurance.

(2) No insurance intermediary may charge or collect a fee for providing a service to a person who is acquiring insurance or is in the process of acquiring insurance through the insurance intermediary unless the person has agreed in writing before the service is provided to pay the fee.

2015, c.I-9.11, s.7-9.

Prohibiting use of certain forms

7-10(1) Subject to section 10-11, if, in the opinion of the Superintendent, a form of policy or contract of insurance or a form of application, endorsement, information folder, rider or advertisement relating to insurance is unfair, misleading, deceptive, fraudulent or not in the public interest, the Superintendent may, by order, prohibit an insurer or insurance intermediary, or both, from using that form of policy, contract of insurance, application, endorsement, information folder, rider or advertisement.

(2) No person who is subject to an order issued pursuant to subsection (1) shall fail to comply with the order.

2015, c.I-9.11, s.7-10.

Disclosure of name

7-11(1) Every licensed insurer shall ensure that its name as set out in its licence and the address and telephone number of its chief office in Saskatchewan, and if incorporated outside Saskatchewan, the address and telephone number of its head office in that jurisdiction, are shown in a conspicuous manner in all of its advertising, correspondence, contracts of insurance, policies and applications.

(2) Every insurance intermediary issuing a policy on behalf of an insurer shall ensure that the insurer's name as set out in the insurer's licence and the address and telephone number of the insurer's chief office in Saskatchewan, and if incorporated outside Saskatchewan, the address and telephone number of its head office in that jurisdiction, are shown in a conspicuous manner in all of its advertising, correspondence, contracts of insurance, policies and applications.

2015, c.I-9.11, s.7-11.

Unfair practices

7-12(1) No insurer, insurance intermediary or adjuster shall:

(a) make a false or misleading statement, representation or advertisement;

(b) engage in the following prohibited tied selling practices:

(i) if an insurer or insurance intermediary other than a restricted licensee is asked to sell insurance to a person, informing the person that the person must purchase another product or service, including an insurance policy, from the insurer or insurance intermediary, as the case may be, before the insurance requested will be undertaken;

(ii) if an insurer is asked to make a loan to a person, informing the person that the person must purchase a product or service, including an insurance policy, from the insurer before the loan will be made;

(iii) engaging in any other prescribed tied selling practice;

(iv) in the case of a restricted licensee, requiring a person to purchase insurance in order to obtain a product or service from the restricted licensee;

(c) engage in any unfair, misleading, deceptive, fraudulent or coercive act or practice; or

(d) make any statement or representation or commit any practice or act that is prohibited by the regulations.

(2) No person shall, by means of misleading or false statements, procure or induce or attempt to procure or induce any person to forfeit, surrender or allow the lapse of any policy.

(3) No insurance intermediary shall, except as permitted in the regulations, make or give or offer to make or give a direct or indirect payment, allowance or gift, or make an offer to directly or indirectly pay, allow or give money or anything of value to induce a prospective insured or an insured to transact insurance with an insurer or a managing general agent.

2015, c.I-9.11, s.7-12.

Prohibition against effecting contracts with unlicensed insurers

7-13 No insurance intermediary shall effect a contract of insurance with an unlicensed insurer unless the insurance intermediary is specifically authorized by his or her licence to act as a special broker.

2015, c.I-9.11, s.7-13.

Intermediaries personally liable on certain contracts

7-14 An insurance intermediary is personally liable to the insured on any contract of insurance unlawfully effected by or through the insurance intermediary directly or indirectly with any unlicensed insurer in the same manner as if the insurance intermediary were the insurer.

2015, c.I-9.11, s.7-14.

Return respecting intermediaries of insurer and general agent

7-15(1) Every licensed insurer and every managing general agent shall file a return with the Superintendent in the form and at those times that the Superintendent may require.

(2) The return mentioned in subsection (1) must show the names and addresses of:

(a) all persons the licensed insurer and every managing general agent has authorized to be the licensed insurer's insurance intermediaries in Saskatchewan; and

(b) all persons to whom the licensed insurer or managing general agent has, within the period covered by the return, paid or allowed or agreed to pay or allow, directly or indirectly, compensation for acting as the insurer's insurance intermediary.

2015, c.I-9.11, s.7-15.

7-16 Not Yet Proclaimed.

Insurance clauses in financing agreements

7-17(1) If a contract of insurance is given as security to a lender, or if 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 valid policy issued by a licensed insurer, whether or not a specific insurer is named in the agreement.

(2) Subject to sections 3-41, 8-129 and 8-187, 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 with a specified insurer or with any one or more of a designated group of licensed insurers.

(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 contravention 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) if 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 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 security held as collateral to that agreement.

(4) Nothing in clause (3)(b) is to be construed as impairing 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 or renewal to the amount agreed with any licensed insurer if the borrower:

(a) has not placed the insurance that was agreed to be given as security in the financing agreement and has not provided the policy to the lender within the time agreed between the lender and the borrower; or

(b) in the case of a policy, has not renewed the policy or has not substituted another policy and provided it to the lender at least 10 days before the expiry date of the policy in accordance with this section.

(6) If 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.

2015, c.I-9.11, s.7-17.

Insurance as collateral security

7-18(1) Subject to sections 3-41, 8-129 and 8-187, no mortgagee shall accept or receive either directly or through the mortgagee's agent or employee, and no officer or employee of a mortgagee shall accept or receive, any commission or other remuneration or benefit in consideration for effecting a contract of insurance or renewal of a contract under which contract loss, if any, is payable to the mortgagee.

(2) Subject to sections 3-41, 8-129 and 8-187, no insurer or insurance intermediary shall pay, allow or give any commission or other remuneration or benefit to a mortgagee or to any person in the employ of or on behalf of a mortgagee in consideration for effecting a contract of insurance or renewal of a contract under which contract loss, if any, is payable to the mortgagee.

(3) Subsections (1) and (2) do not apply to an insurer that pays, allows or gives any commission or other remuneration or benefit to a mortgagee or to any person in the employ of or on behalf of a mortgagee with respect to a contract of insurance if:

(a) the mortgagee is a deposit-taking institution that is a restricted licensee; and

(b) the contract of insurance falls within one or more of the classes of insurance specified by the Superintendent pursuant to subsection 5-71(3).

(4) Subject to sections 3-41, 8-129 and 8-187, no money-lender that owns an insurance business or has any interest in or connection with an insurance business shall require as a condition of the making of any loan that the borrower must:

(a) cancel any contract of insurance issued by an insurer licensed to issue that class of insurance pursuant to this Act; and

(b) take out other insurance through the money-lender or through any insurance business owned by the money-lender or in or with which the money-lender has any interest or connection.

(5) Subject to sections 3-41, 8-129 and 8-187, no trust corporation shall cancel any contract of insurance that is issued by an insurer licensed to issue that class of insurance pursuant to this Act and that is issued with respect to any property for which the trust corporation is a trustee, unless:

(a) the necessity for the continuation of the insurance does not exist; and

(b) other insurance of a similar description is taken out with respect to the property during the original term of the first-mentioned insurance.

2015, c.I-9.11, s.7-18.

7-19 Not Yet Proclaimed.

DIVISION 2
Fair Practices

Disclosure of insured's right to choose service provider

7-20 If an insurer, insurance intermediary or adjuster is notified by an insured of a loss respecting damage to property and the insurer, insurance intermediary or adjuster recommends a particular service provider to the insured, the insurer, insurance intermediary or adjuster shall advise the insured in writing, at the time of the recommendation, that the insured may have the repairs estimated and completed by a service provider of the insured's choice, except if the insurer exercises its right to undertake the repairs.

2015, c.I-9.11, s.7-20.

Right to rescind contract of insurance

7-21(1) A person who buys a contract of life insurance, accident and sickness insurance or, subject to clause (2)(b), travel insurance underwritten by an insurer may rescind the contract within 10 days after receiving the insurance policy or within any longer period specified in the contract.

(2) Subsection (1) does not apply:

(a) to a segregated fund or an annuity offered by the insurer; or

(b) to travel insurance if the policy term is less than 190 days.

2015, c.I-9.11, s.7-21.

Refund of premium

7-22 A person who rescinds a contract pursuant to section 7-21 is entitled to receive from the insurer a refund of the whole premium that has been paid.

2015, c.I-9.11, s.7-22.

Notice of limitation period

7-23(1) In this section:

"claimant" means:

(a) a beneficiary as defined in Part VIII;

(b) an insured, a group life insured, a group person insured or a debtor insured as defined in Part VIII;

(c) a person who has a claim against an insured who has initiated a claim for indemnity under a contract of insurance; or

(d) a person mentioned in section 8-61;

"insured" means a person insured by a contract of insurance, whether named in the contract or not.

(2) An insurer shall give written notice to a claimant of the applicable limitation period set out in *The Limitations Act*:

(a) if the claim has not been satisfactorily settled, within 60 days after the date the claimant notifies the insurer of the claim, in the case of a claimant mentioned in clause (a) or (b) of the definition of "claimant";

(b) within 60 days after the insurer first becomes aware that an insured is claiming indemnity for a claim made by a third party against the insured, in the case of a claimant mentioned in clause (c) of the definition of "claimant";

(c) within 60 days after the insurer first becomes aware that a claimant mentioned in clause (d) of the definition of "claimant" has initiated an action pursuant to section 8-61;

(d) within five business days after the date on which the claimant's claim is denied; and

(e) within 10 business days after the date on which the negotiation or settlement discussions or the dispute resolution process has been terminated by either the insurer or the insured as described in subsection (6).

(3) An insurer is not required to give a written notice pursuant to subsection (2) if at the time the notice is required to be given the insurer is aware that the claimant is represented by a lawyer.

(4) Notwithstanding subsection (2), with respect to a claim by a person insured under a group accident and sickness policy, no written notice pursuant to subsection (2) is required to be given if the claim is with respect to a coverage other than disability coverage.

(5) If an insurer fails to give a written notice pursuant to subsection (2) when required to do so, the court may, on application by the claimant:

(a) order that the applicable limitation period be extended; and

(b) grant any other remedy that the court considers appropriate.

(6) During any period of negotiation or settlement discussions between an insurer and an insured with respect to payment of a claim or loss under a contract of insurance or during a dispute resolution process described in section 8-11, Statutory Condition 11 of section 8-28 or Statutory Condition 4 of section 8-41, the applicable limitation period is suspended and does not recommence to run until the negotiation or settlement discussions or the dispute resolution process has been terminated by either the insurer or the insured by notice to the other party.

2015, c.I-9.11, s.7-23

Electronic communications

7-24 Notwithstanding *The Electronic Information and Documents Act, 2000*, the following shall be provided in writing:

(a) **Not Yet Proclaimed**.

(b) **Not Yet Proclaimed**.

(i) **Not Yet Proclaimed**.

(ii) **Not Yet Proclaimed**.

(c) **Not Yet Proclaimed**.

(i) **Not Yet Proclaimed**.

(ii) **Not Yet Proclaimed**.

(d) any other prescribed record.

2015, c.I-9.11, s.7-24.

Disputes re payment of claim or loss

7-25(1) If a dispute occurs regarding payment of a claim or loss or if an insurer denies an insured's claim, the insurer shall, within five business days after the dispute arose or after the denial of the claim, give written notice to the insured of the following options available to the insured:

(a) make a complaint against the insurer to any of the following:

(i) the OmbudService for Life & Health Insurance;

(ii) the General Insurance OmbudService;

(iii) the Superintendent;

(iv) a complaint body approved by the Superintendent;

(b) enter into the dispute resolution process described in section 8-11, Statutory Condition 11 of section 8-28 or Statutory Condition 4 of section 8-41;

(c) accept the insurer's offer of settlement, if the insurer has made an offer; or

(d) commence an action against the insurer within the limitation period as required by section 7-23.

(2) If within 70 days after the insured has submitted a proof of loss, the insurer has not yet made a decision as to the validity of the claim or the amount payable with respect to the claim, the insurer shall give written notice to the insured of the options set out in clause (1)(a), (b) or (d).

(3) A written notice mentioned in subsections (1) and (2) must include a copy of section 8-11, Statutory Condition 11 of section 8-28 or Statutory Condition 4 of section 8-41.

(4) This section does not apply to a claim for crop hail insurance.

2015, c.I-9.11, s.7-25.

Procedures for dealing with claims and complaints

7-26(1) An insurer shall:

(a) establish procedures for dealing with claims;

(b) establish procedures for dealing with complaints made by persons having requested or received products or services in Saskatchewan from the insurer;

(c) designate an officer or employee of the insurer to be responsible for implementing the procedures mentioned in clause (a); and

(d) designate one or more officers or employees of the insurer to receive and deal with the complaints mentioned in clause (b).

(2) An insurer shall file with the Superintendent a copy of its procedures established pursuant to clauses (1)(a) and (b).

(3) An insurer shall make its procedures established pursuant to clauses (1)(a) and (b) available:

(a) on its website through which products or services are offered in Saskatchewan; and

(b) in written format to be sent to any person who requests them.

(4) An insurer shall make any prescribed information on how to contact the Superintendent or any other entity designated by the Superintendent available whenever it makes its procedures established pursuant to clauses (1)(a) or (b) available pursuant to subsection (3).

(5) An insurer shall comply with any prescribed claims settlement or complaint procedures.

2015, c.I-9.11, s.7-26.

DIVISION 3
Regulations

Regulations for Part

7-27(1) The Lieutenant Governor in Council may make regulations:

(a) respecting the underwriting of risks by insurers, including the criteria to be used to determine if a risk is to be insured;

(b) governing the relationships among, and the duties and functions of, insurers, insurance intermediaries and adjusters;

(c) respecting the claims settlement practices of insurers and adjusters;

(d) respecting insurance marketed through electronic media, including:

(i) regulating and prohibiting specified activities involved in marketing insurance through electronic media;

(ii) prescribing disclosure requirements with respect to insurance marketed through electronic media; and

(iii) respecting the rights and remedies of insureds who enter into contracts of insurance wholly or partly through electronic media;

(e) respecting an insured's right to rescind a contract of life insurance or a contract of accident and sickness insurance and an insurer's obligation to refund premiums if the contract is rescinded;

(f) respecting the replacement of an existing contract of life insurance by another contract of life insurance and the duties of insurers and insurance agents relating to the replacement;

(g) respecting the disclosure by insurance intermediaries to an insured or potential insured of the fact that insurance intermediaries are receiving compensation, inducements or benefits from insurers for contracts of insurance sold by the insurance intermediaries;

(h) respecting the disclosure by insurers, insurance intermediaries and adjusters to an insured or potential insured of information, other than the information mentioned in clause (g), including regulations:

(i) respecting the disclosure to the insured of amounts paid under contracts of insurance to third parties; and

(ii) respecting the disclosure of the insured's right under a policy to repairs and replacement of property that has been lost or damaged;

(i) requiring an insurer to notify a claimant before the expiration of the applicable limitation period in the prescribed manner, and setting out the consequences and the remedies available to a claimant if an insurer fails to comply with the requirements;

(j) respecting the use of any means of communication that do not automatically generate a verbatim record of the communications, including:

(i) requiring that those communications be concurrently recorded;

(ii) requiring that copies, including transcripts, of records made pursuant to subclause (i) be provided to the insured or a claimant under a contract of insurance; and

(iii) excluding the use of those communications in relation to specified records pursuant to this Act or the regulations;

(k) describing the types of tied selling practices that are prohibited for the purposes of clause 7-12(1)(b);

(l) for the purposes of subsection 7-12(3), prescribing the circumstances under which payments, allowances and gifts are permitted, including prescribing a maximum value for those payments, allowances and gifts;

(m) respecting the receiving, handling and resolution of complaints against insurers, insurance intermediaries and adjusters, including regulations:

(i) governing the procedures to be followed or otherwise used by insurers, insurance intermediaries and adjusters in receiving complaints, including procedures for acknowledging receipt of complaints;

(ii) governing the procedures to be followed or otherwise used by insurers, insurance intermediaries and adjusters in handling complaints, including establishing a system of recording complaints;

(iii) governing the procedures to be followed or otherwise used by insurers, insurance intermediaries and adjusters in resolving complaints, including the remedies available to resolve complaints;

(iv) requiring insurers, insurance intermediaries and adjusters to appoint an officer in charge of the insurers', insurance intermediaries' and adjusters' complaint procedures and prescribing the functions and duties of that officer;

(v) requiring insurers, insurance intermediaries and adjusters to file annual reports with the Superintendent with respect to complaints received by them, including the number and nature of the complaints received according to categories and prescribing categories for that purpose;

(vi) requiring an insurer, insurance intermediary or adjuster to be a member of a prescribed organization for the purpose of dealing with complaints;

(vii) governing the duties, functions and powers of the Superintendent, if any, with respect to the receiving, handling and resolution of complaints;

(n) respecting life insurance policies, including variable insurance contracts, including:

(i) providing for either or both of the form and contents of:

(A) a life insurance policy;

(B) an application for a life insurance policy;

(C) an endorsement or rider to a life insurance policy;

(D) any advertising material with respect to a life insurance policy; or

(E) an information folder issued or used by an insurer;

(ii) requiring an insurer to file with the Superintendent or an industry body designated by the Superintendent the form of any life insurance policy and other materials required by the regulations before the insurer may issue a life insurance policy;

(iii) requiring an insurer to deliver or otherwise provide to an applicant for a life insurance policy any information or materials required by the regulations; and

(iv) prescribing the documents, reports, statements, agreements and other information required to be filed, provided or delivered pursuant to this clause, and their form and content;

(o) prescribing records required to be provided in writing for the purposes of section 7-24;

(p) respecting any matters involving an insurer's dealings, or its employees' or representatives' dealings, with the public, including:

(i) respecting what an insurer may or may not do in carrying out any of the activities in which it is permitted to engage, or in providing any of the services that it may provide, pursuant to this Act and any ancillary, related or incidental activities or services; and

(ii) respecting the time and place at which and the form and manner in which any of those activities are to be carried out or any of those services are to be provided;

(q) requiring an insurer to establish procedures regarding the collection, retention, use and disclosure of any information;

(r) requiring an insurer to establish procedures for dealing with complaints made about the collection, retention, use or disclosure of information;

(s) respecting the disclosure by an insurer of information relating to the procedures mentioned in clauses (q) and (r);

(t) requiring an insurer to designate its officers and employees who are responsible for:

(i) implementing the procedures mentioned in clauses (q) and (r); and

(ii) receiving and dealing with complaints about the collection, retention, use or disclosure of information;

(u) requiring an insurer to report information relating to:

(i) complaints made about the collection, retention, use or disclosure of information; and

(ii) the actions taken by the insurer to deal with the complaints;

(v) providing for one or more dispute resolution systems or processes, including:

(i) governing the procedures to be followed or otherwise used in making and resolving or attempting to resolve a complaint;

(ii) governing the mechanisms to be used under the dispute resolution system or process;

(iii) governing the duties, functions and powers of the Superintendent, if any, with respect to a dispute resolution system or process;

(iv) governing the remedies available under a dispute resolution system or process;

(w) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(x) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

(2) In the case of any conflict between a regulation made pursuant to clause (1)(o) and *The Electronic Information and Documents Act, 2000*, the regulation prevails.

2015, c.I-9.11, s.7-27.

PART VIII
Contracts of Insurance

DIVISION 1
General

Payment of insurance money

8-1(1) Insurance money is payable in Saskatchewan in lawful money of Canada.

(2) If a person entitled to receive money payable under a contract of insurance, except insurance of the person, is domiciled or resides in a foreign jurisdiction and payment valid according to the law of the foreign jurisdiction is made to the person, the payment is valid and effectual for all purposes.

2015, c.I-9.11, s.8-1.

Form of policy, application, etc.

8-2(1) On the request of the Superintendent, every insurer shall provide the Superintendent with a copy of:

(a) any policy, form of application, or any endorsement or rider used or to be used with regard to any policy as issued or to be issued by the insurer in Saskatchewan; or

(b) any advertising material issued or used by the insurer.

(2) Subject to section 10-11, the Superintendent may prohibit a licensed insurer from issuing any form of policy or endorsement, from using any application or from issuing or using any advertising material if, in the opinion of the Superintendent, the form of policy, endorsement, application or advertising material is unfair, fraudulent or not in the public interest.

(3) No insurer to which an order is issued pursuant to subsection (2) shall issue the policy or endorsement, use the application or issue or use the advertising material.

2015, c.I-9.11, s.8-2; 2018, c14, s.14.

Effect of contravention of law on claim for indemnity

8-3(1) Unless the contract of insurance provides otherwise, a contravention of any criminal or other law in force in Saskatchewan or elsewhere does not, by that fact alone, render unenforceable a claim for indemnity under a contract of insurance except if the contravention is committed by the insured, or by another person with the consent of the insured, with intent to bring about loss or damage.

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

2015, c.I-9.11, s.8-3.

Electronic communications

8-4 Subject to the regulations, if pursuant to this Part or the regulations made pursuant to this Part a record is required or permitted to be provided to a person personally, by mail or by any other means, unless regulations mentioned in section 8-34 or pursuant to clause 7-27(1)(o) provide otherwise, the record may be provided to the person in electronic form.

2015, c.I-9.11, s.8-4.

Limitation of actions

8-5 An action or proceeding against an insurer must be commenced within the period as established in *The Limitations Act*.

2015, c.I-9.11, s.8-5.

DIVISION 2
Contract Provisions

Application of Division

8-6 Subject to sections 8-99 and 8-156 and except as otherwise provided in this Act, this Division applies to every contract of insurance made in Saskatchewan other than:

(a) a contract of life insurance;

(b) a contract of accident and sickness insurance; or

(c) a contract of reinsurance.

2015, c.I-9.11, s.8-6.

Contract of insurance made in Saskatchewan

8-7(1) For the purposes of this Act, a contract of insurance is deemed to have been made in Saskatchewan if:

(a) it insures a person who is domiciled or resident in Saskatchewan when the contract is made; or

(b) the subject-matter of the contract is property that is or will be located in Saskatchewan.

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

2015, c.I-9.11, s.8-7.

Terms, etc., of contract of insurance

8-8(1) All the terms and conditions of a contract of insurance must be set out in full in the policy or in writing securely attached to the policy when it is issued, and unless so set out no term of the contract or condition, stipulation, warranty or proviso modifying or impairing its effect is valid or admissible in evidence to the prejudice of the insured or a person to whom insurance money is payable under the contract of insurance.

(2) Subsection (1) does not apply to an alteration of the contract of insurance agreed on in writing by the insurer and the insured after the policy is issued.

(3) Every policy must contain the following:

(a) the name of the insurer;

(b) the name of the insured;

(c) the name of the person to whom the insurance money is payable;

(d) the amount or the method of determining the amount of the premium for the insurance;

(e) the subject-matter of the insurance;

(f) the indemnity for which the insurer may become liable;

(g) the event on the happening of which the liability is to arise;

(h) the date the insurance takes effect;

(i) the date the insurance terminates or the method by which that date is established.

(4) Subsection (3) does not apply to contracts of surety insurance or crop hail insurance.

(5) If a contract of insurance, whether it does or does not provide for its renewal, is renewed by a renewal receipt, it is a sufficient compliance with subsection (1) if the terms and conditions of the contract were set out as required by that subsection and the renewal receipt identifies the contract by its number or date.

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

(7) For the purposes of subsection (6), the burden of proving a material misrepresentation is on the insurer.

(8) No contract of insurance shall contain or have endorsed on it, or be made subject to, any term, condition, stipulation, warranty or proviso providing that the contract is avoided by reason of any statement in the application for the insurance inducing 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 of insurance shall be avoided by reason of the inaccuracy of any such statement unless it is material to the contract.

(9) The question of materiality in any contract of insurance is a question of fact, and no admission, term, condition, stipulation, warranty or proviso to the contrary contained in the application for insurance or in the policy or in any agreement or document relating to the contract has any force or validity.

(10) Nothing in this section impairs the effect of any Statutory Condition required by this Act to be part of any contract of insurance or of any provision of this Act.

2015, c.I-9.11, s.8-8.

Contents of contract of insurance

8-9(1) Subject to subsection (2), before a policy is issued with respect to a contract of insurance, the contract is deemed to include:

(a) the usual terms and conditions contained in the insurer's standard policy for the type of insurance concerned; and

(b) any other terms and conditions of which the insured is given notice in writing as to their existence and contents.

(2) Unless the insured has been given notice in writing of the existence and contents of a term or condition, the term or condition does not apply to a contract of insurance described in subsection (1) if the insured is not reasonably able to comply with it in the absence of the notice.

2015, c.I-9.11, s.8-9.

Policy in accordance with terms of application

8-10(1) A policy issued to an insured on an application is deemed to be in accordance with the terms of the application unless the insurer immediately gives notice to the insured in writing of the particulars in which the policy and the application differ, in which case the insured may, within 14 days after receiving the notice, reject the policy.

(2) If the insured rejects the policy pursuant to subsection (1), the insurer shall refund as soon as is practicable the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the policy.

(3) Notwithstanding subsection (2), if the insured failed to disclose material information on the application the knowledge of which would have resulted in the insurer charging a higher premium than what was charged, the amount that the insurer is required to refund pursuant to subsection (2) is the excess of premium actually paid by the insured over the short rate premium for the expired time calculated as if the higher premium had been charged.

(4) If the insured does not reject the policy pursuant to subsection (1), the insured is deemed to have accepted the policy.

2015, c.I-9.11, s.8-10.

Dispute resolution

8-11(1) In this section, **"representative"** means a dispute resolution representative appointed pursuant to subsection (5).

(2) This section applies to disputes between an insurer and an insured about a matter that under Statutory Condition 11 set out in section 8-28, Statutory Condition 4(9) or (10) set out in section 8-41 or another condition of the contract of insurance must be determined using this dispute resolution process.

(3) This section does not apply to a contract of crop hail insurance.

(4) Either the insured or the insurer may demand in writing the other's participation in a dispute resolution process after proof of loss has been delivered to the insurer.

(5) Within seven days after receiving or giving a demand pursuant to subsection (4), the insured and the insurer shall each appoint a dispute resolution representative, and within 15 days after their appointment, the two representatives shall appoint an umpire.

(6) No person shall be appointed as a representative if the person is:

(a) the insured or the insurer; or

(b) an employee of the insured or the insurer.

(7) The representatives shall determine the matters in dispute by agreement and, if they fail to agree, submit their differences to the umpire.

(8) The written determination of a majority of the dispute resolution panel composed of the representatives and the umpire determines the matters.

(9) Notwithstanding subsection (8), if a majority finding of the dispute resolution panel cannot be established, the umpire shall have the sole discretion to determine the matter.

(10) Each party to the dispute resolution process shall pay the representative whom the party appointed, and each party shall bear equally the expense of the dispute resolution process and the umpire.

(11) On the application of the insured or of the insurer, a judge of the court sitting at the judicial centre nearest to the place where the matter that is the subject of the dispute resolution is located may appoint a representative or umpire if:

(a) a party fails to appoint a representative within seven days after being served with written notice to do so;

(b) the representatives fail to agree on an umpire within 15 days after their appointment; or

(c) a representative or umpire refuses to act or is incapable of acting or dies.

(12) An umpire is bound by the rules of procedural fairness in carrying out the umpire's functions pursuant to this section.

2015, c.I-9.11, s.8-11.

Relief from forfeiture

8-12 The court may relieve against a forfeiture or avoidance of insurance on any terms it considers just if the court considers it inequitable that there has been a forfeiture or avoidance of insurance, in whole or in part, on the ground that there has been imperfect compliance with a Statutory Condition, or a condition or term of a contract of insurance, as to:

(a) the proof of loss to be given by the insured or the claimant; or

(b) another matter or thing done or omitted to be done by the insured or the claimant with respect to the loss.

2015, c.I-9.11, s.8-12.

Relief from forfeiture on surety bond

8-13 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 of insurance as described in section 8-12.

2015, c.I-9.11, s.8-13.

Waiver and estoppel

8-14(1) The obligation of an insured to comply with a requirement under a contract of insurance is excused to the extent that:

(a) the insurer has given notice in writing that the insured's compliance with the requirement is excused in whole or in part, subject to the terms specified in the notice, if any; or

(b) the insurer's conduct reasonably causes the insured to believe that the insured's compliance with the requirement is excused in whole or in part, and the insured acts on that belief to the insured's detriment.

(2) Neither the insurer nor the insured is deemed to have waived any term or condition of a contract of insurance by reason only of:

(a) the insurer's or insured's participation in a dispute resolution process pursuant to section 8-11;

(b) the delivery and completion of a proof of loss; or

(c) the investigation or adjustment of any claim under the contract.

2015, c.I-9.11, s.8-14.

Effect of delivery of policy

8-15(1) If a policy has been delivered, the contract of insurance is as binding on the insurer as if the premium had been paid, although:

(a) the premium has not in fact been paid; and

(b) the policy was delivered by an officer or agent of the insurer who had no authority to deliver it.

(2) If a premium has not been paid, the insurer may do one or both of the following:

(a) sue for any unpaid premium;

(b) if there is a claim under the contract of insurance, deduct the amount of the unpaid premium from the amount for which the insurer is liable under the contract.

(3) The insurer may terminate the contract of insurance in accordance with any Statutory Condition or policy condition or, if there is no relevant Statutory Condition or policy condition, by giving notice by registered mail or by any other prescribed means if:

(a) a cheque, bill of exchange, promissory note or other written promise to pay is given for the whole or part of any premium, whether for an original contract or for a renewal of a contract; and

(b) the cheque, bill of exchange, promissory note or other written promise to pay mentioned in clause (a) is not honoured.

2015, c.I-9.11, s.8-15.

Insurer to provide forms

8-16(1) An insurer, immediately on receipt of a request, and in any event not later than 60 days after receipt of notice of loss, shall provide to the insured or the person to whom the insurance money is payable forms on which to make the proof of loss required under the contract of insurance.

(2) If an insurer neglects or refuses to comply with subsection (1), section 8-17 is not available to the insurer as a defence to an action brought after the neglect or refusal for the recovery of money payable under the contract of insurance.

(3) If the insurer has, within 30 days after notification of loss, adjusted the loss acceptably to the person to whom the insurance money is payable, the insurer is deemed to have complied with this section.

(4) An insurer by reason only of providing forms to make the proof of loss is not to be taken to have admitted that a valid contract of insurance is in force or that the loss in question falls within the insurance provided by the contract.

2015, c.I-9.11, s.8-16.

When action may be brought

8-17 No action lies for the recovery of money payable under a contract of insurance until the expiration of 60 days, or of any shorter period fixed by the contract, after proof, in accordance with the provisions of the contract:

(a) of the loss; or

(b) of the happening of the event on which the insurance money is to become payable.

2015, c.I-9.11, s.8-17.

Consolidation of actions

8-18(1) If several actions are brought for the recovery of money payable under one or more contracts of insurance, the court may consolidate or otherwise deal with them so that there is only one action for and with respect to all the claims made in the actions.

(2) If an action is brought to recover the share of money payable under a contract of insurance to one or more minors:

(a) all the other minors entitled, or the trustees, executors or guardians entitled to receive payment of the shares of the other minors, must be made parties to the action; and

(b) the rights of all the minors must be determined in one action.

(3) In all actions where several persons are interested in the money payable under a contract of insurance, the court may:

(a) apportion any sum directed to be paid among the persons entitled to the insurance money; and

(b) make any further orders giving directions and relief.

2015, c.I-9.11, s.8-18.

Imperfect compliance not to render contract invalid

8-19 An action or omission of an insurer resulting in imperfect compliance with this Act does not render a contract of insurance invalid insofar as it benefits an insured.

2015, c.I-9.11, s.8-19.

Notice

8-20(1) Subject to any Statutory Condition, if the method of giving notice is not otherwise expressly provided for, any notice given by an insurer for any of the purposes of this Act may, in the case of an insured, be given by mailing it to the postal address that:

(a) is given in the insured's original application or proposal for insurance; or

(b) has been otherwise given in writing to the insurer.

(2) Subject to any Statutory Condition, if the method of delivering the notice is not otherwise expressly provided for, any notice to be given to an insurer for any of the purposes of this Act may be given by:

(a) delivering it to the chief office of the insurer in Saskatchewan;

(b) sending it by registered mail to the chief office mentioned in clause (a); or

(c) sending it by registered mail to the authorized agent of the insurer.

2015, c.I-9.11, s.8-20.

Providing of copy to insured

8-21(1) An insurer shall provide to the insured a copy of:

(a) the insured's application or proposal for insurance; and

(b) the insured's policy.

(2) An insurer shall provide the first copy of the policy free of charge, but may charge a reasonable fee to cover its expenses in providing any additional copies.

(3) The insured may agree to be provided with an electronic copy of the documents mentioned in subsection (1).

2015, c.I-9.11, s.8-21.

Insurance against loss through negligence

8-22 It is lawful for an insurer to contract to indemnify an insured for financial loss occasioned by reason of liability to a third person, whether or not the loss is caused by the insured through negligence or while contravening any municipal bylaw or any Act.

2015, c.I-9.11, s.8-22.

Enforcement charge against insured unsatisfied

8-23(1) In any case in which a person insured against liability for injury or damage to persons or property of others has failed to satisfy a judgment obtained by a claimant for the injury or damage and an enforcement charge against the insured with respect to the judgment is returned unsatisfied, the judgment creditor has a right of action against the insurer to recover an amount, not exceeding the amount of insurance under the policy or the amount of the judgment, in the same manner and subject to the same equities as the insured would have if the judgment had been satisfied.

(2) The insurer has any defence 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.

(3) This section does not apply to contracts of motor vehicle liability insurance.

2015, c.I-9.11, s.8-23.

Assignment of premium refund

8-24(1) If an insured assigns the right to a refund of premium that may accrue by reason of the cancellation or termination of a contract of insurance under the terms of the contract and notice of the assignment is given by the assignee to the insurer, the insurer shall pay any refund to the assignee notwithstanding any provision in this Act or condition in the contract, whether established pursuant to 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.

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

2015, c.I-9.11, s.8-24.

Payment into court by insurer

8-25(1) If an insurer cannot obtain 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 of the insurance money into court.

(2) On an application pursuant to subsection (1), the court may:

(a) order the payment into court to be made on any terms as to costs and otherwise that the court directs; and

(b) provide which fund or name the amount is to be credited to.

(3) The receipt of the local registrar or other proper officer of the court is sufficient discharge to the insurer for the insurance money paid into court, and the insurance money must be dealt with in accordance with an order of the court.

2015, c.I-9.11, s.8-25.

Title insurance

8-26 A contract of title insurance must:

(a) be in writing; and

(b) in addition to the other requirements of this Act, expressly state the amount of coverage the contract of insurance provides.

2015, c.I-9.11, s.8-26.

Restrictions on cancellation

8-27(1) If a loss under a contract of insurance 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 contract to the prejudice of that person without notice to that person.

(2) The length of notice and method of giving the notice pursuant to subsection (1) must be the same as the length and method of giving notice of cancellation to the insured pursuant to the Statutory Conditions in the contract of insurance.

2015, c.I-9.11, s.8-27.

Statutory Conditions

8-28(1) Subject to subsections (2) and (3):

(a) the Statutory Conditions set out in this section are deemed to be part of every contract of insurance in force in Saskatchewan and must be printed on every policy under the heading “Statutory Conditions”; and

(b) no variation or omission of or addition to any Statutory Condition is binding on the insured.

(2) This section does not apply to contracts of automobile insurance, surety insurance, crop hail insurance or any other prescribed class of insurance.

(3) In this section and in the Statutory Conditions:

"contract" means a contract of insurance;

"policy" does not include an interim receipt or a binder;

(4) Statutory Conditions 1 and 6 to 13 apply only to, and need only be printed on, contracts that include insurance against loss or damage to property.

Statutory Conditions

Misrepresentation

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

Property of others

2 The insurer is not liable for loss of or damage to property owned by a person other than the insured unless:

(a) otherwise specifically stated in the contract; or

(b) the interest of the insured in that property is stated in the contract.

Change of interest

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

Material change in risk

4(1) The insured must promptly give notice in writing to the insurer or its agent of a change that is:

(a) material to the risk; and

(b) within the control and knowledge of the insured.

(2) If an insurer or its agent is not promptly notified of a change under subsection (1) of this condition, the contract is void as to the part affected by the change.

(3) If an insurer or its agent is notified of a change under subsection (1) of this condition, the insurer may:

(a) terminate the contract in accordance with Statutory Condition 5; or

(b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.

(4) If the insured fails to pay an additional premium when required to do so under clause (3)(b) of this condition, the contract is terminated at that time and Statutory Condition 5(2)(a) applies in respect of the unearned portion of the premium.

Termination of Insurance

5(1) The contract may be terminated:

(a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered; or

(b) by the insured at any time on request.

(2) If the contract is terminated by the insurer:

(a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract; and

(b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as is practicable.

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

(4) The 15-day period referred to in clause (1)(a) of this condition starts to run on the day following the day on which the registered letter or notification of it is delivered to the insured's postal address.

Requirements after loss

6(1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9:

(a) immediately give notice in writing to the insurer;

(b) deliver as soon as is practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration:

(i) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the 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) stating the amount of other insurances and the names of other insurers;

(v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property;

(vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued; and

(vii) stating the place where the insured property was at the time of loss;

(c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property; and

(d) if required by the insurer and if practicable:

(i) produce books of account and inventory lists;

(ii) provide invoices and other vouchers verified by statutory declaration; and

(iii) provide a copy of the written portion of any other relevant contract.

(2) The evidence given, produced or provided under clauses (1)(c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7 Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

8 Notice of loss under Statutory Condition 6(1)(a) may be given and the proof of loss under Statutory Condition 6(1)(b) may be made:

(a) by the agent of the insured if:

(i) the insured is absent or unable to give the notice or make the proof; and

(ii) the absence or inability is satisfactorily accounted for; or

(b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in clause (a) of this condition.

Salvage

9(1) In the event of loss of or damage to insured property, the insured must take all reasonable steps to prevent further loss of or damage to that property and to prevent loss of or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

(2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subsection (1) of this condition.

Entry, control, abandonment

10 After loss of or damage to insured property, the insurer has:

(a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage; and

(b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage but:

(i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property; and

(ii) without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

11(1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in *The Insurance Act* whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.

(2) There is no right to a dispute resolution process under this condition until:

(a) a specific demand is made for it in writing; and

(b) the proof of loss has been delivered to the insurer.

When loss payable

12 Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Repair or replacement

13(1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.

(2) If the insurer gives notice under subsection (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss and must proceed with all due diligence to complete the work within a reasonable time.

Notice

14(1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief office or head office of the insurer in the province.

(2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

2015, c.I-9.11, s.8-28.

Recovery by innocent persons

8-29(1) If a contract of insurance 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 a prescribed class.

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

(3) A person whose coverage under a contract of insurance would be excluded but for subsection (1) must comply with the prescribed requirements.

2015, c.I-9.11, s.8-29.

Limitation of liability clause

8-30(1) In this section, **"liability clause"** means any of the following clauses contained in a contract of insurance:

(a) a deductible clause;

(b) a co-insurance, average or similar clause;

(c) a conditional or unconditional clause limiting recovery by the insured to a specific percentage of the value of any property insured at the time of loss.

(2) If a contract of insurance is evidenced by a policy that contains a liability clause, the contract must contain a prescribed notice in the prescribed form.

(3) A liability clause is not binding on the insured unless the words mentioned in subsection (2) are printed or stamped in the manner required by that subsection.

2015, c.I-9.11, s.8-30.

Rateable contributions

8-31(1) If, on the happening of loss or damage, there is in force more than one contract of insurance covering the loss or damage, the insurers under the respective contracts are each liable to the insured for their rateable proportion of the loss, unless it is otherwise expressly agreed in writing between the insurers.

(2) For the purposes of subsection (1), a contract of insurance is deemed to be in force notwithstanding any term or condition of it that the contract does not cover, attach, come into force or become insurance until after full or partial payment of any loss under any other contract.

(3) Nothing in subsection (1) affects the validity of:

(a) any division of the sum insured into separate items;

(b) any limits of insurance on specified property;

(c) any liability clause mentioned in section 8-30; or

(d) any contract condition limiting or prohibiting having or placing other insurance.

(4) Nothing in subsection (1) affects the operation of any deductible clause and:

(a) if one contract of insurance contains a deductible clause, the prorated proportions of the insurer under that contract must be first ascertained without regard to the deductible clause and then the clause must be applied only to affect the amount of recovery under that contract; and

(b) if more than one contract of insurance contains a deductible clause, the prorated proportions of the insurers under those contracts must be first ascertained without regard to the deductible clauses and then the highest deductible must be prorated among the insurers with deductible clauses, and those prorated amounts affect the amount of recovery under those contracts.

(5) Nothing in subsection (4) is to be construed to have the effect of increasing the prorated contributions of an insurer under a contract of insurance that is not subject to a deductible clause.

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

(7) This section does not apply to a subscription contract of insurance issued by two or more insurers.

2015, c.I-9.11, s.8-31.

Special stipulations

8-32(1) If a contract of insurance contains a stipulation, condition, term, proviso or warranty, other than a prescribed exclusion mentioned in clause (2)(a), that is or may be material to the risk, including, but not restricted to, a provision with respect to the use, condition, location or maintenance of the insured property, the stipulation, condition, term, proviso or warranty is not binding on the insured if it is held to be unjust or unreasonable by the court before which a question relating to it is tried.

(2) No insurer shall provide in a contract of insurance that includes coverage for loss or damage by fire or by another prescribed peril an exclusion relating to:

(a) the cause of the fire or other prescribed peril other than a prescribed exclusion; or

(b) the prescribed circumstances of the fire or other prescribed peril.

(3) An exclusion in a contract of insurance contrary to subsection (2) is invalid.

(4) Subsection (2) applies in relation to loss or damage by fire however the fire is caused and in whatever circumstances and whether the coverage is under a part of a contract of insurance specifically covering loss or damage by fire or under another part.

2015, c.I-9.11, s.8-32.

Subrogation of insurer to rights of recovery

8-33(1) An insurer that makes any payment or assumes liability for making any payment under a contract of insurance is subrogated to all rights of recovery of the insured against any person and may bring an action in the name of the insured to enforce those rights.

(2) If the net amount recovered by an 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 must be divided between the insurer and the insured in the proportion in which the loss or damage has been borne by them.

(3) If the interest of an insured in any recovery is limited to the amount provided under a clause in the contract to which subsections 8-65(2) and (3) apply, the insurer is entitled to have control of the action.

(4) Either the insured or the insurer may apply to the court to determine any of the matters set out in clause (b) if:

(a) the interest of an insured in any recovery exceeds that mentioned in subsection (3); and

(b) the insured and the insurer cannot agree as to:

(i) the lawyers to be instructed to bring the action in the name of the insured;

(ii) the conduct and carriage of the action or any matters related to the action;

(iii) any offer of settlement or the apportionment of an offer of settlement, whether an action has been commenced or not;

(iv) the acceptance of any money paid into court or the apportionment of money paid into court;

(v) the apportionment of costs; or

(vi) the commencement or prosecution of an appeal.

(5) On an application pursuant to subsection (4), the court may make any order that 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.

(6) On an application pursuant to subsection (4), only the insurer and the insured are entitled to notice and to be heard on the application, and no material or evidence used or taken on the application is admissible in the trial of an action brought by or against the insured or the insurer.

(7) 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 in the settlement or release.

2015, c.I-9.11, s.8-33.

Regulations for Division

8-34 The Lieutenant Governor in Council may make regulations:

(a) requiring a record or document to be provided in written form;

(b) prescribing the means of service for the purposes of subsection 8-15(3);

(c) prescribing the classes of insurance to which section 8-28 does not apply;

(d) prescribing classes of persons for the purposes of clause 8-29(1)(d);

(e) prescribing requirements for the purposes of subsection 8-29(3);

(f) prescribing perils, exclusions and circumstances for the purposes of subsection 8-32(2);

(g) prescribing any matter or thing that is required or authorized by this Division to be prescribed in the regulations.

2015, c.I-9.11, s.8-34.

DIVISION 3
Automobile Insurance

Subdivision 1
Interpretation, Forms and Statutory Conditions

Interpretation of Division

8-35 In this Division:

"contract" means a contract of insurance for automobile insurance;

"insured" means a person insured by a contract whether named in the contract or not.

2015, c.I-9.11, s.8-35.

Application of Division

8-36(1) This Division applies to contracts providing automobile insurance made or renewed in Saskatchewan on or after January 1, 1969.

(2) This Division 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 in or on an automobile; or

(c) liability for loss of or damage to property carried in or on an automobile.

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

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

2015, c.I-9.11, s.8-36.

Approval of forms

8-37(1) No insurer shall use a form of application, policy, endorsement or renewal or continuation certificate with respect to automobile insurance other than a form approved by the Superintendent.

(2) An insurer may require additional information in an approved application form, but that additional information does not constitute part of the application for the purposes of section 8-39.

(3) If, in the opinion of the Superintendent, any provision of this Division, 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, the Superintendent may approve a form of policy, or part of a form of policy or a form of endorsement, evidencing a contract sufficient or appropriate to insure the risks required or proposed to be insured.

(4) The contract evidenced by the policy or endorsement in the form approved pursuant to subsection (3) is effective and binding according to its terms even if those terms are inconsistent with, vary, omit or add to any provision or Statutory Condition of this Division.

(5) Except with respect to matters mentioned in section 8-51, the Superintendent may, if the Superintendent considers it to be in the public interest, approve a form of motor vehicle liability policy or endorsement to a motor vehicle liability policy that extends the insurance beyond that required by this Division.

(6) In granting an approval pursuant to subsection (5), the Superintendent may require the insurer to charge an additional premium for the extension and to state that fact in the policy or in any endorsement.

(7) Subject to section 10-11, the Superintendent may revoke an approval given pursuant to this section, and no insurer shall, after receiving notification of the revocation in writing, use or deliver a form that contravenes the notification.

(8) On the request of any insurer that the Superintendent considers interested, the Superintendent shall specify in writing the Superintendent's reasons for granting, refusing or revoking an approval of a form.

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

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

2015, c.I-9.11, s.8-37.

Persons prohibited from being agents

8-38 No person carrying on the business of financing the sale or purchase of automobiles, no automobile dealer, insurance agent or restricted licensee as defined in Division 4 of Part V and no officer or employee of that person, dealer, insurance agent or restricted licensee shall act as the agent of an applicant for the purpose of signing an application for automobile insurance.

2015, c.I-9.11, s.8-38.

Application for insurance

8-39(1) Either of the following must be embodied in, endorsed on or attached to a policy when issued by the insurer:

(a) a copy of the written application, signed by the insured or the insured's agent; or

(b) if no signed application is made, a copy of the purported application, or a copy of the part of the application or purported application that is material to the contract.

(2) If no signed written application is received by the insurer before issue of the policy, the insurer shall deliver or mail to the insured named in the policy, or to the insurance 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.

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

(4) If a written application signed by the insured or the insured's agent is made for a contract, the policy evidencing the contract is deemed to be in accordance with the application unless the insurer provides a written notice to the insured named in the policy pointing out in what respect the policy differs from the application.

(5) If the insurer provides a written notice pursuant to subsection (4), the insured is deemed to have accepted the policy unless, within two weeks from the receipt of the notification, the insured informs the insurer in writing that the insured rejects the policy.

(6) If the insured rejects the policy pursuant to subsection (5), the insurer shall refund as soon as is practicable the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract.

(7) Notwithstanding subsection (6), if the insured failed to disclose material information on the application the knowledge of which would have resulted in the insurer charging a higher premium than what was charged, the amount that the insurer is required to refund pursuant to subsection (6) is the excess of premium actually paid by the insured over the short rate premium for the expired time calculated as if the higher premium had been charged.

(8) Every application form and policy must have printed or stamped on it in conspicuous bold type a copy of subsection 8-40(1).

Misrepresentation, fraud or violation of condition

8-40(1) A claim by the insured is invalid and the right of the insured to recover indemnity is forfeited if:

(a) the insured, in applying for the 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 in the application;

(b) the insured contravenes a term of the contract or commits a fraud; or

(c) the insured wilfully makes a false statement with respect to a claim under the contract.

(2) No statement of the insured in applying for the contract may be used in defence of a claim under the contract unless it is contained in:

(a) the signed written application for the contract; or

(b) if no signed written application is made, the purported application, or part of the application, that is embodied in, endorsed on or attached to the policy.

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

2015, c.I-9.11, s.8-40.

Statutory Conditions

8-41(1) Subject to subsection 8-37(3), section 8-42 and subsection 8-66(2), the Statutory Conditions set out in this section are deemed to be part of every contract and must be printed in every policy under the heading "Statutory Conditions".

(2) No variation or omission of or addition to any Statutory Condition is binding on the insured.

(3) In this section, **"policy"** does not include an interim receipt or a binder.

Statutory Conditions

In these Statutory Conditions, unless the context otherwise requires, "insured" means a person insured by the contract whether named in the contract or not.

Material change in risk

1(1) The insured named in the contract must promptly notify the insurer or its agent in writing of any change in the risk material to the contract and within the insured's knowledge.

(2) Without restricting the generality of subsection (1) of this condition, "change in the risk material to the contract" includes:

(a) any change in the insurable interest of the insured named in the contract in the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under the *Bankruptcy and Insolvency Act* (Canada); and

(b) in respect of insurance against loss of or damage to the automobile:

(i) any mortgage, lien or encumbrance affecting the automobile after the application for the contract; and

(ii) any other insurance of the same interest, whether valid or not, covering loss or damage insured by the contract or any portion of the contract.

Prohibited use by insured

2(1) The insured must 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;

(b) unless the insured is for the time being either authorized by law or qualified to drive or operate the automobile;

(c) while the insured is under the age of 16 years or under any other age prescribed by the law of the province in which the insured resides at the time the contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to the insured;

(d) for any illicit or prohibited trade or transportation; or

(e) in any race or speed test.

(2) The insured must not permit or allow the use of the automobile:

(a) by any person while the person is 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;

(b) by any person unless that person is for the time being either authorized by law or qualified to drive or operate the automobile;

(c) by any person while that person is under the age of 16 years or under any other age prescribed by the law of the province in which the person resides at the time the contract is made as being the minimum age at which a licence or permit to drive an automobile may be issued to the person;

(d) for any illicit or prohibited trade or transportation; or

(e) in any race or speed test.

Requirements where loss or damage to persons or property

3(1) The insured must:

(a) promptly give to the insurer written notice, with all available information, 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 the contract; and

(c) forward immediately to the insurer every document received by the insured from or on behalf of the claimant.

(2) The insured must not:

(a) voluntarily assume any liability or settle any claim except at the insured's own cost; or

(b) interfere in any negotiations for settlement or in any legal proceeding.

(3) The insured must, whenever requested by the insurer, aid in securing information and evidence and the attendance of any witness, and must cooperate 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) When loss of or damage to the automobile occurs, the insured must, if the loss or damage is covered by the contract:

(a) promptly give notice of the loss or damage 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 90 days after the date of the loss or damage a statutory declaration stating, to the best of the insured's knowledge and belief, the place, time, cause and amount of the loss or damage, the interest of the insured and of all others in the automobile, the encumbrances on the automobile, 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 subsection (1) of this condition is not recoverable under the contract.

(3) No repairs, other than those that are immediately necessary for the protection of the automobile from further loss or damage, may be undertaken and no physical evidence of the loss or damage may be removed:

(a) without the written consent of the insurer; or

(b) until the insurer has had a reasonable opportunity to make the inspection for which provision is made in Statutory Condition 5.

(4) The insured must submit to examination under oath and must produce for examination at any reasonable place and time designated by the insurer or its representative all documents in the insured's possession or control that relate to the matters in question, and the insured must permit extracts and copies of the documents to be made.

(5) The insurer is not liable for more than the actual cash value of the automobile at the time any loss or damage occurs, and the loss or damage must be ascertained or estimated according to that actual cash value with proper deductions for depreciation, however caused, and must not exceed the amount that it would cost to repair or replace the automobile, or any part of the automobile, with material of similar kind and quality, but if any part of the automobile is obsolete and unavailable, the liability of the insurer in respect of the automobile is 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 a dispute resolution process has been initiated, the insurer, instead of making payment, may, within a reasonable time, repair, rebuild or replace the property damaged or lost with other of similar kind and quality if, within 7 days after the receipt of the proof of loss, it gives written notice of its intention to do so.

(7) There must be no abandonment of the automobile to the insurer without the insurer's consent.

(8) If the insurer exercises the option to replace the automobile or pays the actual cash value of the automobile, the salvage, if any, vests in the insurer.

(9) In the event of disagreement as to the nature and extent of the repairs and replacements required, or as to their adequacy, if effected, or as to the amount of the loss or damage, those questions must be determined by a dispute resolution process as provided under *The Insurance Act* before there can be recovery under the contract, whether the right to recover under the contract is disputed or not, and independently of all other questions.

(10) There is no right to a dispute resolution process until:

(a) a specific demand for it is made in writing; and

(b) the proof of loss has been delivered.

Inspection of automobile

5 The insured must 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 must pay the insurance money for which it is liable under the contract within 60 days after the proof of loss has been received by it or, where a dispute resolution process is conducted under Statutory Condition 4(9), within 15 days after the decision is rendered.

(2) The insured may not bring an action to recover the amount of a claim under the contract unless the requirements of Statutory Conditions 3 and 4 are complied with or until the amount of the loss has been ascertained as provided for under Statutory Conditions 3 and 4 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.

Who may give notice and proofs of claim

7 Notice of loss under Statutory Condition 4(1)(a) may be given and the proof of loss under Statutory Condition 4(1)(c) may be made:

(a) by the agent of the insured if:

(i) the insured is absent or unable to give the notice or make the proof; and

(ii) the absence or inability is satisfactorily accounted for; or

(b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in clause (a) of this condition.

Termination

8(1) The contract may be terminated:

(a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered; or

(b) by the insured at any time on request.

(2) If the contract is terminated by the insurer:

(a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified; and

(b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to the amount, in which case the refund must be made as soon as is practicable.

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

(4) The 15-day period referred to in clause (1)(a) of this condition starts to run on the day following the day on which the registered letter or notification of it is delivered to the insured's postal address.

Notice

9(1) Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief office or head office of the insurer in the province.

(2) Written notice may be given to the insured named in the contract by letter personally delivered to the insured or by registered mail addressed to the insured's last known address as provided to the insurer by the insured.

2015, c.I-9.11, s.8-41.

Conditions not part of policy

8-42(1) Except as otherwise provided in the contract, the Statutory Conditions set out in section 8-41 do not apply to insurance described in section 8-67, 8-68 or 8-69.

(2) If a contract does not insure against liability for loss or damage to persons or property, Statutory Condition 3 set out in section 8-41 is not a part of the policy and may be omitted from the printing of the conditions in the policy.

(3) If a contract does not insure against loss of or damage to the automobile, Statutory Condition 4 set out in section 8-41 is not a part of the policy and may be omitted from the printing of the conditions in the policy.

2015, c.I-9.11, s.8-42.

Subdivision 2
Motor Vehicle Liability Policies

Coverage of owner's policy

8-43(1) In this section and in section 8-44, **"named insured"** means the insured named in the contract.

(2) Every contract evidenced by an owner's policy insures the named insured and every other person who with the named insured's consent drives an automobile owned by the named insured that falls within the description or definition of automobile in the contract against liability imposed by law on the named insured or those other persons for loss or damage:

(a) arising from the ownership, use or operation of the automobile; and

(b) resulting from bodily injury to or the death of any person and loss of or damage to property.

(3) If the contract evidenced by an owner's policy also provides insurance against liability with respect to an automobile not owned by the named insured, an insurer may stipulate in the contract that the insurance is restricted to those persons who are specified in the contract.

2015, c.I-9.11, s.8-43.

If named insured dies

8-44 If the named insured dies, the following persons are deemed to be the insured under the policy:

(a) the spouse of the deceased named insured if residing in the same dwelling place as the deceased named insured at the time of the deceased named insured's death;

(b) with respect to the described automobile, a newly acquired automobile that was acquired by the deceased named insured before the deceased named insured's death and a temporary substitute automobile, all as defined by the policy:

(i) any person having proper temporary custody of the automobile until grant of probate or administration to the executor or administrator of the deceased named insured; and

(ii) the personal representative of the deceased named insured.

2015, c.I-9.11, s.8-44.

Coverage of non-owner's policy

8-45 Every contract evidenced by a non-owner's policy insures the person named in the contract and any other person who is specified in the policy against liability imposed by law on 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 of automobile in the policy, other than an automobile owned by or registered in the name of the insured named in the contract or that other person; and

(b) resulting from bodily injury to or the death of any person and loss of or damage to property.

2015, c.I-9.11, s.8-45.

Effect of lien on automobile

8-46 For the purposes of this Division, a person is not deemed to be the owner of an automobile by reason only that the person has a lien on the automobile or has legal title to the automobile as security.

2015, c.I-9.11, s.8-46.

Territorial limits

8-47 Insurance pursuant to section 8-43, 8-44 or 8-45 applies to the ownership, use or operation of the insured automobile:

(a) within Canada, the United States of America and any other prescribed jurisdiction; and

(b) on a vessel travelling between ports of those jurisdictions.

2015, c.I-9.11, s.8-47.

Rights of unnamed insured

8-48(1) Any person insured by but not named in a contract to which section 8-43, 8-44 or 8-45 applies may recover indemnity in the same manner and to the same extent as if named in the contract as the insured.

(2) For the purposes of this section, the person mentioned in subsection (1) is deemed to be a party to the contract and to have given consideration for the contract.

2015, c.I-9.11, s.8-48.

Liability of insurer

8-49 Every contract evidenced by a motor vehicle liability policy must provide that when a person insured by the contract is involved in an accident resulting from the ownership, use or operation of an automobile with respect to which insurance is provided pursuant to the contract and resulting in loss or damage to persons or property, the insurer shall:

(a) on receipt of notice of loss or damage caused to persons or property, make any investigations, conduct any negotiations with the claimant and effect any settlement of any resulting claims that are considered expedient by the insurer;

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

(c) pay all costs assessed against the insured in any action defended by the insurer and any interest accruing after entry of judgment on that part of the judgment that is within the limits of the insurer's liability; and

(d) if the injury is to a person, reimburse the insured for outlay for any medical aid that is immediately necessary at the time.

2015, c.I-9.11, s.8-49.

Liability arising from contamination

8-50 Liability arising from contamination of property carried in an automobile is deemed not to be liability arising from the ownership, use or operation of that automobile.

2015, c.I-9.11, s.8-50.

Exceptions to liability of insurer

8-51(1) The insurer is not liable under a contract evidenced by a motor vehicle liability policy for any liability:

(a) imposed by any workers' compensation law on any person insured by the contract; or

(b) 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.

(2) The insurer may provide under a contract evidenced by a motor vehicle liability policy that it is not 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 on the automobile in the course of that business unless the person is the owner of the automobile or is the owner's employee; or

(b) for loss of or damage to:

(i) property carried in or on the automobile; or

(ii) any property owned or rented by or in the care, custody or control of the insured.

2015, c.I-9.11, s.8-51.

Certain exclusions from liability prohibited

8-52 Any provision in a contract evidenced by a motor vehicle liability policy that the insurer is not liable for loss or damage resulting from bodily injury to or the death of any person being carried in or on or entering or getting on or alighting from an automobile, except as provided for in this Act, is void.

2015, c.I-9.11, s.8-52.

Exceptions to liability of insurer – machinery or apparatus

8-53 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 that it is not liable for loss or damage resulting from the ownership, use or operation of any machinery or apparatus, including its equipment, mounted on or attached to the automobile while that automobile is at the site of the use or operation of that machinery or apparatus.

2015, c.I-9.11, s.8-53.

Exceptions to liability of insurer – certain uses of automobile

8-54(1) The insurer may provide under a contract evidenced by a motor vehicle liability policy that it is not liable in any one or more of the following cases:

(a) while the automobile is rented or leased to another person;

(b) while the automobile is used to carry explosives or to carry radioactive material for research, education, development or industrial purposes or for purposes incidental to those purposes;

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

(2) Clause (1)(a) does not include the use by an employee of the employee's automobile in the business of the employee's employer for which the employee is paid.

(3) 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 a quantity and quality that would be harmful to persons or property if its container were destroyed or damaged.

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

(a) the use by an insured of the automobile for the carriage of another person in return for the insured's carriage in the automobile of the other person;

(b) the occasional and infrequent use by an insured of the automobile for the carriage of another person who shares the cost of the trip;

(c) the use by an insured of the automobile for the carriage of a temporary or permanent domestic servant of the insured or the insured's spouse;

(d) the occasional and infrequent use by an insured of the automobile for the transportation of children to or from activities conducted as part of an educational program; or

(e) the use by an insured of the automobile for the carriage of a client or customer or a prospective client or customer.

2015, c.I-9.11, s.8-54.

Limits of motor vehicle liability policy

8-55(1) Every contract evidenced by a motor vehicle liability policy insures, with respect to any one accident, to a limit of not less than $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.

(2) A contract mentioned in subsection (1) must be interpreted to mean that when, 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 $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 $10,000 over claims arising out of bodily injury or death.

(3) The insurer may, instead of specifying a limit in the policy for an inclusive amount, specify a limit of liability of:

(a) at least $200,000, exclusive of interest and costs, against liability resulting from bodily injury to or the death of one or more persons; and

(b) at least $200,000, exclusive of interest and costs, against liability for loss of or damage to property.

(4) Nothing in this Subdivision 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 pursuant to subsection (1) or (3).

(5) The premium for the insurance required pursuant to this section must be shown separately on the motor vehicle liability policy from the premium for any additional or other benefits under the policy.

(6) **Not Yet Proclaimed**.

2015, c.I-9.11, s.8-55.

Stipulation in motor vehicle liability policy

8-56(1) Every motor vehicle liability policy issued in Saskatchewan must provide that, in the case of liability arising out of the ownership, use or operation of the automobile in any province or territory or in another prescribed jurisdiction:

(a) the insurer is liable up to the minimum limits established for that province or territory or prescribed jurisdiction if those limits are higher than the limits established in the policy;

(b) the insurer must 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 or prescribed jurisdiction; and

(c) the insured, by acceptance of the policy, constitutes and appoints the insurer as the insured's irrevocable attorney to appear and defend, in that province or territory or prescribed jurisdiction, an action that is brought against the insured arising out of the ownership, use or operation of the automobile.

(2) A provision in a motor vehicle liability policy in accordance with clause (1)(c) is binding on the insured.

2015, c.I-9.11, s.8-56.

Excess insurance

8-57(1) Nothing in this Subdivision precludes an insurer from providing under a contract evidenced by a motor vehicle liability policy insurance 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 first loss insurance or excess insurance.

(2) If the insurance provided pursuant to *The Automobile Accident Insurance Act* or the designated contract, as the case may be, terminates or is terminated, the designated contract is also automatically terminated.

2015, c.I-9.11, s.8-57.

Agreements re deductible amounts

8-58 Nothing in this Subdivision 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 for the deductible amount set out in the contract with respect to any claim by or judgment in favour of a third party against the insured, and the agreement may be enforced against the insured.

2015, c.I-9.11, s.8-58.

Coverage under motor vehicle liability and nuclear energy hazard liability policies

8-59(1) In this section, **"nuclear energy hazard"** means the radioactive, toxic, explosive or other hazardous properties of substances prescribed pursuant to the *Nuclear Safety and Control Act* (Canada).

(2) If an insured, whether named in the contract or not, is covered 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 loss of or damage to property arising directly or indirectly out of a nuclear energy hazard and is, whether named in the contract or not, also covered against that 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 limits established by section 8-55; and

(b) an unnamed insured under the contract of nuclear energy hazard liability insurance may, with respect to the loss or damage, recover indemnity under that contract in the same manner and to the same extent as if named in the contract as the insured.

(3) For the purposes of clause (2)(b), the unnamed insured is deemed:

(a) to be a party to the contract; and

(b) to have given consideration for the contract.

(4) For the purposes of this section, a contract of nuclear energy hazard liability insurance is deemed to be in force at the time of the event giving rise to the loss or damage even if the limits of liability under the contract have been exhausted.

2015, c.I-9.11, s.8-59.

Determining which insurer is liable

8-60(1) If 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 insurance, and a question arises pursuant to clause 8-49(b) between an insurer and the insured or between the insurers as to which insurer must undertake the obligation to defend in the name of and on behalf of the insured, the insured or any insurer may, whether or not any insurer denies liability under its contract, apply to the court, and the court may by order give any directions that appear proper with respect to the performance of the obligation.

(2) The only parties entitled to notice of an application pursuant to subsection (1) and to be heard are the insured and the insured's insurers, and no material or evidence used or taken on the application is admissible on 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 with respect to which the insurance is provided.

(3) An order pursuant to subsection (1) does not affect the rights and obligations of the insurers with respect to payment of any indemnity under their respective policies.

(4) If 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 8-65 in accordance with their respective liabilities for damages awarded against the insured.

2015, c.I-9.11, s.8-60.

Rights of creditors

8-61(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, even if that person is not a party to the contract, may:

(a) on recovering a judgment with respect to the claim against the insured in any province or territory or in another prescribed jurisdiction, have the insurance money payable under the contract applied in or towards satisfaction of the judgment and of any other judgments or claims against the insured covered by the contract; and

(b) on the person's own behalf and on behalf of all persons having judgments or claims mentioned in clause (a), maintain an action against the insurer to have the insurance money applied in the manner mentioned in that clause.

(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.

(3) A creditor of the insured is not entitled to share in the insurance money payable under any contract unless the creditor's claim is one for which indemnity is provided by that contract.

(4) The right of a person who is entitled pursuant to subsection (1) to have insurance money applied in or towards the person's judgment or claim is not prejudiced by:

(a) an assignment, waiver, surrender, cancellation or discharge of the contract, or of any interest in or of the proceeds of the contract, made by the insured after the event giving rise to the person's claim under the contract;

(b) any act or default of the insured before or after that event in contravention of this Subdivision or of the terms of the contract; or

(c) any contravention of the *Criminal Code* or an Act or Act of any province or territory or of any state of the United States of America or in another prescribed jurisdiction by the owner or driver of the automobile.

(5) None of the matters mentioned in clause (4)(a), (b) or (c) is available to the insurer as a defence in an action brought pursuant to subsection (1).

(6) It is not a defence to an action pursuant to 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, with any necessary modification, to the instrument.

(7) The insurer may require any other insurers liable to indemnify the insured in whole or in part with respect to judgments or claims mentioned in subsection (1) to be made parties to the action and to contribute according to their respective liabilities, whether the contribution is rateable or by way of first loss or excess insurance, as the case may be, and the insured shall, on demand of the insurer, provide the insurer with particulars of all other insurance covering the subject-matter of the contract.

(8) An insurer may apply to the court without notice for an order for payment of the money into court, and the court may make an order accordingly on any notice that it considers necessary if:

(a) a person has recovered a judgment against the insured and is entitled to maintain an action pursuant to subsection (1);

(b) the insurer admits liability to pay the insurance money under the contract; and

(c) the insurer considers that:

(i) there are or may be other claimants; or

(ii) there is no person capable of giving and authorized to give a valid discharge for payment who is willing to do so.

(9) The receipt of the proper officer of the court is a sufficient discharge to the insurer for the insurance money paid into court pursuant to subsection (8), and the insurance money must be dealt with as the court orders on application of any person the court considers interested.

(10) Notwithstanding anything to the contrary contained in a contract evidenced by a motor vehicle liability policy, every contract evidenced by a motor vehicle liability policy is deemed, for the purposes of this section, to provide all the types of coverage mentioned in section 8-54, but the insurer is not liable to a claimant with respect to the coverage in excess of the limits established by section 8-55.

(11) Notwithstanding subsection (4), if one or more contracts provide for coverage of a type mentioned in section 8-51 or 8-53, the insurer may, except as provided in subsection (13), avail itself of any defence that it is entitled to set up against the insured:

(a) with respect to that type of coverage; and

(b) as against a claimant.

(12) Notwithstanding subsection (4), if one or more contracts provide for coverage in excess of the limits established by section 8-55, the insurer may, except as provided in subsection (13), avail itself of any defence that it is entitled to set up against the insured other than a defence arising out of a breach of Statutory Condition 2 set out in section 8-41:

(a) with respect to the coverage in excess of those limits; and

(b) as against a claimant.

(13) If a contract provides coverage for loss or damage resulting from bodily injury to or the death of any person being carried in or on, entering, getting on or alighting from an automobile that is operated in the business of carrying passengers for compensation or hire and insured for that purpose, the insurer may, notwithstanding subsection (4), avail itself of any defence that it is entitled to set up against the insured other than a defence arising out of a breach of Statutory Condition 2 set out in section 8-41:

(a) with respect to that type of coverage in excess of the limits established by section 8-55 or the minimum limits required for that type of coverage pursuant to any other Act, whichever is the greater amount; and

(b) as against a claimant.

(14) The insured shall reimburse the insurer on demand in the amount that the insurer has paid by reason of this section that it would not otherwise be liable to pay.

(15) If an insurer denies liability under a contract evidenced by a motor vehicle liability policy, it shall, on 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.

(16) On being made a third party, the insurer may, to the same extent as if it were a defendant in the action:

(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 with respect to the claim of any party claiming against the insured;

(d) have disclosure of information from any party adverse in interest pursuant to Part 5 of *The Queen's Bench Rules*; and

(e) examine and cross-examine witnesses at the trial.

(17) An insurer may avail itself of subsection (16) even if another insurer is defending, in the name of and on behalf of the insured, an action to which its insured is a party.

2015, c.I-9.11, s.8-61.

Payment as release of claim

8-62(1) If an insurer makes a payment on behalf of an insured under a contract evidenced by a motor vehicle liability policy to a person who is or alleges to be entitled to recover from the insured covered by the policy, the payment constitutes, to the extent of the payment, a release by the person or the person's personal representative of any claim that the person or the person's personal representative or any person claiming through or under the person or by virtue of *The Fatal Accidents Act* may have against the insured and the insurer.

(2) Nothing in this section precludes the insurer making the payment from demanding, as a condition precedent to the payment, release from the person or the person's personal representative mentioned in subsection (1) or any other person to the extent of the payment.

2015, c.I-9.11, s.8-62.

Advance payments

8-63(1) Subject to the regulations, if a person commences an action with respect to a contract of insurance, the court may make an order requiring the insurer to make a payment to that person in advance of any judgment.

(2) In an action in which an order is made pursuant to subsection (1), the court must adjudicate on the matter first without reference to the payment, but in giving judgment the court must take any advance payment into account and the person is entitled to judgment only for the net amount, if any.

(3) A payment made pursuant to subsection (1) is made without prejudice to the defendant or the defendant's insurer, either as an admission of liability or otherwise.

2015, c.I-9.11, s.8-63.

Notice of action against insured to insurer

8-64(1) Every insured against whom an action is commenced for damages caused by an automobile shall give notice in writing of each notice or document in the action to the insurer within five days after service of each notice or document.

(2) An insured against whom an action is commenced for damages caused by an automobile shall, on recovery of a judgment against the insured, disclose to a judgment creditor entitled to the benefit of any motor vehicle liability policy particulars of the contract within 10 days after written demand for the particulars.

2015, c.I-9.11, s.8-64.

Physical damage cover – partial payment of loss

8-65(1) Subject to subsection 8-37(1), the insurer may provide in a contract any exclusions and limitations with respect to loss of or damage to or the loss of use of the automobile that it considers necessary.

(2) A contract or part of a contract providing insurance against loss of or damage to an automobile and the loss of use of an automobile may contain a clause to the effect that, in the event of loss, the insurer is required to pay only:

(a) an agreed portion of any loss that may be sustained not exceeding the amount of the insurance; or

(b) the amount of the loss after deduction of a sum specified in the policy not exceeding the amount of the insurance.

(3) If a clause is included in accordance with subsection (2), the policy must include a prescribed notice in the prescribed form.

2015, c.I-9.11, s.8-65.

Physical damage cover – adjustment of claim with insured

8-66(1) If 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.

(2) If notice is given or a 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 a claim pursuant to Statutory Conditions 4 and 7 set out in section 8-41, the insurer may, notwithstanding subsection (1) but in any event not earlier than 60 days after delivery of the statutory declaration required pursuant to Statutory Condition 4(1)(c), adjust and pay the claim to the other person having an interest indicated in the contract.

2015, c.I-9.11, s.8-66.

Subdivision 3
Limited Accident Insurances

Uninsured motorist

8-67(1) Subsection (2) applies if an insurer provides in a contract of insurance against loss resulting from bodily injury to or the death of a person insured arising out of an accident if:

(a) there is legal liability of another person for the injury or death; and

(b) the other person has no insurance against the liability for the injury or death or cannot be identified.

(2) In the circumstances mentioned in subsection (1), the insurance applies only with respect to:

(a) a person who sustains bodily injury or death while driving, being carried in or on, entering, getting on or alighting from, or as a result of being struck by, the described automobile with respect to which insurance against liability arising out of bodily injury to or the death of a person caused by an automobile or the use or operation of an automobile is provided under the contract; and

(b) the insured named in the contract and the spouse of the insured named in the contract and any dependent relative residing in the same dwelling place as the insured named in the contract who sustains bodily injury or death while driving, being carried in or on, entering, getting on 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.

(3) The insurance mentioned in subsection (2) does not apply with respect to a person specified in the contract who has a right of recovery pursuant to *The Automobile Accident Insurance Act* or similar legislation of any other province or territory or of any state of the United States of America.

2015, c.I-9.11, s.8-67.

Medical expenses, etc.

8-68(1) If in a contract an insurer provides insurance against expenses for medical, surgical, dental, ambulance, hospital, professional nursing or funeral services, the insurance applies only with respect to reasonable expenses:

(a) of or incurred for any person who sustains bodily injury or death while driving, being carried in or on, entering, getting on 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 with respect to which insurance against liability arising out of bodily injury to or the death of a person caused by an automobile or the use or operation of an automobile is provided under the contract; and

(b) of the insured named in the contract and the spouse of the insured named in the contract and any dependent relative residing in the same dwelling place as the insured named in the contract who sustains bodily injury or death while driving, being carried in or on, entering, getting on 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.

(2) If an insurer makes a payment under a contract mentioned in subsection (1), the payment constitutes, to the extent of the payment, a release by the insured or the insured's personal representatives of any claim that the insured or the insured's personal representatives or any person claiming through or under the insured or by virtue of *The Fatal Accidents Act* may have against:

(a) the insurer; and

(b) any other person who may be liable to the insured or the insured's personal representatives if that other person is insured under a contract of the same type as that mentioned in subsection (1).

(3) Nothing in subsection (2) precludes an insurer from demanding, as a condition precedent to payment, a release to the extent of the payment from the insured or the insured's personal representatives or any other person.

(4) Subject to subsection 8-76(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 with respect to a deceased person is excess insurance only.

(5) The insurance mentioned in clause (1)(a) is excess insurance to any other insurance, other than automobile insurance, of the same type indemnifying the injured person or with respect to a deceased person for the expenses.

(6) The insurance mentioned in clause (1)(b) is excess insurance to any other insurance indemnifying the injured person or with respect to a deceased person for the expenses.

2015, c.I-9.11, s.8-68.

Accident insurance benefits

8-69(1) If in a contract an insurer provides accident insurance benefits with respect to the bodily injury to or death of an insured arising out of an accident, the insurance applies only with respect to:

(a) a person who sustains bodily injury or death while driving, being carried in or on, entering, getting on 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 with respect to which insurance against liability arising out of bodily injury to or the death of a person caused by an automobile or the use or operation of an automobile is provided under the contract; and

(b) the insured named in the contract and the spouse of the insured named in the contract and any dependent relative residing in the same dwelling place as the insured named in the contract who sustains bodily injury or death while driving, being carried in or on, entering, getting on or alighting from, or as a result of being struck by, any other automobile that is defined in the policy for the purposes of that insurance.

(2) If an insurer makes a payment under a contract mentioned in subsection (1), the payment constitutes, to the extent of the payment, a release by the insured or the insured's personal representatives of any claim that the insured or the insured's personal representatives or any person claiming through or under the insured or by virtue of *The Fatal Accidents Act* may have against:

(a) the insurer; and

(b) any other person who may be liable to the insured or the insured's personal representatives if that other person is insured under a contract of the same type as that mentioned in subsection (1).

(3) Nothing in subsection (2) precludes an insurer from demanding, as a condition precedent to payment, a release to the extent of the payment from the insured or the insured's personal representatives or any other person.

(4) Subject to subsection (6), 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 with respect to a deceased person is excess insurance only.

(5) Subject to subsection (6), the insurance mentioned in clause (1)(b) is excess insurance to any other automobile insurance of the same type available to the injured person or with respect to a deceased person.

(6) If a person is entitled to benefits under more than one contract providing insurance of the type mentioned in this section, the personal representative of the person entitled to benefits or any person claiming through or under the person entitled to benefits or by virtue of *The Fatal Accidents Act* may recover only an amount equal to:

(a) one benefit, if the benefits under the contracts have the same limit; or

(b) the highest benefit, if the benefits under the contracts do not have the same limit.

2015, c.I-9.11, s.8-69.

Demand for particulars of insurance

8-70(1) In this section, **"owner"** includes an operator or lessee.

(2) If a person is injured or killed in an accident in Saskatchewan involving an automobile, that person or the person's personal representative may serve a demand by registered mail on:

(a) the owner of the automobile; or

(b) the insurer of the owner of the automobile.

(3) The demand served pursuant to subsection (2) may:

(a) require 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 8-68 or 8-69; and

(b) in the case of a demand to an owner, require the owner, if the owner has that insurance, to state the name of the insurer.

(4) No owner or insurer shall fail to comply with a demand made pursuant to subsection (2) within 10 days after receiving the demand.

2015, c.I-9.11, s.8-70.

Recovery by unnamed insured

8-71(1) Any person insured by but not named in a contract to which section 8-67, 8-68 or 8-69 applies may recover under the contract in the same manner and to the same extent as if named in the contract as the insured.

(2) For the purposes of subsection (1), the person mentioned in that subsection is deemed to be a party to the contract and to have given consideration for the contract.

2015, c.I-9.11, s.8-71.

Payment of insurance money into court

8-72(1) An insurer may act pursuant to subsection (2) if the insurer admits liability for insurance money payable pursuant to section 8-67, 8-68 or 8-69 and it appears to the insurer that:

(a) there are adverse claimants;

(b) the whereabouts of an insured entitled to the insurance money are unknown; or

(c) there is no person capable of giving and authorized to give a valid discharge for the insurance money who is willing to do so.

(2) At any time after 30 days after the date on which the insurance money becomes payable, the insurer may apply to the court without notice for an order for payment of the money into court, and the court may make an order accordingly on any notice it considers necessary.

(3) The receipt of the local registrar of the court is sufficient discharge to the insurer for the insurance money paid into court, and the insurance money must be dealt with as the court orders.

2015, c.I-9.11, s.8-72.

Limitation re commencement of action

8-73 An action or proceeding against an insurer with respect to insurance under a contract mentioned in section 8-67, 8-68 or 8-69 must be commenced within the limitation period specified in the contract, but in no event may the limitation period be less than the limitation period established by *The Limitations Act* that would otherwise apply.

2015, c.I-9.11, s.8-73.

Demand on claimant for particulars

8-74 If a person makes a claim for damages with respect to bodily injury or death sustained by the person or any other person while driving, being carried in or on, entering, getting on or alighting from, or as a result of being struck by, an automobile, the claimant shall, if required by the person against whom the claim is made or by someone acting on the person's behalf, provide to or for that person full particulars of:

(a) all insurance available to the claimant under contracts to which section 8-67 or 8-68 applies; and

(b) any payments of insurance money made or to be made under those contracts.

2015, c.I-9.11, s.8-74.

Variations in policy

8-75 Subject to subsection 8-37(1), an insurer may, in a policy:

(a) provide insurance that is less extensive in scope than the insurance mentioned in section 8-67, 8-68 or 8-69; and

(b) provide the terms of the contract that relate to the insurance mentioned in section 8-67, 8-68 or 8-69.

2015, c.I-9.11, s.8-75.

Subdivision 4
Other Insurance

Proportioning liability of insurer

8-76(1) Subject to section 8-59 and the regulations, insurance under a contract of insurance evidenced by a valid owner's policy is, with respect to 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 of an automobile in the policy, a first loss insurance, and insurance attaching under any other valid motor vehicle liability policy is excess insurance only.

(2) Subject to subsection (1) and to sections 8-67, 8-68 and 8-69, 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 the named insured's interest in the subject-matter of the contract or any part of the contract, the insurer is liable only for its rateable proportion of any liability, expense, loss or damage.

(3) The insurance provided pursuant to sections 8-67, 8-68 and 8-69 is excess insurance to that provided pursuant to *The Automobile Accident Insurance Act*.

(4) For the purposes of subsection (2), **"rateable proportion"** means:

(a) if there are two insurers liable and each has the same policy limits, each of the insurers is liable to share equally in any liability, expense, loss or damage; or

(b) if there are two insurers liable with different policy limits, the insurers are liable to share equally up to the limit of the smaller policy limit.

(5) For the purposes of the definition of "rateable proportion" in subsection (4), if there are more than two insurers liable, clauses (a) and (b) apply with any necessary modification.

2015, c.I-9.11, s.8-76.

Regulations for Division

8-77 The Lieutenant Governor in Council may make regulations:

(a) respecting the disclosure of liability limits under a motor vehicle liability policy, including regulations respecting:

(i) the circumstances under which the disclosure must be made;

(ii) to whom and by whom the disclosure must be made; and

(iii) the form and manner in which and the time at which the disclosure must be made;

(b) respecting the priority of payment of insurance held by a lessor or a rental car company with respect to liability arising from or occurring in connection with the ownership, use or operation of an automobile owned by the lessor or rental car company for the purposes of section 8-76;

(c) prescribing jurisdictions for the purposes of clause 8-47(a), subsection 8-56(1) and clauses 8-61(1)(a) and (4)(c);

(d) prescribing any matter or thing authorized by this Division to be prescribed in the regulations.

2015, c.I-9.11, s.8-77.

DIVISION 4
Crop Hail Insurance

Interpretation and application of Division

8-78(1) In this Division:

"contract" means a contract of insurance for crop hail insurance;

"crop" means a growing crop;

"premium" includes a negotiable instrument accepted by the insurer or its managing general agent as payment of the premium.

(2) This Division applies to crop hail insurance and to every insurer carrying on the business of crop hail insurance in Saskatchewan.

2015, c.I-9.11, s.8-78.

Crops insurable

8-79(1) Every insurer that is authorized to do so in its licence may, within the limits and subject to the restrictions set out in its licence, insure or reinsure crops.

(2) The insurer may, by an endorsement on a policy, insure a crop for any period.

(3) Subject to the approval of the Superintendent, the insurer may, by an endorsement on a policy, insure a crop against loss or damage incidental to crops arising from other causes, and in that case the Statutory Conditions set out in section 8-95 must be read with those modifications necessary to give effect to the terms and conditions of the endorsement.

2015, c.I-9.11, s.8-79.

Insurable interest

8-80(1) A contract is void if, at the time at which it would otherwise take effect, the insured does not have an insurable interest in the insured crop.

(2) If an insured has an insurable interest in the insured crop when the contract takes effect, it is not 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.

2015, c.I-9.11, s.8-80.

Application for contract

8-81(1) No insurer shall effect a contract unless the insurer has received an application for insurance signed by the applicant or the applicant's representative.

(2) An application forms part of the contract and the insurer shall give a copy of it to the applicant at the time the application is completed.

(3) The application must set out:

(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;

(c) whether the crop has been damaged by hail before the time of the application;

(d) the insurable interest of the applicant;

(e) the name of the person to whom the insurance money is payable; and

(f) any other information that the insurer requires and that the Superintendent permits the insurer to request.

(4) There must 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 and, when applicable, the managing general agent from which the policy is to be or is issued.

2015, c.I-9.11, s.8-81.

Information to appear on face of policy

8-82 Every policy must include the following:

(a) the name of the insurer;

(b) the name of the insured;

(c) the name of the person to whom the insurance money is payable;

(d) the premium for the insurance;

(e) the subject-matter of the insurance;

(f) the maximum amount that the insurer contracts to pay;

(g) the date of the commencement of liability;

(h) the event on the happening of which payment is to be made;

(i) the term of the contract.

2015, c.I-9.11, s.8-82.

Notice of dispute resolution

8-83(1) An insurer shall give notice in writing to an insured of the availability of the dispute resolution process described in Statutory Condition 15 set out in section 8-95 within two business days after the insurer becomes aware that there is a disagreement between the insurer and the insured that the contract requires to be determined by a dispute resolution process.

(2) If a disagreement occurs regarding payment of a claim or loss or if an insurer denies an insured's claim, the insurer shall, within two business days after the disagreement arose or after the denial of the claim, give written notice to the insured of the following options available to the insured:

(a) make a complaint against the insurer to any of the following:

(i) the Superintendent;

(ii) a complaint body approved by the Superintendent;

(b) enter into the dispute resolution process described in Statutory Condition 15 set out in section 8-95;

(c) accept the insurer's offer of settlement, if the insurer has made an offer; or

(d) commence an action against the insurer within the limitation period as established by *The Limitations Act*.

(3) A written notice mentioned in subsections (1) and (2) must include a copy of this section and Statutory Condition 15 set out in section 8-95.

2015, c.I-9.11, s.8-83.

Delivery of application to insurer

8-84 Every person who takes an application on behalf of an insurer shall deliver it to the insurer or forward it to the insurer by mail or by electronic means approved by the insurer not later than the day following the day on which the application is taken.

2015, c.I-9.11, s.8-84.

Effective date of contract

8-85(1) If an application is taken pursuant to section 8-84:

(a) it is deemed to have been received by the insurer no later than the day following the day on which the application is taken; and

(b) a contract in accordance with the application takes effect at 12:00 noon of the day following the date of application.

(2) The insurer may decline an application within three days after its receipt.

(3) If the insurer declines an application, the insurer shall immediately give notice of that decision to the applicant and to the insurance agent who delivered the application:

(a) by registered letter to the applicant or insurance agent at the applicant's or insurance agent's address as given in the application; or

(b) by electronic means agreed to by the applicant and the insurance agent.

(4) If the insurer gives a notice pursuant to subsection (3):

(a) the contract mentioned in subsection (1) continues in force only until 12:00 noon of the day following the day on which the applicant receives the notice; and

(b) the insurer shall refund the premium to the applicant after deducting any earned premium for time on risk.

(5) Notwithstanding subsections (2) to (4), notice in writing that the application has been declined may be personally delivered to the applicant by the insurance agent along with a refund of the unearned premium, and, in that event, the contract mentioned in subsection (1) continues in force only until 12:00 noon of the day following the day on which the applicant receives the notice.

(6) If the insurer does not notify the applicant that the application has been declined, the insurer is deemed to have accepted the application.

2015, c.I-9.11, s.8-85.

Incorrect amount of premium

8-86(1) If the amount of a premium tendered with an application or payable at a later date is not the correct amount due to an error by the insured:

(a) the insurance must, unless readjusted before loss occurs, be either reduced or increased to the amount the premium actually tendered would pay for, according to the correct rate of premium applicable to the risk;

(b) if the actual acreage of the insured crop under any item of a policy is found to be greater than the acreage described in the application, the amount of insurance on each acre is reduced on a prorated basis in its relation to the actual acreage, unless the acreage insured is clearly identified in the application or by a diagram in the application; and

(c) the insurer shall immediately, after discovering the error, notify the insured in writing of the adjustment.

(2) If the amount of a premium tendered with an application or payable at a later date is not the correct amount due to an error by the insurer or the insurer's representative, the insurer shall immediately notify the insured in writing of the adjustment of the premium due.

(3) If the insurer does not adjust the amount of the premium pursuant to subsection (2) before loss occurs, any payment to the insured under the contract must not be reduced because of the error by the insurer or the insurer's representative.

(4) If the actual acreage of the insured crop under any item of a policy is determined by either the insured or the insurer to be less than the area described in the application under that item, the insurer shall repay to the insured the premium paid on the excess acreage.

2015, c.I-9.11, s.8-86.

Policy in accordance with application

8-87 A policy issued to an insured must be in accordance with the application unless the insurer immediately gives notice to the insured in writing of the particulars in which the policy and application differ.

2015, c.I-9.11, s.8-87.

Expiry of contracts

8-88(1) Subject to subsection (2), all policies of crop hail insurance expire at 12:00 noon on October 15 in the year in which they are made.

(2) The insurer may, by an endorsement on the policy, agreed to at the time the endorsement is made, extend the term of the contract beyond October 15.

2015, c.I-9.11, s.8-88.

Partial payment of loss clause

8-89(1) A policy may contain a partial payment of loss clause to the effect that the insurer is required to pay only an agreed proportion of any loss that is 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.

(2) If the policy contains the clause mentioned in subsection (1), the policy must include a prescribed notice in the prescribed form.

(3) A partial payment of loss clause is not deemed to be a variation of or addition to the Statutory Conditions set out in section 8-95.

2015, c.I-9.11, s.8-89.

Notice of third party

8-90 If a loss has, with the consent of the insurer, been made payable to some person other than the insured, the contract shall not be cancelled or altered to the prejudice of that person without reasonable notice to that person by the insurer.

2015, c.I-9.11, s.8-90.

Adjustment of loss

8-91(1) If an adjustment of loss under a contract has been made, a copy of the adjustment signed by the adjuster must be given to the insured or the insured's representative.

(2) If the insured accepts all or a part of the adjustment of the insurer's adjuster of the loss under the contract, the insured shall sign the adjustment acknowledging the insured's acceptance or rejection of each item of loss on the adjustment.

(3) A copy of the adjustment mentioned in subsection (2) signed by both the adjuster and the insured must be given to the insured or the insured's representative.

2015, c.I-9.11, s.8-91.

Premium rates

8-92(1) Before May 1 in each year, each insurer shall file with the Superintendent a notice setting out the premium rates to be charged in areas in Saskatchewan that are designated by the Superintendent.

(2) The premium rates filed pursuant to subsection (1) are effective during the current calendar year unless changed and notice of the change is filed with the Superintendent at least 10 days before becoming effective.

2015, c.I-9.11, s.8-92.

If premium rates reduced

8-93 If a premium rate has been reduced after notification pursuant to section 8-92:

(a) the new rate is applicable to all contracts issued by the insurer within the designated areas mentioned in subsection 8-92(1); and

(b) the insurer shall return to each insured within the designated areas the amount by which the premium paid by each insured exceeds the premium at the lower rate.

2015, c.I-9.11, s.8-93.

Hail insurance reserve

8-94(1) Every provincial crop hail company shall, each year, set aside as a hail insurance reserve at least 50% of the profit realized from the 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 year.

(2) Once a provincial crop hail company has created a reserve at the level required by subsection (1), the provincial crop hail company shall maintain its reserve at that level.

2015, c.I-9.11, s.8-94.

Statutory Conditions part of every policy

8-95(1) The Statutory Conditions set out in this section are deemed to be part of every contract in force in Saskatchewan and must be printed on every policy under the heading "Statutory Conditions".

(2) No variation or omission of or addition to any Statutory Condition is binding on the insured.

Statutory Conditions

Misdescription or misrepresentation

1 If in an application the applicant falsely describes the location and acreage of the crop to the prejudice of the insurer or knowingly misrepresents or fails to disclose any fact required to be stated in the application, the insurance is void as to the item of the application in respect of which the misdescription, misrepresentation or omission is made.

Waiver of conditions

2 No term or condition of the contract is 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.

Officer presumed an agent

3 Any officer or managing 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 is deemed to be the agent of the insurer for the purpose.

Indemnity limitation

4 No claimant is entitled to indemnity under the contract for any loss or damage that is found to be less than 5% of the crop on the acreage damaged by hail.

Conditions of indemnity

5 No claimant is entitled to indemnity under the contract:

(a) when the crop is wholly destroyed by any cause other than:

(i) hail; or

(ii) a cause that is set out in the endorsement and that is approved by the Superintendent to be set out in the endorsement;

(b) when the crop is over-ripe unless the crop has not been harvested due to circumstances beyond the control of the insured; or

(c) when the crop or any portion of the crop has been so injured by causes other than hail that the crop or any portion of the crop, as the case may be, would not yield profit over and above the actual cost of harvesting and marketing it.

Notice of claim of loss

6(1) Any person claiming under the contract must give notice of claim of loss or damage in writing to the insurer or at the location designated by the insurer within 3 days after 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 area damaged by hail.

(2) Notwithstanding subsection (1) of this condition, failure to give notice within the time referred to in that subsection does not, subject to Statutory Condition 9, invalidate the claim if it is shown that it was not reasonably possible to give notice within that 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 has an 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.

Insurer and insured to ascertain percentage

8(1) Within 30 days after the receipt of notice of claim of loss or damage, the insurer and the insured or their accredited representatives must together ascertain and agree on the percentage of loss or damage sustained on the acreage of the crop or any portion of the crop insured under any item of the policy.

(2) The amount of indemnity must be ascertained on the agreed percentage of the insurance on the acreage sustaining loss or damage by hail, subject to the terms of the policy or subject to the determination of the amount of the loss or damage by a dispute resolution process as provided in Statutory Condition 15.

(3) No account is to be taken of the cost of cutting or threshing the portion of the crop not destroyed or damaged.

(4) The determination of the percentage of loss or damage may be deferred to a later date agreed on in writing between the insurer and the insured.

Proof of loss

9(1) A person making a claim under the contract must, within 30 days after the occurrence of a loss or within 30 days after the deferred adjustment date, unless that time is extended by the insurer with notification to the insured, provide a statutory declaration (in these conditions called the "proof of loss") on a form provided by the insurer, setting out 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 of the crop insured under any item of the policy and whether the crop was damaged by hail before the time of the application.

(2) If the claimant fails to provide proof of loss, the claimant forfeits any claim under the contract.

(3) If the insurer, within 30 days after the occurrence of a loss referred to in subsection (1) of this condition, 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 a dispute resolution process as provided in Statutory Condition 15, the insurer is deemed to have waived proof of loss unless proof of loss is requested by the insurer in writing.

Proof of loss may be made by a representative of insured

10 Proof of loss must be made by the insured even if the loss is payable to a third person, except that, in the case of the absence of the insured or the insured's inability or refusal to make proof of loss, proof of loss may be made by the insured's representative or by a person to whom any part of the insurance money is payable.

Fraud or false statement

11 Any fraud or wilfully false statement in a proof of loss invalidates the claim of the person making proof of loss.

Payment of money within period

12 The insurer must pay the insurance money for which it is liable under the contract within 60 days after proof of loss has been received by it or, when a dispute resolution process is conducted under Statutory Condition 15, within 30 days after the percentage of damage is determined by the representatives or umpire.

Insured liable for expenses incurred

13 If the insured claims for loss or damage under the contract and it is found that the insured is not entitled to indemnity under the conditions of the contract, the insured is liable for the expenses incurred in the adjustment of the insured's claim.

Cancellation of contract

14(1) The contract may be cancelled at any time by the insured by giving notice to that effect to the insurer and the insurer must refund within 15 days from the date of notice the excess of paid premium above the customary short rate premium for the time the contract has been in force.

(2) 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 that amount the insurer shall return that 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.

(3) An insurer may only cancel a contract if the insured has failed to pay the premium in whole or part pursuant to the terms and conditions of the contract.

(4) When an insurer elects to cancel a contract pursuant to subsection (3), the insurer must:

(a) give the insured at least 15 days' notice by registered mail or personal service on the insured of cancellation of the contract for non-payment of premium; and

(b) allow the insured to avoid cancellation of the contract by payment of the outstanding premium to the insurer or the insurer's representative on or before the expiration of the 15 days.

(5) Where an insured has failed to pay the premium in whole or part pursuant to the terms and conditions of the contract, the insurer may elect to keep the contract in force and:

(a) deduct the unpaid premium from any amount the insurer is obligated to pay to the insured under the contract; or

(b) sue the insured for the unpaid premium.

Dispute resolution

15(1) In the event of a disagreement as to the percentage of damage by hail to any of the insured growing crops, whether the right to recover on the contract is disputed or not, the percentage must, when so required by either party, be ascertained by a dispute resolution process, which must be conducted as follows:

(a) the party desiring the dispute resolution process must, within 3 days after the disagreement, deliver or cause to be delivered to the other party a notice in writing requiring a dispute resolution process to be conducted and appointing a dispute resolution representative, who must act either alone or with a dispute resolution representative appointed by the other party to estimate the percentage of the damage;

(b) not later than 3 days after receipt of a notice under clause (a) the other party may appoint a dispute resolution representative and, within that period, must notify the first party of the appointment by notice in writing;

(c) if a party, after receipt of written notice from the other party under clause (a), fails or refuses to appoint a dispute resolution representative within the time set out in clause (b), the percentage of damage must be estimated and determined by the representative appointed by the party giving notice;

(d) where each party has appointed a dispute resolution representative, the representatives must together estimate the percentage of damage and if they fail to agree must submit their differences to an umpire, and subject to clause (e), the finding in writing of any 2 of them determines the percentage of the damage;

(e) notwithstanding clause (d), an umpire, in the umpire's sole discretion, may determine the percentage of damage where a finding pursuant to clause (d) would result in unfairness to the insured;

(f) the Superintendent shall appoint an umpire on the application of either representative if:

(i) the dispute resolution representatives fail to agree on an umpire within 15 days after their appointment; or

(ii) the umpire fails or refuses to act or is incapable of acting or dies;

(g) the Superintendent must, as soon as is practicable, after receiving an application under clause (f) appoint an umpire from a list of eligible umpires compiled and maintained by the Superintendent;

(h) if only one dispute resolution representative has been appointed, the parties must share equally the representative's expenses;

(i) if 2 dispute resolution representatives have been appointed, each party must pay the expenses of the representative appointed by the party;

(j) if an umpire is required, the parties must share equally the umpire's expenses;

(k) the assessment of damage must be conducted within 2 days after the date on which:

(i) a dispute resolution representative is appointed under clause (b); or

(ii) if no dispute resolution representative is appointed under clause (b), the time for appointing a dispute resolution representative under clause (b) expires, or at a later date as agreed on by the 2 dispute resolution representatives, if 2 representatives have been appointed;

(l) if the dispute resolution representatives cannot agree on an extension of time under clause (k), the Superintendent may extend the time on the application of either representative.

(2) An umpire is bound by the rules of procedural fairness in carrying out the umpire's functions under this Statutory Condition.

Limitation of actions

16 An action or proceeding against the insurer is subject to *The Limitations Act*.

Assignment or change of property

17 If the insured crop or the insurable interest of the insured in the insured crop is assigned without the permission of the insurer, the assignment is not binding on the insurer, but this condition does not apply to change of title by succession, by operation of law or by death.

Substitution for Statutory Condition 12 and variation of Statutory Condition 15

8-96(1) In the case of a contract undertaken by a provincial mutual company that is a provincial crop hail company, the following condition must be printed on the policy in substitution for Statutory Condition 12 set out in section 8-95:

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, but, if 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 prorated in accordance with the provisions of *The Insurance Act* that apply to provincial mutual companies.

(2) Statutory Condition 15 may be varied but if, by reason of the variation, the contract is, in the opinion of the insured, less favourable to the insured than it would be if the condition had not been varied, the condition is deemed to be printed on the policy in the form in which it appears in section 8-95.

2015, c.I-9.11, s.8-96.

Relief from forfeiture

8-97 The court may relieve against a forfeiture or avoidance of insurance on any conditions that the court considers appropriate if:

(a) 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;

(b) there has been a consequent forfeiture or avoidance of the insurance, in whole or in part; and

(c) the court considers it inequitable that the insurance should be forfeited or avoided on that ground.

2015, c.I-9.11, s.8-97.

DIVISION 5
Life Insurance

Subdivision 1
Preliminary Matters

Interpretation of Division

8-98 In this Division:

"application" means an application for insurance or for the reinstatement of insurance;

"beneficiary" means a person, other than the insured or the insured's personal representative, to whom or for whose benefit insurance money is made payable in a contract or by a declaration;

"blanket insurance" means group insurance that covers loss:

(a) arising from specific hazards incidental to or defined by reference to a particular activity or activities; and

(b) occurring during a limited or specified period not exceeding 30 days in duration;

"contract" means a contract of insurance for life insurance;

"creditor's group insurance" means insurance effected by a creditor under which the lives of a number of the creditor's debtors are insured severally under a single contract;

"debtor insured" means a debtor whose life is insured under a contract of creditor's group insurance;

"declaration", except in sections 8-138 to 8-141, means an instrument:

(a) that is signed by the insured:

(i) with respect to which an endorsement is made on the policy;

(ii) that identifies the contract; or

(iii) that describes the insurance or insurance fund or a part of the insurance or insurance fund; and

(b) in which the insured:

(i) designates, or alters or revokes the designation of, the insured, the insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable; or

(ii) makes, alters or revokes an appointment pursuant to subsection 8-124(1) or a nomination mentioned in section 8-131;

"family insurance" means insurance under which the lives of the insured and one or more persons related to the insured by blood or spousal relationship or adoption are insured under a single contract between an insurer and the insured;

"group insurance" means insurance, other than creditor's group insurance and family insurance, under which the lives of a number of persons are insured severally under a single contract between an insurer and an employer or other person**"**; and

"group life insured" means a person (the 'primary person') whose life is insured under a contract of group insurance, but does not include a person whose life is insured under the contract as a person dependent on or related to the primary person;

"instrument" includes a will;

"insurance" means life insurance;

"insured" means:

(a) in the case of group insurance, in the provisions of this Division relating to the designation of beneficiaries or personal representatives as recipients of insurance money and their rights and status, the group life insured; and

(b) in all other cases, the person who makes a contract with an insurer;

"life insurance" includes disability insurance and accidental death insurance;

"will" includes a codicil.

2015, c.I-9.11, s.8-98.

Application of certain provisions to this Division

8-99 Sections 8-14 and 8-19 apply, with any necessary modification, to contracts of life insurance.

2015, c.I-9.11, s.8-99.

Annuity deemed life insurance

8-100 For the purposes of this Division, an undertaking entered into by an insurer to provide an annuity, or what would be an annuity except that the periodic payments may be unequal in amount, is deemed to be and always to have been life insurance whether the annuity is for:

(a) a term certain;

(b) a term dependent solely or partly on a human life; or

(c) a term dependent solely or partly on the happening of an event not related to a human life.

2015, c.I-9.11, s.8-100.

Application of Division

8-101(1) Notwithstanding any agreement, condition or stipulation to the contrary, this Division applies:

(a) to a contract made in Saskatchewan on or after July 1, 1962; and

(b) subject to subsections (2) to (4), to a contract made in Saskatchewan before that date.

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

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

(a) alter or revoke the designation of a preferred beneficiary; or

(b) assign, exercise rights under or with respect to, surrender or otherwise deal with, the contract.

(4) Subsection (3) 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 Part V of *The Saskatchewan Insurance Act* that was then in force.

2015, c.I-9.11, s.8-101.

Application of Division – group insurance

8-102 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 Division applies in determining:

(a) the rights and status of the group life insured's beneficiaries and personal representatives as recipients of insurance money if the group life insured was resident in Saskatchewan at the time the group life insured became insured; and

(b) the rights and obligations of the group life insured if the group life insured was resident in Saskatchewan at the time the group life insured became insured.

2015, c.I-9.11, s.8-102.

Subdivision 2
Insurance and Contents of Policy

Issuance of policy

8-103(1) An insurer entering into a contract shall:

(a) issue a policy; and

(b) provide to the insured the policy and a copy of the insured's application.

(2) Subject to subsection (3), provisions in the following constitute the entire contract:

(a) the application for a contract;

(b) the policy;

(c) any document attached to the policy when issued;

(d) any amendment to the contract agreed on in writing after the policy is issued.

(3) In the case of a contract made by a fraternal society, the following constitute the entire contract:

(a) the instrument of incorporation of the fraternal society;

(b) the fraternal society's constitution, bylaws and rules and the amendments made to any of them;

(c) the application for the contract;

(d) the policy;

(e) the medical statement of the applicant.

(4) Except in the case of a contract of group insurance or of creditor's group insurance, an insurer, on request, shall provide to the insured or a claimant under the contract a copy of:

(a) the entire contract as set out in subsection (2) or (3), as applicable; and

(b) any written statement or other record provided to the insurer as evidence of insurability under the contract.

(5) In the case of a contract of group insurance, an insurer:

(a) on request, shall provide to a group life insured or claimant under the contract a copy of:

(i) the group life insured's application; and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of the insurability of the group life insured under the contract; and

(b) on request and reasonable notice, shall permit a group life insured or claimant under the contract to examine, and shall provide to that person, a copy of the policy of group insurance.

(6) In the case of a contract of creditor's group insurance, an insurer:

(a) on request, shall provide to a debtor insured or claimant under the contract a copy of:

(i) the debtor insured's application; and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of the insurability of the debtor insured under the contract; and

(b) on request and reasonable notice, shall permit a debtor insured or claimant under the contract to examine, and shall provide to that person, a copy of the policy of creditor's group insurance.

(7) An insurer may charge a reasonable fee to cover its expenses in providing copies of documents pursuant to subsection (4), (5) or (6), other than the first copy provided to each person.

(8) A claimant's access to documents pursuant to subsections (4) to (6) extends only to information that is relevant to:

(a) a claim under the contract;

(b) a denial of a claim under the contract; and

(c) obtaining the terms or extent of coverage under the contract.

2015, c.I-9.11, s.8-103.

Particulars in policy

8-104(1) This section does not apply to:

(a) a contract of group insurance;

(b) a contract of creditor's group insurance; or

(c) a contract made by a fraternal society.

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

(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 on 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.

(3) If a policy contains a provision removing or restricting the right of the insured to designate persons to whom or for whose benefit insurance money is to be payable, the policy must include a prescribed notice in the prescribed form.

2015, c.I-9.11, s.8-104.

Particulars in group and creditor's group policy

8-105 In the case of a contract of group insurance or of creditor's group insurance, an insurer shall set out in the policy the following:

(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;

(f) in the case of a contract of group insurance, any provision removing or restricting the right of a group life insured to designate persons to whom or for whose benefit insurance money is to be payable;

(g) in the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group life insured under the replaced contract, whether a designation of a group life insured, a group life insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacing contract;

(h) a description of any restrictions or exclusions of coverage under the contract.

2015, c.I-9.11, s.8-105.

Particulars in group certificate

8-106(1) In the case of a contract of group insurance or of creditor's group insurance, an insurer shall issue, for delivery by the insured to each group life insured or debtor insured, a certificate or other document in which are set out the following:

(a) the name of the insurer and a sufficient identification of the contract;

(b) the amount, or the method of determining the amount, of insurance on:

(i) the group life insured and any person whose life is insured under the contract as a person dependent on or related to the group life insured; or

(ii) the debtor insured;

(c) the circumstances in which the insurance terminates and the rights, if any, on termination of the insurance of:

(i) the group life insured and any person whose life is insured under the contract as a person dependent on or related to the group life insured; or

(ii) the debtor insured;

(d) in the case of a contract of group insurance that contains a provision removing or restricting the right of the group life insured to designate persons to whom or for whose benefit insurance money is to be payable:

(i) the method of determining the persons to whom or for whose benefit the insurance money is or may be payable; and

(ii) a prescribed notice in the prescribed form;

(e) a description of any restrictions or exclusions of coverage under the contract;

(f) in the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group life insured under the replaced contract, whether a designation of a group life insured, a group life insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacing contract;

(g) the rights of the group life insured, debtor insured or a claimant under the contract to obtain copies of documents pursuant to subsection 8-103(5) or (6).

(2) This section does not apply to a contract of blanket insurance.

2015, c.I-9.11, s.8-106.

Subdivision 3
Formation of Contract

Lack of insurable interest

8-107(1) Subject to subsection (2), if at the time a contract would otherwise take effect the insured has no insurable interest, the contract is void.

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

(a) if it is a contract of group insurance; or

(b) if the person whose life is insured has consented in writing to the insurance being placed on his or her life.

(3) If the person whose life is insured is under the age of 16 years, consent to insurance being placed on the person's life may be given by one of his or her parents or legal guardians or a person standing in the place of a parent to the person.

2015, c.I-9.11, s.8-107.

Persons insurable

8-108(1) Without restricting the meaning of "insurable interest", a primary person is a person who has an insurable interest:

(a) in the case of a primary person who is an individual, in his or her own life and the lives of:

(i) the primary person's child or grandchild;

(ii) the primary person's spouse;

(iii) a person on whom the primary person is wholly or partly dependent for, or from whom the primary person is receiving, support or education;

(iv) an employee of the primary person; and

(v) a person in the duration of whose life the primary person has a pecuniary interest; and

(b) in the case of a primary person that is not an individual, the lives of:

(i) a director, officer or employee of the primary person; and

(ii) a person in the duration of whose life the primary person has a pecuniary interest.

(2) **Not Yet Proclaimed**.

2015, c.I-9.11, s.8-108.

Termination of contract by court

8-109(1) On application to the court by a person whose life is insured under a contract, the court may make the orders the court considers just in the circumstances if:

(a) the person whose life is insured under a contract is someone other than the insured; and

(b) the person mentioned in clause (a) reasonably believes that the person's life or health might be endangered by the insurance on that person's life continuing under that contract.

(2) Without limiting subsection (1), the court may make any or both of the following orders pursuant to subsection (1):

(a) an order that the insurance on that person's life under the contract be terminated in accordance with the terms of the contract other than any terms respecting notice of termination;

(b) an order that the amount of insurance under the contract on that person's life be reduced.

(3) An application pursuant to subsection (1) must be made on at least 30 days' notice to the insured, the beneficiary, the insurer and any other person the court considers to have an interest in the contract.

(4) Notwithstanding subsection (3), if the court considers it just to do so, it may dispense with the notice in the case of:

(a) a person other than the insurer; or

(b) if the contract is a contract of group insurance or of creditor's group insurance, the insured.

(5) An order made pursuant to this section binds any person having an interest in the contract.

2015, c.I-9.11, s.8-109.

When contract takes effect

8-110(1) Subject to a provision to the contrary in the application or the policy, a contract does not take effect unless:

(a) the policy is delivered to:

(i) an insured;

(ii) the insured's assignee or agent;

(iii) the insurance agent with whom the insured applied for the policy; or

(iv) a beneficiary;

(b) payment of the initial 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 is delivered.

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

2015, c.I-9.11, s.8-110.

Premium payments

8-111(1) If 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 the cheque, bill of exchange, promissory note or other promise to pay is not honoured, the premium or the part of the premium has not been paid.

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

2015, c.I-9.11, s.8-111.

Payment of premium by beneficiary

8-112(1) In this section, **"industrial contract"** means a contract for an amount not exceeding $2,000, exclusive of any benefit, surplus, profit, dividend or bonus also payable under the contract, that provides for payment of premiums:

(a) every two weeks or at shorter intervals; or

(b) if the premiums are usually collected at the home of the insured, at monthly intervals.

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

(3) If 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 the longer of:

(a) 30 days or, in the case of an industrial contract, 28 days, after the day on which the premium is due; and

(b) the number of days, if any, specified in the contract for payment of an overdue premium.

(4) If the happening of the event on which the insurance money becomes payable occurs during the period of grace and before the overdue premium is paid, the contract is deemed to be in effect as if the premium had been paid at the time it was due and, except in the case of group insurance or of creditor's group insurance, the amount of the premium may be deducted from the insurance money.

2015, c.I-9.11, s.8-112.

Disclosure of material facts

8-113(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 provided as evidence of insurability, every fact within the applicant's or person's knowledge that is material to the insurance and is not disclosed by the other.

(2) Subject to section 8-114 and subsection (3), a failure to disclose, or a misrepresentation of, a fact mentioned in subsection (1) renders the contract voidable by the insurer.

(3) A failure to disclose, or a misrepresentation of, a fact mentioned in subsection (1) relating to evidence of insurability with respect to an application for any of the following renders the contract voidable by the insurer, but only in relation to the addition, increase or change:

(a) additional coverage under a contract;

(b) an increase in insurance under a contract;

(c) any other change to insurance after the policy is issued.

2015, c.I-9.11, s.8-113; 2018, c 14, s.16.

Failure to disclose

8-114(1) This section does not apply:

(a) to a misstatement to an insurer of the age of a person whose life is insured; or

(b) to insurance under which an insurer, as part of a contract, undertakes to pay insurance money or to provide other benefits in the event the person whose life is insured becomes disabled as a result of bodily injury or disease.

(2) Subject to subsection (3), if a contract, or an addition, increase or change mentioned in subsection 8-113(3), 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 by section 8-113 to be disclosed does not, in the absence of fraud, render the contract voidable.

(3) Subject to subsection (4), in the case of a contract of group insurance or of creditor's group insurance, a failure to disclose, or a misrepresentation of, a fact required by section 8-113 to be disclosed with respect to a person whose life is insured under the contract does not render the contract voidable, but:

(a) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for the insurance with respect to the person, the insurance with respect to that person is voidable by the insurer; and

(b) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for an addition, increase or change mentioned in subsection 8-113(3) with respect to the person, the addition, increase or change with respect to that person is voidable by the insurer.

(4) Subsection (3) does not apply if the insurance, addition, increase or change has been in effect for two years during the lifetime of that person, and, in that case, the insurance, addition, increase or change is not, in the absence of fraud, voidable.

2015, c.I-9.11, s.8-114.

Non-disclosure and misrepresentation by insurer

8-115 If 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 the failure or misrepresentation voidable after the contract has been in effect for two years.

2015, c.I-9.11, s.8-115.

Misstatement of age

8-116(1) This section does not apply to a contract of group insurance or of creditor's group insurance.

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

(3) If a contract limits insurable age and the correct age of the person whose life is insured exceeds that limit at the date of the application, the contract is voidable by the insurer for five years after the date the contract takes effect, but not afterwards, and only if:

(a) the person is alive; and

(b) the insurer voids the contract within 60 days after it discovers the misstatement of age.

2015, c.I-9.11, s.8-116.

Misstatement of age in group insurance

8-117 In the case of a contract of group insurance or of creditor's group insurance, a misstatement to the insurer of the age of a person whose life is insured does not of itself render the contract voidable, and the provisions, if any, of the contract with respect to age or misstatement of age apply.

2015, c.I-9.11, s.8-117.

Suicide clause

8-118(1) If 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.

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

2015, c.I-9.11, s.8-118.

Medical assistance in dying

8-118.1(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 8-118 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.17.

Reinstatement of contract

8-119(1) This section does not apply to a contract of group insurance or of creditor's group insurance or to a contract made by a fraternal society.

(2) If a contract lapses at the end of a period of grace because a premium due at the beginning of the period of grace was not paid, the contract may be reinstated by payment of the overdue premium within a further period of 30 days after the end of the period of grace, but only if the person whose life was insured under the contract is alive at the time payment is made.

(3) If a contract lapses and is not reinstated pursuant to subsection (2), the insurer shall reinstate it if, within two years after the date the contract lapsed, the insured:

(a) applies for the reinstatement;

(b) pays to the insurer all overdue premiums and other indebtedness under the contract together with interest not exceeding the rate prescribed pursuant to subsection 4(2) of *The Pre-judgment Interest Act*; and

(c) produces evidence satisfactory to the insurer of the good health and insurability of the person whose life was insured.

(4) Subsections (2) and (3) do not apply if the cash surrender value has been paid or an option of taking paid-up or extended insurance has been exercised.

(5) Sections 8-113 and 8-114 apply, with any necessary modification, to reinstatement of a contract.

2015, c.I-9.11, s.8-119.

Termination and replacement of group contract

8-120(1) The insurer continues, as though a contract of group insurance or benefit provision had remained in full force and effect, to be liable to pay insurance money or provide benefits with respect to a group life insured for liability arising from an accident or disease that occurred before the termination of the contract or benefit provision if:

(a) the contract of group insurance, or a benefit provision in a contract of group insurance, under which the insurer undertakes to pay insurance money or provide other benefits if a group life insured becomes disabled as a result of bodily injury or disease is terminated; and

(b) the disability is reported to the insurer within the six-month period following the termination or a longer continuous period specified in the contract.

(2) Notwithstanding subsection (1), an insurer does not remain liable under a contract of group insurance or benefit provision described in that subsection to pay insurance money or provide a benefit for the recurrence of a disability after both of the following occur:

(a) the termination of the contract or benefit provision;

(b) a continuous period of six months, or any longer period provided in the contract, during which the group life insured was not disabled.

(3) An insurer that is liable pursuant to subsection (1) to pay insurance money or provide a benefit as a result of the disability of a group life insured is not liable to pay the insurance money or provide the benefit for any period longer than the portion remaining, at the date the disability began, of the maximum period provided under the contract for the payment of insurance money or the provision of other benefits with respect to a disability of the group life insured.

(4) If a contract of group insurance, in this subsection and subsection (5) called the "replacement contract", is entered into within 31 days after the termination of another contract of group insurance, in this subsection and subsection (5) called the "other contract", and that replacement contract insures some or all of the same group life insured as the other contract:

(a) the replacement contract is deemed to provide that any person who was insured under the other contract at the time of its termination is insured under the replacement contract on and after the termination of the other contract if:

(i) the insurance on that person under the other contract terminated by reason only of the termination of the other contract; and

(ii) the person is a member of a class eligible for insurance under the replacement contract; and

(b) no person who was insured under the other contract at the time of its termination is to be excluded from eligibility under the replacement contract by reason only of not being actively at work on the effective date of the replacement contract.

(5) Notwithstanding subsection (1), in the circumstances mentioned in subsection (4), if the replacement contract provides that insurance money or other benefits to be paid or provided pursuant to subsection (1) by the insurer of the other contract are to be paid instead under the replacement contract, the insurer of the other contract is not liable to pay that insurance money or provide those benefits.

2015, c.I-9.11, s.8-120.

Subdivision 4
Beneficiaries

Designation of beneficiary

8-121(1) Subject to subsection (4), an insured may, in a contract or by a declaration, designate the insured, the insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable.

(2) Subject to subsection 8-122(1), an insured may, by declaration, alter or revoke a designation mentioned in subsection (1).

(3) A designation in favour of the "heirs", "next of kin" or "estate" of an insured, or the use of words having similar meaning in a designation, is deemed to be a designation of the personal representative of the insured.

(4) Subject to the regulations, an insurer may restrict or exclude in a contract the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable.

(5) A contract of group insurance replacing another contract of group insurance on some or all of the group life insured under the replaced contract may provide that a designation applicable to the replaced contract of a group life insured, a group life insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable is deemed to apply to the replacing contract.

(6) If a contract of group insurance replacing another contract of group insurance provides that a designation mentioned in subsection (5) is deemed to apply to the replacing contract:

(a) each certificate with respect to the replacing contract must indicate that the designation under the replaced contract has been carried forward and that the group life insured should review the existing designation to ensure it reflects the group life insured's current intentions; and

(b) as between the insurer under the replacing contract and a claimant under that contract, that insurer is liable to the claimant for any errors or omissions by the previous insurer with respect to the recording of the designation carried forward under the replacing contract.

(7) If a beneficiary becomes entitled to insurance money and all or part of that insurance money remains with the insurer under a settlement option provided for in the contract or permitted by the insurer:

(a) that portion of the insurance money remaining with the insurer is deemed to be insurance money held under a contract on the life of the beneficiary; and

(b) subject to the provisions of the settlement option, the beneficiary has the rights and interests of an insured with respect to the insurance money.

2015, c.I-9.11, s.8-121.

Irrevocable designation

8-122(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.

(2) If the insured makes a designation pursuant to subsection (1):

(a) the insured, while the beneficiary is living, may not alter or revoke the designation without the consent of the beneficiary; and

(b) the insurance money is not subject to the control of the insured or the claims of the insured's creditors and does not form part of the insured's estate.

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

(4) If a beneficiary is designated irrevocably, the insured may exercise the prescribed rights to deal with the contract of insurance.

2015, c.I-9.11, s.8-122.

Designation in will

8-123(1) A designation in an instrument purporting to be a will is not ineffective by reason only of the fact that:

(a) the instrument is invalid as a will; or

(b) the designation is invalid as a bequest under the will.

(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.

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

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

2015, c.I-9.11, s.8-123.

Trustee for beneficiary

8-124(1) An insured may, in a contract or by a declaration, appoint a trustee for a beneficiary and may alter or revoke the appointment by a declaration.

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

2015, c.I-9.11, s.8-124.

Predeceased or disclaiming beneficiary

8-125(1) If 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 for in the contract or by a declaration, the share is payable:

(a) to the surviving beneficiary;

(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 the insured's personal representative.

(2) If 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.

(3) A beneficiary may disclaim the beneficiary's right to insurance money by filing notice in writing with the insurer at its head office in Canada.

(4) A notice of disclaimer filed pursuant to subsection (3) is irrevocable.

(5) Subsection (1) applies in the case of a disclaiming beneficiary or in the case of a beneficiary determined by a court to be disentitled to insurance money as if the disclaiming or disentitled beneficiary predeceased the person whose life is insured.

2015, c.I-9.11, s.8-125.

Enforcement of payment by beneficiary or trustee

8-126 A beneficiary may enforce for the beneficiary's own benefit, and a trustee appointed pursuant to section 8-124 may enforce as trustee, the payment of insurance money made payable to the beneficiary or trustee in the contract or by a declaration in accordance with the provisions of the contract or declaration, but the insurer may set up any defence that it could have set up against the insured or the insured's personal representative.

2015, c.I-9.11, s.8-126.

Insurance money not part of estate

8-127(1) If a beneficiary is designated, any insurance money and any other prescribed money that is payable to the beneficiary is not, from the time of the happening of the event on which the insurance money or other money becomes payable, part of the estate of the insured and is not subject to the claims of the creditors of the insured.

(2) While there is in effect a designation in favour of any one or more of a spouse, child, grandchild or parent of a person whose life is insured, the money mentioned in subsection (1) and the rights and interests of the insured in those moneys and in the contract are exempt from civil enforcement proceedings pursuant to *The Enforcement of Money Judgments Act* or execution or seizure pursuant to any other law in force in Saskatchewan.

(3) This section does not apply to any enforcement taken pursuant to *The Enforcement of Maintenance Orders Act, 1997*.

2015, c.I-9.11, s.8-127.

Subdivision 5
Dealings with Contract

Irrevocable designation of beneficiaries

8-128(1) The insured may assign, exercise rights under or with respect to, surrender or otherwise deal with the contract as provided in the contract or in this Division or as may be agreed on with the insurer if a beneficiary:

(a) is not designated irrevocably; or

(b) is designated irrevocably but has attained the age of 18 years and consents.

(2) Notwithstanding subsection 8-122(1), if a beneficiary is designated irrevocably and has not consented as described in clause (l)(b), the insured may exercise any prescribed rights with respect to the contract.

(3) Subject to the terms of a consent pursuant to clause (l)(b) or an order of the court pursuant to subsection (5), if there is an irrevocable designation of a beneficiary under a contract, a person acquiring an interest in the contract takes that interest subject to the rights of that beneficiary.

(4) If a beneficiary who is designated irrevocably lacks capacity to provide consent pursuant to clause (1)(b), an insured may apply to the court for an order permitting the insured to deal with the contract without that consent.

(5) The court may grant an order pursuant to subsection (4) on any notice and terms it considers just.

2015, c.I-9.11, s.8-128.

Assignment of insurance

8-129(1) If an assignee of a contract gives notice in writing of the assignment to the insurer at its head office in Canada, the assignee has priority of interest as against:

(a) an assignee other than one who gave notice earlier to the insurer of the assignment in the manner provided for in this subsection; and

(b) a beneficiary other than one designated irrevocably as provided in section 8-122 before the assignee gave notice to the insurer of the assignment in the manner provided for in this subsection.

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

(3) If a contract is assigned unconditionally and otherwise than as security, the assignee:

(a) has all the rights and interests given to the insured by the contract and by this Division; and

(b) is deemed to be the insured.

(3.1) Unless the document by which a contract is assigned specifies otherwise, an assignment mentioned in subsection (3) made on or after the date on which this section comes into force revokes:

(a) a designation of a beneficiary made before or after that date and not made irrevocably; and

(b) a nomination mentioned in section 8-131 made before or after that date.

(4) A contract may provide that the rights or interests of the insured or, in the case of a contract of group insurance or of creditor's group insurance, of the group life insured or debtor insured, as the case may be, are not assignable.

2015, c.I-9.11, s.8-129; 2018, c 14, s.18.

Entitlement to dividends

8-130(1) Notwithstanding the irrevocable designation of a beneficiary, the insured is entitled, before his or her death, to the dividends or bonuses declared on a contract unless the contract provides otherwise.

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

2015, c.I-9.11, s.8-130.

Death of insured

8-131(1) Notwithstanding *The Wills Act, 1996*, if in a contract or declaration it is provided that a person named in the contract or declaration has, on 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, on the death of the insured, form part of the insured's estate; and

(b) on the death of the insured, the person named in the contract or declaration:

(i) has the rights and interests given to the insured by the contract and by this Division; and

(ii) is deemed to be the insured.

(2) If a contract or declaration mentioned in subsection (1) provides that, on the death of the insured, two or more persons named in the contract or declaration 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 those persons and their rights and interests in the contract.

(3) Notwithstanding a nomination mentioned in subsection (1), the insured, before his or her death, may:

(a) assign, exercise rights under or with respect to, surrender or otherwise deal with the contract as if the nomination had not been made; and

(b) subject to the terms of the contract, alter or revoke the nomination by declaration.

2015, c.I-9.11, s.8-131.

Enforcement of right re group life insurance

8-132 A group life insured may, in his or her own name, enforce a right given to the group life insured under a contract, subject to any defence available to the insurer against the group life insured or the insured.

2015, c.I-9.11, s.8-132.

Enforcement of right re creditor's group insurance

8-133(1) A debtor insured or a debtor who is jointly liable for the debt with the debtor insured may enforce in his or her own name the creditor's rights with respect to a claim arising in relation to the debtor insured, subject to any defence available to the insurer against the creditor or debtor insured.

(2) Subject to subsection (3), if an insurer pays insurance money with respect to a claim pursuant to subsection (1), the insurer shall pay the insurance money to the creditor.

(3) If the debtor insured provides evidence satisfactory to the insurer that the insurance money exceeds the debt then owing to the creditor, the insurer may pay the excess directly to that debtor insured.

2015, c.I-9.11, s.8-133.

Capacity of minor

8-134 Except with respect to a minor's rights as beneficiary, a minor who has reached the age of 16 years has the capacity of an adult:

(a) to make an enforceable contract; and

(b) with respect to a contract.

2015, c.I-9.11, s.8-134.

Subdivision 6
Proceedings Under Contract

Proof of claim

8-135 An insurer shall, within 30 days after receiving sufficient evidence of the matters mentioned in clauses (a) to (d), pay the insurance money to the person entitled to it:

(a) the happening of the event on which insurance money becomes payable;

(b) the age of the person whose life is insured;

(c) the right of the claimant to receive the insurance money; and

(d) the name and age of the beneficiary, if there is a beneficiary.

2015, c.I-9.11, s.8-135.

Payment of insurance money

8-136(1) Subject to subsections (3) to (5), insurance money is payable in Saskatchewan.

(2) Unless a contract provides otherwise, a reference in the contract to dollars means Canadian dollars whether the contract by its terms provides for payment in Canada or elsewhere.

(3) If a person entitled to receive insurance money is not resident in Saskatchewan, the insurer may pay the insurance money to that person or to any person who is entitled to receive it on the person's behalf by the law of the jurisdiction in which the payee resides, and the payment discharges the insurer to the extent of the amount of the payment.

(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 the group life insured became insured.

(5) If insurance money is payable under a contract to a deceased person who was not resident in Saskatchewan at the date of the person's death or to that person's executor or administrator, the insurer may pay the insurance money to the deceased person's executor or administrator as appointed under the law of the jurisdiction in which the person was resident at the date of the person's death, and the payment discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-136.

Action for payment

8-137 Regardless of the place where a contract was made, a claimant who is resident in 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 is so authorized at the time the action is brought.

2015, c.I-9.11, s.8-137.

Persons to whom insurance money payable

8-138(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 the instrument or order, it may make payment of the insurance money and is discharged to the extent of the amount of the payment as if there were no instrument or order.

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

2015, c.I-9.11, s.8-138.

Declaration as to sufficiency of proof

8-139(1) If an insurer admits the validity of the insurance but does not admit the sufficiency of the evidence required by section 8-135 and there is no other question in issue except a question pursuant to section 8-140, the insurer or the claimant may, before or after an action is brought and on at least 30 days' notice, apply to the court for a declaration as to the sufficiency of the evidence provided.

(2) On an application pursuant to subsection (1), the court may:

(a) make the declaration applied for; or

(b) direct that further evidence is to be provided.

(3) If the court makes a direction pursuant to clause (2)(b), the court may:

(a) on the providing of the evidence, make the declaration; or

(b) in special circumstances, dispense with further evidence and make the declaration.

2015, c.I-9.11, s.8-139.

Declaration of presumption of death

8-140(1) If a claimant alleges that the person whose life is insured should be presumed to be dead by reason of the person not having been heard of for seven years, and there is no other question in issue except a question pursuant to section 8-139, the insurer or the claimant may, before or after an action is brought and on 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 for the purposes of this section.

(2) A declaration of presumption of death made by the court pursuant to subsection (1) must contain particulars of the following information to the extent that those particulars have been established to the satisfaction of the court:

(a) the full name of the person presumed dead, including, if applicable, a birth or married name;

(b) the place where the death is presumed to have occurred;

(c) the date on which the death is presumed to have occurred;

(d) whether the presumed death was accidental;

(e) any other information that the court directs.

2015, c.I-9.11, s.8-140.

Court order re payment of insurance money

8-141(1) On making a declaration pursuant to section 8-139 or 8-140, the court may make an order respecting the payment of the insurance money and respecting costs that it considers just, and a declaration or an order made pursuant to this subsection is binding on the applicant and on all persons to whom notice of the application has been given.

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

2015, c.I-9.11, s.8-141.

Order stays pending action

8-142 Unless the court orders otherwise, an application made pursuant to section 8-139 or 8-140 operates as a stay of any pending action with respect to the insurance money.

2015, c.I-9.11, s.8-142.

Order re providing of further evidence

8-143 If, pursuant to section 8-139 or 8-140, the court finds that the evidence provided pursuant to section 8-135 is not sufficient or that a presumption of death is not established, it may:

(a) order that the matters in issue be decided in an action brought or to be brought; or

(b) order any other thing that it considers just respecting:

(i) further evidence to be provided by the claimant;

(ii) publication of advertisements;

(iii) further inquiry or any other matter; or

(iv) costs.

2015, c.I-9.11, s.8-143.

Order for payment into court

8-144(1) An insurer may act pursuant to subsection (2) if the insurer admits liability for insurance money, or any part of it, and it appears to the insurer that:

(a) there are adverse claimants;

(b) the whereabouts of a person entitled to the insurance money are unknown;

(c) there is no person capable of giving and authorized to give a valid discharge for the insurance money who is willing to do so;

(d) there is no person entitled to the insurance money; or

(e) the person to whom the insurance money is payable would be disentitled on public policy or other grounds.

(2) In any of the circumstances mentioned in subsection (1), the insurer may, at any time after 30 days after the date of the happening of the event on which the insurance money becomes payable, apply to the court without notice for an order for payment of the insurance money into court.

(3) On an application pursuant to subsection (2), the court may make any order it considers appropriate.

(4) The court may fix the costs incurred on or in connection with an application or order made pursuant to subsection (3) and may order the costs to be paid out of the insurance money or by the insurer or otherwise as the court considers just.

(5) A payment made by an insurer under an order made pursuant to subsection (3) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-144.

Simultaneous deaths

8-145 Unless a contract or a declaration provides otherwise, if 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 8-125(1) as if the beneficiary had predeceased the person whose life is insured.

2015, c.I-9.11, s.8-145.

Commutation of instalments of insurance money

8-146(1) In this section, **"instalments"** includes insurance money held by the insurer pursuant to section 8-147.

(2) Subject to subsections (3) and (4), if 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 does not have the right to commute the instalments or to alienate or assign the beneficiary's interest in the instalments:

(a) 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

(b) 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 the beneficiary's minor children.

(3) The court may, on the application of a beneficiary on at least 10 days' notice to the insurer, 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 the beneficiary's interest in the insurance money.

(4) After the death of a beneficiary, the beneficiary's executor or administrator may, with the consent of the insurer, commute any instalments of insurance money payable to the beneficiary.

2015, c.I-9.11, s.8-146.

Insurer holding insurance money

8-147(1) As provided in the contract, by an agreement in writing to which it is a party or by a declaration, the insurer may hold insurance money:

(a) subject to the order of an insured or a beneficiary; or

(b) on trusts or other agreements for the benefit of the insured or the beneficiary.

(2) The insurer shall hold the insurance with interest:

(a) at a rate agreed on in the contract, agreement or declaration; or

(b) if no rate is agreed on, at a rate not less than the rate prescribed pursuant to subsection 4(2) of *The Pre-judgment Interest Act*.

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

2015, c.I-9.11, s.8-147.

Court may order payment

8-148(1) If an insurer does not pay insurance money to a person entitled to receive it or into court within 30 days after receipt of the evidence required by section 8-135, the court may, on application of any person:

(a) order that the insurance money or any part of the insurance money be paid into court; or

(b) order any other thing as to the distribution of the money that it considers just.

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

2015, c.I-9.11, s.8-148.

Fixing of costs

8-149 The court may fix the costs incurred on or in connection with an application or order made pursuant to section 8-148 and may order them to be paid out of the insurance money or by the insurer or the applicant or otherwise as the court considers just.

2015, c.I-9.11, s.8-149.

Insurance money payable to minor

8-150(1) If 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 for the insurance money who is willing to do so, the insurer may, at any time after 30 days after the date of the event on which the insurance money becomes payable, pay the money to the Public Guardian and Trustee of Saskatchewan for the benefit of the minor and notify the Public Guardian and Trustee of Saskatchewan of the name, date of birth and residential address of the minor.

(2) A payment made by an insurer pursuant to subsection (1) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-150.

Payment to personal representative

8-151(1) Notwithstanding section 8-150, if it appears to an insurer that a personal representative of a beneficiary who is a minor or otherwise lacks capacity to accept payment may accept payments on behalf of the beneficiary under the law of the jurisdiction in which the beneficiary resides, the insurer may make payment to the personal representative.

(2) A payment made by an insurer pursuant to subsection (1) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-151.

Subdivision 7
Miscellaneous Provisions

Presumption against agency

8-152 An officer, agent or employee of an insurer, or a person soliciting insurance, whether or not an agent of the insurer, must not be considered to be the agent of the insured, person whose life is insured, group life insured or debtor insured, to that person's prejudice, with respect to any question arising out of a contract.

2015, c.I-9.11, s.8-152.

Information as to notices

8-153 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 that affects the insurance money.

2015, c.I-9.11, s.8-153.

Regulations for Division

8-154 The Lieutenant Governor in Council may make regulations:

(a) respecting the circumstances under which an insurer may not restrict or exclude in a contract the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable for the purposes of subsection 8-121(4);

(b) prescribing the rights of an insured for the purposes of subsection 8-122(4);

(c) prescribing money that is payable to a beneficiary for the purposes of subsection 8-127(1);

(d) prescribing the rights of an insured for the purposes of subsection 8-128(2);

(e) prescribing any matter or thing that is required or authorized by this Division to be prescribed in the regulations.

2015, c.I-9.11, s.8-154.

DIVISION 6
Accident and Sickness Insurance

Subdivision 1
Preliminary Matters

Interpretation of Division

8-155 In this Division:

"application" means an application for insurance or for the reinstatement of insurance;

"beneficiary" means a person, other than the insured or the insured's personal representative, to whom or for whose benefit insurance money is made payable in a contract or by a declaration;

"blanket insurance" means group insurance that covers loss:

(a) arising from specific hazards incidental to or defined by reference to a particular activity or activities; and

(b) occurring during a limited or specified period not exceeding six months in duration;

"contract" means a contract of insurance;

"creditor's group insurance" means insurance effected by a creditor under which the lives or well-being, or both, of a number of the creditor's debtors are insured severally under a single contract;

"debtor insured" means a debtor whose life or well-being or both are insured under a contract of creditor's group insurance;

"declaration", except in sections 8-184, 8-194 and 8-195, means an instrument:

(a) that is signed by the insured:

(i) with respect to which an endorsement is made on the policy;

(ii) that identifies the contract; or

(iii) that describes the insurance or insurance fund or a part of the insurance or insurance fund; and

(b) in which the insured:

(i) designates, or alters or revokes the designation of, the insured, the insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable; or

(ii) makes, alters or revokes an appointment pursuant to subsection 8-181(1) or a nomination mentioned in section 8-189;

"family insurance" means insurance under which the lives or well-being or both of the insured and one or more persons related to the insured by blood, spousal relationship or adoption are insured under a single contract between an insurer and the insured;

"group insurance" means insurance, other than creditor's group insurance and family insurance, under which the lives or well-being, or both, of a number of persons are insured severally under a single contract between an insurer and an employer or other person;

"group person insured" means a person (the "primary person") whose life or well-being, or both, are insured under a contract of group insurance, but does not include a person whose life or well-being, or both, are insured under the contract as a person dependent on or related to the primary person;

"instrument" includes a will;

"insurance" means accident insurance, sickness insurance or accident and sickness insurance;

"insured" means:

(a) in the case of group insurance, in the provisions of this Division relating to the designation of beneficiaries or personal representatives as recipients of insurance money and their rights and status, the group person insured; and

(b) in all other cases, the person who makes a contract with an insurer;

"person insured" means a person with respect to an accident to whom, or with respect to whose sickness, insurance money is payable under a contract, but does not include a group person insured or debtor insured;

"will" includes a codicil.

2015, c.I-9.11, s.8-155.

Application of certain provisions to this Division

8-156 Sections 8-14 and 8-19 apply to contracts of accident and sickness insurance.

2015, c.I-9.11, s.8-156.

Application of Division

8-157(1) Notwithstanding any agreement, condition or stipulation to the contrary, this Division applies to a contract made in Saskatchewan on or after November 1, 1970 and this section and sections 8-155, 8-156, 8-158, 8-159, 8-168, 8-170, 8-171, 8-173, 8-176 and 8-178 to 8-211 apply also to a contract made in Saskatchewan before that date.

(2) This Division does not apply:

(a) except as otherwise provided in the regulations, to insurance that is part of a contract of life insurance under which the insurer undertakes to pay insurance money, or to provide other benefits, in the event the person whose life is insured becomes disabled as a result of bodily injury or disease;

(b) to insurance that is part of a contract of life insurance under which the insurer undertakes to pay an additional amount of insurance money in the event of death by accident of the person whose life is insured; or

(c) to insurance provided pursuant to section 8-67, 8-68 or 8-69.

2015, c.I-9.11, s.8-157.

Application of Division to group insurance

8-158 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 Division 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 the group person insured became insured; and

(b) the rights and obligations of the group person insured if the group person insured was resident in Saskatchewan at the time the group person insured became insured.

2015, c.I-9.11, s.8-158.

Subdivision 2
Issuance and Contents of Policy

Issuance of policy

8-159(1) An insurer entering into a contract shall:

(a) issue a policy; and

(b) provide to the insured the policy and a copy of the insured's application.

(2) Subject to subsection (3), the provisions in the following constitute the entire contract:

(a) the application for the contract;

(b) the policy;

(c) any document attached to the policy when issued;

(d) any amendment to the contract agreed on in writing after the policy is issued.

(3) In the case of a contract made by a fraternal society, the following constitute the entire contract:

(a) the instrument of incorporation of the fraternal society;

(b) the fraternal society's constitution, bylaws and rules and the amendments made to any of them;

(c) the application for the contract;

(d) the policy;

(e) the medical statement of the applicant.

(4) Except in the case of a contract of group insurance or of creditor's group insurance, an insurer, on request, shall provide to the insured or a claimant under the contract a copy of:

(a) the entire contract as set out in subsection (2) or (3), as applicable; and

(b) any written statement or other record provided to the insurer as evidence of insurability under the contract.

(5) In the case of a contract of group insurance, an insurer shall:

(a) on request, provide to a group person insured or claimant under the contract a copy of:

(i) the group person insured's application; and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of insurability of the group person insured under the contract; and

(b) on request and reasonable notice, permit a group person insured or claimant under the contract to examine, and provide to that group person insured or claimant, a copy of the policy of group insurance.

(6) In the case of a contract of creditor's group insurance, an insurer shall:

(a) on request, provide to a debtor insured or a claimant under the contract a copy of:

(i) the debtor insured's application; and

(ii) any written statement or other record, not otherwise part of the application, provided to the insurer as evidence of insurability of the debtor insured under the contract; and

(b) on request and reasonable notice, permit a debtor insured or a claimant under the contract to examine, and provide to that debtor or claimant, a copy of the policy of creditor's group insurance.

(7) An insurer may charge a reasonable fee to cover its expenses in providing copies of documents pursuant to subsection (4), (5) or (6), other than the first copy provided to each person.

(8) A claimant's access to documents pursuant to subsections (4) to (6) extends only to information that is relevant to:

(a) a claim under the contract;

(b) a denial of a claim; or

(c) obtaining the terms or extent of coverage under the contract.

2015, c.I-9.11, s.8-159.

Particulars in policy

8-160(1) This section does not apply to:

(a) a contract of group insurance;

(b) a contract of creditor's group insurance; or

(c) a contract made by a fraternal society.

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

(a) the name or a sufficient description of the insured and of the person 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) the conditions on which the contract may be reinstated if it lapses;

(e) the term of the insurance or the method of determining the dates on which the insurance starts and terminates.

(3) If a policy contains a provision removing or restricting the right of the insured to designate persons to whom or for whose benefit insurance money is to be payable, the policy must include a prescribed notice in the prescribed form.

2015, c.I-9.11, s.8-160.

Particulars in group and creditor's group policy

8-161 In the case of a contract of group insurance or of creditor's group insurance, an insurer shall set out the following in the policy:

(a) the name or a sufficient description of the insured;

(b) the method of determining the persons whose lives or well-being or both 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 amount of the premium may be paid;

(e) the term of the insurance or the method of determining the dates on which the insurance starts and terminates;

(f) in the case of a contract of group insurance, any provision removing or restricting the right of a group person insured to designate persons to whom or for whose benefit insurance money is to be payable;

(g) in the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group persons insured under the replaced contract, whether a designation of a group person insured, a group person insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacing contract.

2015, c.I-9.11, s.8-161.

Termination of group contract

8-162(1) Subject to subsection (2), if a contract of group insurance or a benefit provision in a contract of group insurance is terminated, the insurer continues, as though the contract or benefit provision had remained in full force and effect, to be liable to pay to or with respect to a group person insured under the contract benefits relating to all or any of the following arising from an accident or sickness that occurred before the termination of the contract or benefit provision:

(a) loss of income because of disability;

(b) death;

(c) dismemberment; or

(d) accidental damage to natural teeth.

(2) Subsection (1) applies only if the disability, death, dismemberment or accidental damage to natural teeth is reported to the insurer within the six-month period following the termination or a longer period specified in the contract.

(3) Notwithstanding subsection (1), an insurer does not remain liable under a contract or benefit provision described in that subsection to pay a benefit for loss of income for the recurrence of a disability after both of the following occur:

(a) the termination of the contract or benefit provision;

(b) a continuous period of six months, or any longer period provided in the contract, during which the group person insured was not disabled.

(4) An insurer that is liable pursuant to subsection (1) to pay a benefit for loss of income as a result of the disability of a group person insured is not liable to pay the benefit for any period longer than the portion remaining, at the date of the disability, of the maximum period provided under the contract for the payment of benefits for loss of income with respect to a disability of the group person insured.

2015, c.I-9.11, s.8-162.

Replacement of group contract

8-163(1) If a contract of group insurance, in this subsection and subsection (2) called the "replacement contract", is entered into within 31 days after the termination of another contract of group insurance, in this subsection and subsection (2) called the "other contract", and that replacement contract insures some or all of the same group persons insured as the other contract:

(a) the replacement contract is deemed to provide that any person who was insured under the other contract at the time of its termination is insured under the replacement contract from and after the termination of the other contract if:

(i) the insurance on that person under the other contract terminated by reason only of the termination of the other contract; and

(ii) the person is a member of a class eligible for insurance under the replacement contract;

(b) every person who was insured under the other contract and who is insured under the replacement contract is entitled to receive credit for any deductible earned before the effective date of the replacement contract; and

(c) no person who was insured under the other contract at the time of its termination may be excluded from eligibility under the replacement contract by reason only of not being actively at work on the effective date of the replacement contract.

(2) Notwithstanding subsection 8-162(1), in the circumstances mentioned in subsection (1), if the replacement contract provides that all benefits required to be paid pursuant to subsection 8-162(1) by the insurer of the other contract are to be paid instead under the replacement contract, the insurer of the other contract is not liable to pay those benefits.

2015, c.I-9.11, s.8-163.

Particulars in group certificate

8-164(1) In the case of a contract of group insurance or of creditor's group insurance, an insurer shall issue, for delivery by the insured to each group person insured or debtor insured, a certificate or other document in which are set out the following:

(a) the name of the insurer and a sufficient identification of the contract;

(b) the amount, or the method of determining the amount, of insurance on the group person insured or debtor insured and on any person insured;

(c) the circumstances in which the insurance terminates and the rights, if any, on termination of the insurance of:

(i) the group person insured; or

(ii) the debtor insured and any person insured;

(d) in the case of a contract of group insurance that contains a provision removing or restricting the right of the group person insured to designate persons to whom or for whose benefit insurance money is to be payable:

(i) the method of determining the persons to whom or for whose benefit the insurance money is or may be payable; and

(ii) a prescribed notice in the prescribed form;

(e) a description of any restrictions or exclusions of coverage under the contract;

(f) in the case of a contract of group insurance that replaces another contract of group insurance on some or all of the group persons insured under the replaced contract, whether a designation of a group person insured, a group person insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable under the replaced contract applies to the replacing contract;

(g) the rights of the group person insured, the debtor insured or a claimant under the contract to obtain copies of documents pursuant to subsection 8-159(5) or (6).

(2) This section does not apply to:

(a) a contract of blanket insurance; or

(b) a contract of group insurance of a non-renewable type issued for a term not exceeding six months.

2015, c.I-9.11, s.8-164.

Exclusions, exceptions or reductions

8-165(1) Subject to section 8-166 and except as otherwise provided in this section, the insurer shall set out in the policy every exclusion, exception or reduction affecting the amount payable under the contract, either in the provision affected by the exclusion, exception or reduction or under a heading such as "Exclusions", "Exceptions" or "Reductions".

(2) If an exclusion, exception or reduction affects only one provision in the policy, it must be set out in that provision.

(3) If an exclusion, exception or reduction is contained in an endorsement, insertion or rider, the endorsement, insertion or rider must, unless it affects all amounts payable under the contract, make reference to the provisions in the policy affected by the exclusion, exception or reduction.

(4) This section does not apply to a contract made by a fraternal society.

2015, c.I-9.11, s.8-165.

Statutory Conditions

8-166 Subject to section 8-167:

(a) the Statutory Conditions set out in this section are deemed to be part of every contract other than a contract of group insurance or of creditor's group insurance, and must be printed on or attached to the policy forming part of the contract under the heading "Statutory Conditions"; and

(b) no variation or omission of or addition to any Statutory Condition not authorized by section 8-167 is binding on the insured.

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 on 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.

(2) The insurer shall, on request, provide 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 a person insured at the time of application for the contract may be used in defence of a claim under or to avoid the contract unless it is contained in the application or any other written statements or answers provided as evidence of insurability.

Changes in occupation

3(1) If after this policy is issued the person insured engages for compensation in an occupation that is classified by the insurer as more hazardous than that stated in the contract, the liability under the 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 occupation from that stated in the contract to an occupation classified by the insurer as less hazardous and the insurer is so advised in writing, the insurer must either:

(a) reduce the premium rate; or

(b) issue a policy for the unexpired term of the 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 must refund to the insured the amount by which the unearned premium on the contract exceeds the premium at the lower rate for the unexpired term.

Termination of insurance

4(1) The 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; or

(b) by the insured at any time on request.

(2) If the contract is terminated by the insurer:

(a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract; and

(b) the refund must accompany the notice.

(3) If the contract is terminated by the insured, the insurer must refund as soon as is practicable the excess of premium actually paid by the insured over the short rate premium calculated to the date of receipt of the notice according to the table in use by the insurer at the time of termination.

(4) The 15-day period mentioned in clause (1)(a) of this condition starts to run on the day following the day the registered letter or notification of it is delivered to the insured's postal address.

Notice and proof of claim

5(1) The insured or a person insured, or a beneficiary entitled to make a claim, or the agent of any of them, must:

(a) give written notice of claim to the insurer not later than 30 days after the date a claim arises under the contract on account of an accident, sickness or disability:

(i) by delivery of the notice, or by sending it by registered mail, to the head office or chief office of the insurer in the province; or

(ii) by delivery of the notice to an authorized agent of the insurer in the province;

(b) within 90 days after the date a claim arises under the contract on account of an accident, sickness or disability, provide to the insurer such proof as is reasonably possible in the circumstances of:

(i) the happening of the accident or the start of the sickness or disability;

(ii) the loss caused by the accident, sickness or disability;

(iii) the right of the claimant to receive payment;

(iv) the claimant's age; and

(v) if relevant, the beneficiary's age; and

(c) if so required by the insurer, provide a satisfactory certificate as to the cause or nature of the accident, sickness or disability for which claim is made under the contract and, in the case of sickness or disability, its duration.

(2) Failure to give notice of claim or provide proof of claim within the time required by this condition does not invalidate the claim if:

(a) the notice or proof is given or provided as soon as is reasonably possible, and not later than the limitation period set out in *The Limitations Act* after the date of the accident or the date a claim arises under the contract on account of sickness or disability, and it is shown that it was not reasonably possible to give the notice or provide the proof in the time required by this condition; or

(b) in the case of the death of the person insured, if a declaration of presumption of death is necessary, the notice or proof is given or provided no later than the limitation period set out in *The Limitations Act* after the date a court makes the declaration.

Insurer to provide forms for proof of claim

6 The insurer must provide forms for proof of claim within 15 days after receiving notice of claim, but if the claimant has not received the forms within that time the claimant may submit his or her 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

7 As a condition precedent to recovery of insurance money under the contract:

(a) the claimant must give the insurer an opportunity to examine the person insured when and as often as it reasonably requires while a claim is pending;

(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; and

(c) the insurer shall bear the costs of any examination or autopsy and shall provide copies of reports of any examination or autopsy to the insured or the insured's representative.

When money payable other than for loss of time

8 All money payable under the contract, other than benefits for loss of time, must be paid by the insurer within 60 days after it has received proof of claim.

When loss of time benefits payable

9 The initial benefits for loss of time must be paid by the insurer within 30 days after it has received proof of claim, and payment must be made after that date 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, provides proof of continuing sickness or disability before payment.

2015, c.I-9.11, s.8-166.

Omission or variation of Statutory Conditions

8-167(1) If a Statutory Condition set out in section 8-166 is not applicable to the benefits provided by a contract, it may be omitted from the policy or varied so that it will be applicable.

(2) Statutory Conditions 3 and 7 set out in section 8-166 may be omitted from the policy if the contract does not contain any provisions respecting the matters dealt with in those Statutory Conditions.

(3) Statutory Condition 4 set out in section 8-166 must be omitted from the policy if the contract does not provide that it may be terminated by the insurer before the expiry of any period for which a premium has been accepted.

(4) Statutory Conditions 3, 4 and 7 set out in section 8-166 and, subject to the restriction in subsection (5), Statutory Condition 5, 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 have been if the condition had not been varied, the Statutory Condition is deemed to be included in the policy in the form in which it appears in section 8-166.

(5) Statutory Condition 5(1)(a) and (b) set out in section 8-166 must not be varied in policies providing benefits for loss of time.

(6) Statutory Conditions 8 and 9 set out in section 8-166 may be varied by shortening the periods set out in them.

(7) In the case of a contract made by a fraternal society:

(a) the following provision shall be printed on every policy in substitution for Statutory Condition 1:

The contract

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 4(1)(b) and (3) set out in section 8-166 must not be printed on the policy.

2015, c.I-9.11, s.8-167.

Notice of Statutory Conditions

8-168 In the case of a policy of a non-renewable 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 a prescribed notice in the prescribed form.

2015, c.I-9.11, s.8-168.

Termination for non-payment

8-169(1) If a policy, or a certificate evidencing the renewal of a contract, is delivered to the insured and the initial premium due under the contract or renewal has not been fully paid:

(a) the contract or the renewal of it evidenced by the policy or certificate is as binding on the insurer as if the premium had been paid even if the policy or certificate was 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 non-payment of the premium by the insurer giving 15 days' notice of termination by registered mail or five days' written notice of termination personally delivered.

(2) If a premium mentioned in subsection (1) has not been fully paid, the insurer may do one or both of the following:

(a) sue for any unpaid premium;

(b) if there is a claim under the contract, except in the case of a contract of group insurance or of creditor's group insurance, deduct the amount of the unpaid premium from the amount for which the insurer is liable under the contract.

(3) If a premium, other than a premium mentioned in subsection (1), is not fully paid at the time it is due, the premium may be paid within the longer of:

(a) a period of grace of 30 days after the date the premium is due; and

(b) the period of grace within which the premium may be paid, if any, specified in the contract.

(4) If the event on which the insurance money becomes payable occurs during the period of grace and before the overdue premium is paid, the contract is deemed to be in effect as if the premium had been paid at the time it was due.

(5) Except in the case of a contract of group insurance or of creditor's group insurance, the amount of the overdue premium pursuant to subsection (4) may be deducted from the amount for which the insurer is liable under the contract.

(6) The 15-day period mentioned in clause (1)(b) starts to run on the day following the day the registered letter or notification of it is delivered to the insured's postal address.

(7) Subsections (1), (2) and (6) do not apply to a contract made by a fraternal society.

2015, c.I-9.11, s.8-169.

Subdivision 3
Formation of Contract

Lack of insurable interest

8-170(1) Subject to subsection (2), if at the time a contract would otherwise take effect the insured has no insurable interest, the contract is void.

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

(a) if it is a contract of group insurance; or

(b) if the person insured has consented in writing to the insurance.

(3) If the person insured is under the age of 16 years, consent to the insurance may be given by one of the person's parents or legal guardians or a person standing in the place of a parent to the person.

2015, c.I-9.11, s.8-170.

Persons insurable

8-171(1) Without restricting the meaning of "insurable interest", a primary person is a person who has an insurable interest:

(a) in the case of a primary person who is an individual, in his or her own life or well-being or both and the lives or well-being or both of:

(i) the primary person's child or grandchild;

(ii) the primary person's spouse;

(iii) a person on whom the primary person is wholly or partly dependent for, or from whom the primary person is receiving, support or education;

(iv) an employee of the primary person; and

(v) a person in the duration of whose life the primary person has a pecuniary interest; and

(b) in the case of a primary person that is not an individual, the lives or well-being or both of:

(i) a director, officer or employee of the primary person; and

(ii) a person in the duration of whose life or well-being or both the primary person has a pecuniary interest.

(2) **Not Yet Proclaimed**.

2015, c.I-9.11, s.8-171.

Termination of contract by court

8-172(1) On application to the court by a person whose life or well-being or both are insured under a contract, the court may make the orders the court considers just in the circumstances if:

(a) the person whose life or well-being or both are insured under a contract is someone other than the insured; and

(b) the person mentioned in clause (a) reasonably believes that the person's life or health might be endangered by the insurance on that person's life or well-being or both continuing under that contract.

(2) Without limiting subsection (1), the orders that the court may make pursuant to subsection (1) include:

(a) an order that the insurance on that person under the contract be terminated in accordance with the terms of the contract other than any terms respecting notice of termination; and

(b) an order that the amount of insurance under the contract be reduced.

(3) An application pursuant to subsection (1) must be made on at least 30 days' notice to the insured, the beneficiary, the insurer and any other person the court considers to have an interest in the contract.

(4) Notwithstanding subsection (3), if the court considers it just to do so, it may dispense with the notice in the case of:

(a) a person other than the insurer; or

(b) if the contract is a contract of group insurance or of creditor's group insurance, the insured.

(5) An order made pursuant to subsection (1) binds any person having an interest in the contract.

2015, c.I-9.11, s.8-172.

Disclosure of material facts

8-173(1) An applicant for insurance and a person 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 provided as evidence of insurability, every fact within the applicant's or person's knowledge that is material to the insurance and is not disclosed by the other.

(2) Subject to sections 8-174 and 8-177 and subsection (3), a failure to disclose, or a misrepresentation of, a fact mentioned in subsection (1) renders the contract voidable by the insurer.

(3) A failure to disclose, or a misrepresentation of, a fact mentioned in subsection (1) relating to evidence of insurability with respect to an application for any of the following renders the contract voidable by the insurer, but only in relation to the addition, increase or change:

(a) additional coverage under a contract;

(b) an increase in insurance under a contract;

(c) any other change to insurance after the policy is issued.

(4) In the case of a contract of group insurance, a failure to disclose or a misrepresentation of that fact with 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 with respect to that person is, subject to section 8-174, voidable by the insurer.

2015, c.I-9.11, s.8-173; 2018, c 14, s.20.

Failure to disclose

8-174 (1) Subject to section 8-177 and subsections (2) to (4), if a contract, including renewals of the contract, or an addition, increase or change mentioned in subsection 8-173(3) has been in effect for two years with respect to a person insured, a failure to disclose, or a misrepresentation of, a fact required by section 8-173 to be disclosed with respect to that person does not, in the absence of fraud, render the contract voidable.

(2) In the case of a contract of group insurance or of creditor's group insurance, a failure to disclose, or a misrepresentation of, a fact required by section 8-173 to be disclosed with respect to a group person insured, a person insured or a debtor insured does not render the contract voidable, but:

(a) if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for the insurance with respect to the person, the insurance with respect to that person is voidable by the insurer; and

(b) subject to subsection (3), if the failure to disclose or misrepresentation relates to evidence of insurability specifically requested by the insurer at the time of application for an addition, increase or change mentioned in subsection 8-173(3) with respect to the person, the addition, increase or change with respect to that person is voidable by the insurer.

(3) Subsection (2) does not apply if the insurance, addition, increase or change has been in effect for two years during the lifetime of that person, and, in that case, the insurance, addition, increase or change is not, in the absence of fraud, voidable.

(4) If a claim arises from a loss incurred or a disability beginning before a contract, including renewals of it, has been in effect for two years with respect to the person with respect to whom the claim is made, subsection (1) does not apply to that claim.

(5) If a claim arises from a loss incurred or a disability beginning before the addition, increase or change has been in effect for two years with respect to the person respecting whom the claim is made, subsection (1) does not apply to that claim.

2015, c.I-9.11, s.8-174.

Reinstatement of contract

8-175 Sections 8-173 and 8-174 apply, with any necessary modification, to a failure to disclose or a misrepresentation at the time of reinstatement of a contract, and the period of two years mentioned in section 8-174 starts to run with respect to a reinstatement from the date of reinstatement.

2015, c.I-9.11, s.8-175.

Pre-existing conditions

8-176 If a contract contains a general exclusion, exception or reduction with respect to pre-existing disease or physical conditions and the group person insured, person insured or debtor insured suffers or has suffered from a disease or physical condition that existed before the date on which 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 of it, has been in effect continuously for two years immediately before the date of loss incurred or commencement of disability with respect to that person; and

(b) 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 if the disease or physical condition was disclosed in the application for the contract.

2015, c.I-9.11, s.8-176.

Misstatement of age

8-177(1) Subject to subsections (2) and (3), if the age of the person insured has been misstated to the insurer, then, at the option of the insurer, either:

(a) the benefits payable under the contract may 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.

(2) In the case of a contract of group insurance or of creditor's group insurance, if there is a misstatement to the insurer of the age of a group person insured, person insured or debtor insured, the provisions, if any, of the contract with respect to age or misstatement of age apply, but in no case shall the provisions, if any, disadvantage the group person insured, person insured or debtor insured to an extent greater than that permitted by clause (1)(a) or (b).

(3) If the age of a person affects the commencement or termination of the insurance, the correct age governs.

2015, c.I-9.11, s.8-177.

Subdivision 4
Beneficiaries

Designation of beneficiary

8-178(1) Subject to subsection (4), an insured may, in a contract or by a declaration, designate the insured, the insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable.

(2) Subject to subsection 8-179(1), an insured may by declaration alter or revoke a designation mentioned in subsection (1).

(3) A designation in favour of the "heirs", "next of kin" or "estate" of an insured, or the use of words having similar meaning in a designation, is deemed to be a designation of the personal representative of the insured.

(4) Subject to the regulations, an insurer may restrict or exclude in a contract the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable.

(5) A contract of group insurance replacing another contract of group insurance on some or all of the group persons insured under the replaced contract may provide that a designation applicable to the replaced contract of a group person insured, a group person insured's personal representative or a beneficiary as one to whom or for whose benefit insurance money is to be payable is deemed to apply to the replacing contract.

(6) If a contract of group insurance replacing another contract of group insurance provides that a designation mentioned in subsection (5) is deemed to apply to the replacing contract:

(a) each certificate with respect to the replacing contract must indicate that the designation under the replaced contract has been carried forward and that the group person insured should review the existing designation to ensure it reflects the group person insured's current intentions; and

(b) as between the insurer under the replacing contract and a claimant under that contract, that insurer is liable to the claimant for any errors or omissions by the previous insurer with respect to the recording of the designation carried forward under the replacing contract.

(7) If a beneficiary becomes entitled to insurance money and all or part of that insurance money remains with the insurer under a settlement option provided for in the contract or permitted by the insurer:

(a) that portion of the insurance money remaining with the insurer is deemed to be insurance money held pursuant to a contract on the life of the beneficiary; and

(b) subject to the provisions of the settlement option, the beneficiary has the same rights and interests with respect to the insurance money that an insured has under a contract of life insurance.

2015, c.I-9.11, s.8-178.

Irrevocable designation

8-179(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 or well-being or both are insured, designate a beneficiary irrevocably.

(2) If the insured makes a designation pursuant to subsection (1):

(a) the insured, while the beneficiary is living, may not alter or revoke the designation without the consent of the beneficiary; and

(b) the insurance money is not subject to the control of the insured or the claims of the insured's creditors and does not form part of the insured's estate.

(3) If an insured purports to designate a beneficiary irrevocably in a will or in a declaration that is not filed with the insurer, the designation has the same effect as if the insured had not purported to make it irrevocable.

2015, c.I-9.11, s.8-179.

Designation in will

8-180(1) A designation in an instrument purporting to be a will is not ineffective by reason only of the fact that:

(a) the instrument is invalid as a will; or

(b) the designation is invalid as a bequest under the will.

(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.

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

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

2015, c.I-9.11, s.8-180.

Trustee for beneficiary

8-181(1) An insured may in a contract or by a declaration appoint a trustee for a beneficiary and may alter or revoke the appointment by a declaration.

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

2015, c.I-9.11, s.8-181.

Predeceasing or disclaiming beneficiary

8-182(1) If 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 for in the contract or by a declaration, the share is payable:

(a) to the surviving beneficiary;

(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 the personal representative of the insured or group person insured.

(2) If 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.

(3) A beneficiary may disclaim the beneficiary's right to insurance money by filing notice in writing with the insurer at its head office in Canada.

(4) A notice of disclaimer filed pursuant to subsection (3) is irrevocable.

(5) Subsection (1) applies in the case of a disclaiming beneficiary or in the case of a beneficiary determined by a court to be disentitled to insurance money as if the disclaiming or disentitled beneficiary predeceased the person whose life or well-being or both are insured.

2015, c.I-9.11, s.8-182.

Enforcement of payment by beneficiary or trustee

8-183 A beneficiary may enforce for the beneficiary's own benefit, and a trustee appointed pursuant to section 8-181 may enforce as trustee, the payment of insurance money made payable to the beneficiary or trustee in the contract or by a declaration in accordance with the provisions of the contract or declaration, but the insurer may set up any defence that it could have set up against the insured or the insured's personal representative.

2015, c.I-9.11, s.8-183.

Persons to whom insurance money payable

8-184(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 is fully discharged to the extent of the amount paid as if there were no such instrument or order.

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

2015, c.I-9.11, s.8-184.

Insurance money not part of estate

8-185(1) If a beneficiary is designated, any insurance money payable to the beneficiary is not, from the time of the happening of the event on which it becomes payable, part of the estate of the insured and is not subject to the claims of the creditors of the insured.

(2) While there is in effect a designation in favour of any one or more of a spouse, child, grandchild or parent of the person insured or group person insured, the insurance money and 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 civil enforcement proceedings pursuant to *The Enforcement of Money Judgments Act* or execution or seizure pursuant to any other law in force in Saskatchewan.

(3) This section does not apply to any enforcement taken pursuant to *The Enforcement of Maintenance Orders Act, 1997*.

2015, c.I-9.11, s.8-185.

Subdivision 5

Dealings with Contract

Irrevocable designation of beneficiary

8-186(1) The insured may assign, exercise rights under or with respect to, surrender or otherwise deal with a contract as provided in the contract or in this Division or as may be agreed on with the insurer if a beneficiary:

(a) is not designated irrevocably; or

(b) is designated irrevocably but has attained the age of 18 years and consents.

(2) Notwithstanding subsection 8-179(1), if a beneficiary is designated irrevocably and has not consented as described in clause (l)(b), the insured may exercise any prescribed rights with respect to the contract.

(3) Subject to the terms of a consent pursuant to clause (l)(b) or an order of the court pursuant to subsection (5), if there is an irrevocable designation of a beneficiary under a contract, a person acquiring an interest in the contract takes that interest subject to the rights of that beneficiary.

(4) If a beneficiary who is designated irrevocably lacks capacity to provide consent pursuant to clause (1)(b), an insured may apply to the court for an order permitting the insured to deal with the contract without that consent.

(5) The court may grant an order pursuant to subsection (4) on any notice and terms it considers just.

2015, c.I-9.11, s.8-186.

Assignment of insurance

8-187(1) If an assignee of a contract gives notice in writing of the assignment to the insurer at its head office in Canada, the assignee has priority of interest as against:

(a) an assignee other than one who gave notice earlier to the insurer of the assignment in the manner provided for in this subsection; and

(b) a beneficiary other than one designated irrevocably pursuant to section 8-179 before the assignee gave notice to the insurer of the assignment in the manner provided for in this subsection.

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

(3) If a contract is assigned unconditionally and otherwise than as security, the assignee:

(a) has all the rights and interests given to the insured by the contract and by this Division; and

(b) is deemed to be the insured.

(3.1) Unless the document by which a contract is assigned specifies otherwise, an assignment mentioned in subsection (3) made on or after the date on which this section comes into force revokes:

(a) a designation of a beneficiary made before or after that date and not made irrevocably; and

(b) a nomination mentioned in section 8-189 made before or after that date.

(4) A contract may provide that the rights or interests of the insured or, in the case of a contract of group insurance or of creditor's group insurance, of the group person insured or debtor insured, as the case may be, are not assignable.

2015, c.I-9.11, s.8-187; 2018, c14 , s.21.

Entitlement to dividends

8-188(1) Notwithstanding the irrevocable designation of a beneficiary, the insured is entitled, before his or her death, to the dividends or bonuses declared on a contract unless the contract provides otherwise.

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

2015, c.I-9.11, s.8-188.

Death of insured

8-189(1) Notwithstanding *The Wills Act, 1996*, if in a contract or declaration it is provided that a person named in the contract or declaration has, on 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, on the death of the insured, form part of the insured's estate; and

(b) on the death of the insured, the person named in the contract or declaration:

(i) has the rights and interests given to the insured by the contract and by this Division; and

(ii) is deemed to be the insured.

(2) If a contract or declaration mentioned in subsection (1) provides that, on the death of the insured, two or more persons named in the contract or declaration 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 those persons and their rights and interests in the contract.

(3) Notwithstanding a nomination mentioned in subsection (1), the insured, before his or her death, may:

(a) assign, exercise rights under or with respect to, surrender or otherwise deal with the contract as if the nomination had not been made; and

(b) subject to the terms of the contract, alter or revoke the nomination by declaration.

2015, c.I-9.11, s.8-189.

Enforcement of right re group insurance

8-190 A group person insured may, in his or her own name, enforce a right given to the group person insured or to a person insured under the contract as a person dependent on or related to the group person insured, subject to any defence available to the insurer against the group person insured, the person insured or the insured.

2015, c.I-9.11, s.8-190.

Enforcement of right re creditor's group insurance

8-191(1) A debtor insured or a debtor who is jointly liable for the debt with the debtor insured may enforce in his or her own name the creditor's rights with respect to a claim arising in relation to the debtor insured, subject to any defence available to the insurer against the creditor or debtor insured.

(2) Subject to subsection (3), if an insurer pays insurance money with respect to a claim pursuant to subsection (1), the insurer shall pay the insurance money to the creditor.

(3) If the debtor insured provides evidence satisfactory to the insurer that the insurance money exceeds the debt then owing to the creditor, the insurer may pay the excess directly to that debtor insured.

2015, c.I-9.11, s.8-191.

Capacity of minor

8-192 Except with respect to the minor's rights as beneficiary, a minor who has reached the age of 16 years has the capacity of an adult:

(a) to make an enforceable contract; and

(b) with respect to a contract.

2015, c.I-9.11, s.8-192.

Subdivision 6
Proceedings under Contract

Proof of claim

8-193 An insurer shall, within 60 days after receiving sufficient evidence of the matters mentioned in Statutory Conditions 5(1)(b) and (c) set out in section 8-166, pay the insurance money to the person entitled to it.

2015, c.I-9.11, s.8-193.

Declaration as to sufficiency of proof

8-194(1) If an insurer admits the validity of the insurance but does not admit the sufficiency of the evidence required by section 8-193 and there is no other question in issue except a question pursuant to section 8-195, the insurer or the claimant may, before or after action is brought and on at least 30 days' notice, apply to the court for a declaration as to the sufficiency of the evidence provided.

(2) On an application pursuant to subsection (1), the court may:

(a) make the declaration applied for; or

(b) direct that further evidence is to be provided.

(3) If the court makes a direction pursuant to clause (2)(b), the court may:

(a) on the providing of the evidence, make the declaration; or

(b) in special circumstances, dispense with further evidence and make the declaration.

2015, c.I-9.11, s.8-194.

Declaration of presumption of death

8-195(1) If a claimant alleges that the person whose life is insured should be presumed to be dead by reason of the person not having been heard of for seven years, and there is no other question in issue except a question pursuant to section 8-194, the insurer or the claimant may, before or after action is brought and on 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 for the purposes of this section.

(2) A declaration of presumption of death made by the court pursuant to subsection (1) must contain particulars of the following information to the extent that those particulars have been established to the satisfaction of the court:

(a) the full name of the person presumed dead, including, if applicable, a birth or married name;

(b) the place where the death is presumed to have occurred;

(c) the date on which the death is presumed to have occurred;

(d) whether the presumed death was accidental;

(e) any other information that the court directs.

2015, c.I-9.11, s.8-195.

Court order re payment of insurance money

8-196(1) On making a declaration pursuant to section 8-194 or 8-195, the court may make an order respecting the payment of the insurance money and respecting costs that it considers just, and a declaration or direction or an order made pursuant to this subsection is binding on the applicant and on all persons to whom notice of the application has been given.

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

2015, c.I-9.11, s.8-196.

Order stays pending action

8-197 Unless the court orders otherwise, an application made pursuant to section 8-194 or 8-195 operates as a stay of any pending action with respect to the insurance money.

2015, c.I-9.11, s.8-197.

Order re providing of further evidence

8-198 If the court finds that the evidence provided pursuant to section 8-193 is not sufficient or that a presumption of death is not established, it may:

(a) order that the matters in issue be decided in an action brought or to be brought; or

(b) order any other thing that it considers just respecting:

(i) further evidence to be provided by the claimant;

(ii) publication of advertisements;

(iii) further inquiry or any other matter; or

(iv) costs.

2015, c.I-9.11, s.8-198.

Payment of insurance money

8-199(1) Subject to subsections (3) to (5), insurance money is payable in Saskatchewan.

(2) Unless a contract provides otherwise, a reference in the contract to dollars means Canadian dollars whether the contract by its terms provides for payment in Canada or elsewhere.

(3) If a person entitled to receive insurance money is not resident in Saskatchewan, the insurer may pay the insurance money to that person or to any person who is entitled to receive it on the person's behalf by the law of the jurisdiction in which the payee resides, and the payment discharges the insurer to the extent of the amount of the payment.

(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 person insured was resident at the time the group person insured became insured.

(5) If insurance money is payable under a contract to a deceased person who was not resident in Saskatchewan at the date of the person's death or to that person's executor or administrator, the insurer may pay the insurance money to the deceased person's executor or administrator as appointed under the law of the jurisdiction in which the person was resident at the date of the person's death, and the payment discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-199.

Action for payment

8-200 Regardless of the place where a contract was made, a claimant who is resident in 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 is so authorized at the time the action is brought.

2015, c.I-9.11, s.8-200.

Insurer giving information

8-201 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 that affects the insurance money.

2015, c.I-9.11, s.8-201.

Undue prominence

8-202 Except where otherwise provided by this Act, an insurer shall not in a 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.

2015, c.I-9.11, s.8-202.

Relief from forfeiture or avoidance

8-203 The court may relieve against a forfeiture or avoidance of insurance on any conditions that the court considers appropriate if:

(a) 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;

(b) there has been a consequent forfeiture or avoidance of the insurance, in whole or in part; and

(c) the court considers it inequitable that the insurance should be forfeited or avoided on that ground.

2015, c.I-9.11, s.8-203.

Confinement and disability benefits

8-204(1) If a contract includes provision for disability benefits to be payable only during confinement of the person insured, the provision does not bind the insured, and the benefits with respect to disability under the contract during the disability are payable regardless of whether the person insured is confined or not.

(2) Notwithstanding subsection (1), a contract of accident and sickness insurance may provide for one or more of the following:

(a) early commencement of loss of income benefits based on the admission of the person insured into a hospital, long-term care facility or other similar institution;

(b) payment of loss of income benefits during the period of in-patient hospitalization of the person insured or the period during which the person insured is in a facility that provides long-term care or other similar institution;

(c) payment of daily benefits during the period of in-patient hospitalization of the person insured or the period during which the person insured is in a facility that provides long-term care or other similar institution;

(d) payment of lump sum benefits based on the admission of the person insured into a hospital or during the period of in-patient hospitalization or the admission to a facility that provides long-term care or other similar institution.

2015, c.I-9.11, s.8-204.

Payments to hospital under *Provincial Health Authority Act* or *Saskatchewan Medical Care Insurance Act*

8-205(1) Unless otherwise specifically provided in a contract:

(a) any moneys expended providing health services in 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 the affiliate; and

(b) the insured is deemed to have incurred expense by reason of the expenditure mentioned in clause (a) and to the amount of that expenditure.

(2) Unless otherwise specifically provided in a contract:

(a) any moneys paid pursuant to *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 are deemed to be moneys paid and expended by the insured and not pursuant to that Act; and

(b) the insured is deemed to have incurred an expense by reason of the payment mentioned in clause (a) and to the amount of that payment.

2015, c.I-9.11, s.8-205; 2017, c P-30.3, s.11-10.

Simultaneous deaths

8-206 Unless a contract or a declaration provides otherwise, if 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 8-182(1) as if the beneficiary had predeceased the person insured or group person insured.

2015, c.I-9.11, s.8-206.

Order for payment into court

8-207(1) An insurer may act pursuant to subsection (2) if the insurer admits liability for insurance money, or any part of it, and it appears to the insurer that:

(a) there are adverse claimants;

(b) the whereabouts of a person entitled to the insurance money are unknown;

(c) there is no person capable of giving and authorized to give a valid discharge for the insurance money who is willing to do so;

(d) there is no person entitled to the insurance money; or

(e) the person to whom the insurance money is payable would be disentitled on public policy or other grounds.

(2) In the circumstances mentioned in subsection (1), the insurer may, at any time after 30 days after the date of the happening of the event on which the insurance money becomes payable, apply to the court without notice for an order for payment of the insurance money into court.

(3) On an application pursuant to subsection (2), the court may make any order it considers appropriate.

(4) The court may fix the costs incurred on or in connection with an application or order made pursuant to subsection (3) and may order the costs to be paid out of the insurance money or by the insurer or otherwise as it considers just.

(5) A payment made by an insurer under an order made pursuant to subsection (3) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-207.

Insurance money payable to minor

8-208(1) If 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 for the insurance money who is willing to do so, the insurer may, at any time after 30 days after the date of the event on which the insurance money becomes payable, pay the money to the Public Guardian and Trustee of Saskatchewan for the benefit of the minor and notify the Public Guardian and Trustee of Saskatchewan of the name, date of birth and residential address of the minor.

(2) A payment made by an insurer pursuant to subsection (1) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-208.

Payment to personal representative

8-209(1) Notwithstanding section 8-208, if it appears to an insurer that a personal representative of a beneficiary who is a minor or otherwise lacks capacity to accept payment may accept payments on behalf of the beneficiary under the law of the jurisdiction in which the beneficiary resides, the insurer may make payment to the personal representative.

(2) A payment made by an insurer pursuant to subsection (1) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-209.

Payments not exceeding $10,000

8-210(1) Even though 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 $10,000 to:

(a) a relative of a person insured or the group person insured; or

(b) a person appearing to the insurer:

(i) to be equitably entitled to the insurance money by reason of having incurred expense for the maintenance, medical attendance or burial of a person insured or the group person insured; or

(ii) to have a claim against the estate of a person insured or the group person insured in relation to an expense mentioned in subclause (i).

(2) A payment pursuant to subsection (1) discharges the insurer to the extent of the amount of the payment.

2015, c.I-9.11, s.8-210.

Regulations for Division

8-211 The Lieutenant Governor in Council may make regulations:

(a) respecting the application of this Division to insurance described in clause 8-157(2)(a);

(b) for the purposes of subsection 8-178(4), respecting the circumstances under which an insurer may not restrict or exclude in a contract the right of an insured to designate persons to whom or for whose benefit insurance money is to be payable;

(c) prescribing the rights the insured may exercise for the purposes of subsection 8-186(2);

(d) prescribing any matter or thing that is required or authorized by this Division to be prescribed in the regulations.

2015, c.I-9.11, s.8-211.

DIVISION 7
Regulations for Part

Regulations for Part

8-212(1) The Lieutenant Governor in Council may make regulations:

(a) respecting the dispute resolution process established by section 8-11, Statutory Condition 11 of section 8-28, Statutory Condition 4 of section 8-41 and Statutory Condition 15 of section 8-95, including requiring an insurer to notify an insured of the availability of that dispute resolution process in the circumstances and manner set out in the regulations;

(b) subject to any other provisions of this Act relating to the disclosure of information, respecting the disclosure of information by insurers or any prescribed class of insurers, including regulations respecting:

(i) the information that must be disclosed, including information relating to:

(A) any product or service or class of products or services offered by them;

(B) any of their policies, procedures or practices relating to the offer by them of any product or service or class of products or services; and

(C) any other matter that may affect their dealings, or their employees' or representatives' dealings, with the public;

(ii) the time and place at which, the form and manner in which and the persons to whom information is to be disclosed; and

(iii) the content and form of any advertisement by insurers or any class of insurers relating to any matter mentioned in subclause (i);

(c) respecting the administration of group insurance and creditor's group insurance with respect to life insurance pursuant to Division 5 and accident and sickness insurance pursuant to Division 6, including regulations:

(i) respecting the amount and disclosure of compensation payable to an administrator of a group insurance contract or a creditor's group insurance contract; and

(ii) respecting the duties and conduct of an administrator of a group insurance contract or a creditor's group insurance contract;

(d) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(e) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

(2) If there is any conflict between a regulation made pursuant to clause (1)(b) and any other provision of this Act dealing with information, the other provision prevails.

2015, c.I-9.11, s.8-212.

PART IX
Inspections, Investigations, Enforcement and Administration

DIVISION 1
Inspections, Investigations and Examinations

Interpretation of Division

9-1 In this Division, **"regulated person"** means:

(a) a person who is licensed or required to be licensed pursuant to this Act;

(b) an insurer who has entered into a contract of insurance mentioned in section 6-2 or 6-7;

(c) an insurer mentioned in section 6-5 who reinsures contracts;

(d) a principal attorney as defined in section 2-47;

(e) a person who acts or offers to act as an insurance agent, adjuster, restricted insurance agent or third party administrator; or

(f) any prescribed entity mentioned in section 1-14 or 1-15.

2015, c.I-9.11, s.9-1.

Examination of insurers

9-2(1) Subject to subsection (2), once each year or more frequently as the Superintendent may consider appropriate for all provincial companies or for a particular provincial company, the Superintendent or a person appointed or engaged by the Superintendent shall:

(a) examine a provincial company's annual return made pursuant to section 2-33;

(b) visit personally, or cause to be visited, the head office of every provincial company; and

(c) make any inquiries that the Superintendent or the person appointed or engaged by the Superintendent considers necessary:

(i) to ascertain the provincial company's condition and ability to meet its obligations as and when they become due;

(ii) to ascertain whether the provincial company is following sound business and financial practices;

(iii) to determine the procedures and standards of the management of the provincial company; and

(iv) to ascertain whether the provincial company has complied with the requirements of this Act, the regulations, any order pursuant to this Act and any term, condition or restriction of its licence.

(2) If the Superintendent considers that the circumstances respecting any provincial company 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.

(3) If the Superintendent considers it necessary to make an examination into the affairs of a licensed insurer other than a provincial company, the Superintendent may visit the head office in Canada of that insurer to inspect and examine its affairs and to make any inquiries that the Superintendent may require.

(4) The Superintendent may adopt an examination by another government.

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

(6) If the Superintendent or any person appointed or engaged by the Superintendent for the purpose of assisting in carrying out an inspection and examination is required to travel outside Saskatchewan to conduct an inspection and examination of an insurer, the Superintendent may direct the insurer who is the subject of the inspection and examination to pay all of the reasonable travel costs in accordance with section 9-8.

(7) If the Superintendent considers it necessary, the Superintendent may examine the business or affairs of any subsidiary of a provincial company in accordance with this section.

2015, c.I-9.11, s.9-2.

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

9-3 No insurer shall fail to provide the Superintendent and every person authorized or engaged by the Superintendent for the purpose with access to all the books, securities, documents and records of the insurer that relate to contracts of insurance.

2015, c.I-9.11, s.9-3.

Duty to provide information

9-4(1) Every regulated person, the officers and agents of a regulated person, the chief agent of a regulated person that has its head office outside Saskatchewan, a present or former director, auditor, officer, employee or creditor of a regulated person or the regulated person's subsidiary or holding body corporate and other persons engaged in the business of insurance in Saskatchewan shall, on request, provide the Superintendent or a person designated by the Superintendent with complete information respecting:

(a) any contract of insurance issued by the regulated person;

(b) any settlement or adjustment by the regulated person under a contract of insurance;

(c) any activities of the regulated person related to the business of insurance;

(d) the financial affairs of the regulated person;

(e) the amount of the premium and the commission paid or payable by the regulated person to an insurance agent or any other person; or

(f) any other information or material the Superintendent requires.

(2) An insured person shall, on request, provide the Superintendent or a person designated by the Superintendent with complete information respecting:

(a) any contract of insurance issued to the insured person; or

(b) any settlement or adjustment affecting the insured person under a contract of insurance.

(3) No person served with a request pursuant to subsection (1) or (2) who has the information shall fail to provide the information within the time and in the manner specified in the request.

(4) If a person served with a request pursuant to this section does not provide the information in accordance with the request, the Superintendent may, on five business days' written notice to that person, apply to the court for an order to provide the information.

(5) On an application pursuant to subsection (4), the court may order the person to provide the information subject to any conditions the court considers appropriate if the court is satisfied that the information is in the possession or under the control of the person.

2015, c.I-9.11, s.9-4.

Insurance compliance self-evaluative audit

9-5(1) In this section:

"insurance compliance self-evaluative audit" means an evaluation, review, assessment, audit, inspection or investigation conducted by or on behalf of an insurer, for the purpose of identifying or preventing non-compliance with, or promoting compliance with, legislation, guidelines or industry, company or professional standards;

"insurance compliance self-evaluative audit document" means a document with recommendations or evaluative or analytical information prepared by or on behalf of an insurer or the Superintendent directly as a result of or in connection with an insurance compliance self-evaluative audit and includes any response to the findings of an insurance compliance self-evaluative audit, but does not include documents kept or prepared in the ordinary course of business of an insurer or documents kept or prepared for the purpose of responding to a consumer complaint.

(2) On request of the Superintendent, an insurer shall:

(a) conduct or cause to be conducted an insurance compliance self-evaluative audit in accordance with the regulations; and

(b) provide a copy to the Superintendent.

(3) Subject to subsection (7), an insurance compliance self-evaluative audit document is privileged information and is not discoverable or admissible as evidence in any civil or administrative proceeding.

(4) Subject to subsection (7), no person or entity shall be required to give or produce evidence relating to an insurance compliance self-evaluative audit or any insurance compliance self-evaluative audit document in any civil or administrative proceeding.

(5) Disclosure of an insurance compliance self-evaluative audit document to a person reasonably requiring access to it does not constitute a waiver of the privilege with respect to any other person.

(6) Without limiting the application of subsection (5), that subsection applies to disclosures, whether voluntarily or pursuant to law, to:

(a) a person acting on behalf of an insurer with respect to the insurance compliance self-evaluative audit;

(b) the external auditor of the insurer;

(c) the board of directors of the insurer;

(d) a committee of the insurer; or

(e) the Superintendent.

(7) An insurer that prepares or causes to be prepared an insurance compliance self-evaluative audit document may expressly waive privilege with respect to all or part of the insurance compliance self-evaluative audit document.

(8) The privileges set out in subsections (3) and (4) do not apply:

(a) in a proceeding commenced against an insurer by the Superintendent in accordance with this Act;

(b) if the privilege is asserted for fraudulent purposes;

(c) in a proceeding in which a person who was involved in conducting an insurance compliance self-evaluative audit is a party seeking admission of the insurance compliance self-evaluative audit document in a dispute related to the person's participation in conducting the insurance compliance self-evaluative audit; or

(d) to information mentioned in an insurance compliance self-evaluative audit document that was not prepared as a result of or in connection with an insurance compliance self-evaluative audit.

2015, c.I-9.11, s.9-5.

General inspection powers

9-6(1) Subject to subsection 9-7(4), for the purpose of ensuring that any regulated person is complying with this Act, the Superintendent may do all or any of the following:

(a) at any reasonable time, enter any place, including the business premises of a regulated person or any place containing any records or property required to be kept pursuant to this Act or the regulations or related to the administration of this Act or the regulations;

(b) inspect the place mentioned in clause (a) and examine any record or property found in the place that may be relevant to the administration of this Act or the regulations;

(c) require the regulated person and any agent, representative, partner, director, officer or employee of the regulated person to:

(i) answer any questions that may be relevant to the inspection or examination; and

(ii) provide the Superintendent with all reasonable assistance, including using any computer hardware or software or any other data storage, processing or retrieval device or system to produce information;

(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 set by the Superintendent;

(f) in order to produce information, use any computer hardware or software or any other data storage, processing or retrieval device or system that is used in connection with the business or activities of the regulated person;

(g) after giving a receipt, remove for examination and copying anything that may be relevant to the inspection or examination, including removing any computer hardware or software or any other data storage, processing or retrieval device or system in order to produce information;

(h) make copies of any record or property examined;

(i) retain any record or property examined that may be relevant to the administration of this Act or the regulations.

(2) 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 the regulations or related to the affairs of a regulated person.

(3) 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 and in the manner specified in the written demand.

(4) 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 inspection or examination pursuant to this Act.

(5) 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 with reasonable dispatch and promptly return the originals of the records to the person who produced them.

(6) If the Superintendent requires a person to answer questions, to produce a record or other property or to provide assistance in accordance with this section, the person shall do so in the manner and within the period specified by the Superintendent.

(7) The Superintendent shall:

(a) give a receipt for anything that he or she removes for examination or copying;

(b) promptly return anything removed pursuant to this section to the place from which it was removed or any other place agreed to by the Superintendent and the person who provided it; and

(c) take all reasonable steps to ensure that, if a record is taken, a copy of the record is left at the premises to allow business to be carried on.

2015, c.I-9.11, s.9-6.

Investigation

9-7(1) If a justice of the peace or a judge of the Provincial Court of Saskatchewan is satisfied by information under oath or affirmation that there are reasonable grounds to believe that an offence against this Act or the regulations has occurred and that evidence of that offence is likely to be found, 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 or the regulations.

(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 or the regulations;

(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 or the regulations.

(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 building that is ordinarily occupied as a private residence without a warrant unless the owner or occupant of that building consents to the entry.

2015, c.I-9.11, s.9-7.

Travel costs

9-8(1) If the Superintendent or any person appointed or engaged by the Superintendent for the purpose of assisting 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).

2015, c.I-9.11, s.9-8.

Receiver or receiver manager

9-9(1) The Superintendent may do any of the things mentioned in subsection (2) if 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 the regulations or any other Act may have been committed;

(c) the Superintendent believes that it is in the public interest to do so.

(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, 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, 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, receiver, custodian, receiver manager, trustee or liquidator of the records or property of the person if the court is satisfied that the appointment of an interim receiver, 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 policyholders 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 made without notice by the Superintendent, the court may make an order pursuant to subsection (5) appointing an interim receiver, receiver, custodian, receiver manager, trustee or liquidator for a period not exceeding 15 days.

(7) An interim receiver, receiver, custodian, receiver manager, trustee or liquidator appointed pursuant to this section:

(a) is the interim receiver, 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 persons 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.

2015, c.I-9.11, s.9-9.

DIVISION 2
Appraisal of Assets

Appraisal of assets

9-10(1) If a provincial company or its subsidiary takes a mortgage on real property, the lending value of the real property is for the purposes of this section the value obtained by multiplying the market value of the real property by 75% or any lower percentage that the company or its subsidiary determines to be appropriate in the circumstances.

(2) The Superintendent may act pursuant to subsection (3) if, with respect to a provincial company or its subsidiaries, the Superintendent considers that:

(a) the value placed on any of the real property owned by the provincial company or any of its subsidiaries is too great;

(b) the amount secured by a mortgage on any real property, together with interest due and accrued on the mortgage, is greater than the lending value of the real property; or

(c) the market value of any other asset is less than the amount shown in the books of the provincial company or any of its subsidiaries.

(3) In the circumstances mentioned in subsection (2), the Superintendent may:

(a) require the provincial company to secure an appraisal of the assets by one or more valuators who the Superintendent is satisfied are competent; or

(b) arrange for the appraisal at the expense of the provincial company.

(4) If the Superintendent arranges for the appraisal pursuant to clause (3)(b), the provincial company shall cooperate with and provide any assistance, documents or information required by the person performing the appraisal.

(5) Having regard to the appraised value as determined pursuant to subsection (3), the Superintendent may:

(a) substitute the appraised value of the assets for the provincial company's valuation;

(b) write down the value of a loan mentioned in clause (2)(b) by an amount the Superintendent considers appropriate; or

(c) determine whether the requirements of Division 11 of Part III are met.

(6) If the Superintendent acts pursuant to subsection (5), the Superintendent shall direct the provincial company to adjust the book value of the assets or the loan accordingly.

2015, c.I-9.11, s.9-10.

DIVISION 3
Taking Control of Assets

Order for possession and control

9-11(1) The Superintendent may, without complying with section 10-11, issue an order:

(a) in the case of a provincial company, to take possession and control of the assets of the company; or

(b) in the case of an extraprovincial company, on the request of the regulatory authority from the jurisdiction in which the extraprovincial company was incorporated, to take possession and control of the assets of that company in Saskatchewan.

(2) The Superintendent may make an order pursuant to clause (1)(a) only if:

(a) the provincial company has defaulted on payment of any of its liabilities;

(b) the provincial company's assets are not satisfactorily accounted for;

(c) the provincial company's assets are not sufficient, having regard to all the circumstances, to give adequate protection to the company's policyholders;

(d) the provincial company is in contravention of this Act or the regulations; or

(e) the provincial company is in contravention of an order of the Superintendent or the court pursuant to this Act.

(3) The Superintendent shall immediately serve a copy of an order made pursuant to subsection (1) on the provincial company or extraprovincial company that is the subject of the order and, in the case of a provincial company, on each director of the company.

(4) An order made pursuant to subsection (1) takes effect on the day on which it is made, and no order may be stayed, varied or set aside by any court.

(5) For the purposes of this section, the Superintendent may appoint a person to value and appraise the assets and liabilities of the provincial company or extraprovincial company and to report on its condition and its ability to meet its liabilities.

(6) The provincial company or extraprovincial company that is the subject of an order made pursuant to subsection (1) shall cooperate with the person appointed pursuant to subsection (5) and provide the person with any assistance, documents or information the person requires to carry out the person's duties.

(7) Nothing in this section affects the right of the Superintendent to vary or rescind, at any time, an order made pursuant to subsection (1).

2015, c.I-9.11, s.9-11.

Powers of Superintendent – provincial companies

9-12(1) If the Superintendent takes possession and control of the assets of a provincial company pursuant to section 9-11, the Superintendent is responsible for the management of the business and affairs of the company and:

(a) shall perform all the duties and functions and may exercise all the powers of the board of directors; and

(b) may perform all the duties and functions and exercise all the powers of the committees of the board of directors, the officers, employees and agents and the participating policyholders and shareholders at general meetings.

(2) The Superintendent generally has all the powers and shall do all things that are necessary or expedient to protect the rights and interests of the policyholders, insureds and creditors and to conserve the assets of the provincial company.

(3) For the purposes of carrying out duties pursuant to this section, the Superintendent may appoint one or more persons to manage the business and affairs of the provincial company, and each person so appointed is a representative of the Superintendent.

(4) The Superintendent may fix the remuneration and expenses of a person appointed pursuant to subsection (3), other than a person who is employed in the public service of Saskatchewan or by a public agency as defined in *The Financial Administration Act, 1993*.

(5) Subject to subsection (6), the directors shall not exercise any of their powers or perform any of their duties or functions while the assets of the provincial company are under the possession and control of the Superintendent, except to the extent that they are requested to do so in writing by the Superintendent.

(6) Each director, officer and employee of a provincial company shall give the Superintendent and any person appointed by the Superintendent pursuant to subsection (3) all information and assistance that they require in the exercise of their powers and the performance of their duties and functions pursuant to this section.

2015, c.I-9.11, s.9-12.

Powers of Superintendent – extraprovincial company

9-13(1) If the Superintendent takes possession and control of the assets of an extraprovincial company in Saskatchewan pursuant to section 9-11, the Superintendent holds and controls those assets on behalf of the regulatory authority from the jurisdiction in which the company was incorporated.

(2) Subject to subsection (3), the directors shall not exercise any of their powers or perform any of their duties or functions with respect to the assets of the extraprovincial company in Saskatchewan while those assets are under the possession and control of the Superintendent, except to the extent that they are requested to do so in writing by the Superintendent.

(3) Each director, officer and employee of an extraprovincial company shall give the Superintendent all information and assistance that the Superintendent requires in the exercise of the Superintendent's powers and the performance of the Superintendent's duties and functions pursuant to this section.

2015, c.I-9.11, s.9-13.

Application to the court

9-14 Notwithstanding any other provision of this Act, if the Superintendent has taken possession and control of the assets of a provincial company pursuant to section 9-11, the Superintendent may apply to the court for an order:

(a) authorizing another person to conduct the business of the company on the terms and conditions the court considers appropriate;

(b) authorizing and directing the sale of the assets of the company in whole or in part;

(c) staying any civil proceedings against the company while the Superintendent is in possession and control of the assets of the company; or

(d) authorizing or directing any other action the court considers appropriate and in the best interests of the policyholders or shareholders.

2015, c.I-9.11, s.9-14.

Termination of possession and control

9-15(1) If the Superintendent is of the opinion that a provincial company whose assets are under the Superintendent's possession and control meets the requirements of this Act and that it is otherwise proper for the company to resume possession and control of its assets and the conduct of its business, the Superintendent may:

(a) cancel the order issued pursuant to section 9-11 respecting the provincial company; and

(b) restore to the provincial company the possession and control of its assets.

(2) If the Superintendent is of the opinion that further efforts to rehabilitate a provincial company whose assets are under the Superintendent's possession and control would be futile, the Superintendent may:

(a) apply to the court for an order liquidating and dissolving the company; or

(b) do the following:

(i) cancel the order issued pursuant to section 9-11 respecting the provincial company; and

(ii) restore to the provincial company the possession and control of its assets in order that the company may engage in a course of action agreed to by the provincial company and the Superintendent.

(3) If the regulatory authority of the jurisdiction in which an extraprovincial company has been incorporated advises the Superintendent that it is no longer necessary for the Superintendent to have possession and control of the assets of the company in Saskatchewan, the Superintendent may:

(a) cancel the order made pursuant to section 9-11 respecting the extraprovincial company; and

(b) restore to the extraprovincial company the possession and control of the assets of that company in Saskatchewan.

2015, c.I-9.11, s.9-15.

Company liable for expenses of Superintendent

9-16(1) If the Superintendent has taken possession and control of the assets of a provincial company or a extraprovincial company pursuant to this Division, the provincial company or extraprovincial company is liable to the Crown in right of Saskatchewan for the expenses incurred by or on behalf of the Superintendent in carrying out the Superintendent's powers and responsibilities pursuant to this Division.

(2) The Superintendent's expenses mentioned in subsection (1) are a debt due to and recoverable by the Crown in right of Saskatchewan and may be recovered in any manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

2015, c.I-9.11, s.9-16.

DIVISION 4
Offences, Penalties and Enforcement

Offences and penalties

9-17(1) No person shall:

(a) make a false or misleading statement in any application or in any proceeding or in response to any audit, examination, inspection or investigation;

(b) provide false, misleading or incomplete information to the Superintendent or to an insurance council whether the information is required pursuant to this Act or the regulations or is volunteered;

(c) wilfully make any false or deceptive statement in any register, book of account, accounting record, minute, financial statement or other record or document respecting the affairs of a licensed insurer;

(d) being a director, officer or employee of a licensed insurer or a member or employee of a firm of accountants appointed as the auditor of a provincial company:

(i) prepare, sign, approve or concur in any register, book of account, accounting record, minute, financial statement or other record or document respecting the affairs of the insurer, or any statement, return, report or reply to the Superintendent or an insurance council, that the person knows to contain a false or deceptive statement; or

(ii) use a record or document mentioned in subclause (i) with intent to deceive or mislead any person;

(e) solicit insurance on behalf of an unlicensed insurer;

(f) fail to comply with any compliance undertaking given to the Superintendent or to an insurance council;

(g) contravene any term or condition of a licence or a restriction imposed on a licence;

(h) being a licensed insurer, publish or circulate a statement purporting to show that the financial condition of the insurer differs from the financial condition shown by the statement filed with the Superintendent;

(i) represent 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 by the Superintendent of the insurer or of its ability to provide for the payment of its contracts at maturity; or

(j) contravene any provision of this Act, the regulations or an order made pursuant to this Act.

(2) Every person who contravenes subsection (1) is guilty of an offence and 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 body corporate, a fine not exceeding $1,000,000.

(3) If a body corporate commits an offence pursuant to this Act or the regulations, any officer or director of the body corporate 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 body corporate has been prosecuted or convicted.

(4) If an unincorporated association commits an offence pursuant to this Act or the regulations, every person acting in a similar capacity or performing similar functions to a director, officer and chief agent of a body corporate in an unincorporated association 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 unincorporated association has been prosecuted or convicted.

2015, c.I-9.11, s.9-17.

Special penalties re late reports, returns or statements

9-18(1) Any person who defaults in making, delivering or filing a report, return or statement required pursuant to this Act or the regulations is liable to a penalty of $1,000 plus $100 for each day or part of a day after the first 10 days during which the default continues.

(2) Every licensed insurer and every managing 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 person 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 any manner authorized by *The Financial Administration Act, 1993* or in any other manner authorized by law.

2015, c.I-9.11, s.9-18.

Compliance orders and restitution

9-19(1) If a 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*.

2015, c.I-9.11, s.9-19.

Limitation on prosecution

9-20 No prosecution for a contravention of this Act or the regulations is to be commenced more than three years after the date on which the facts on which the alleged contravention is based first came to the knowledge of the Superintendent.

2015, c.I-9.11, s.9-20.

Administrative penalties

9-21(1) If the Superintendent is satisfied that a person has contravened a provision of this Act or the regulations, 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) Before assessing a penalty against a person, the Superintendent shall provide written notice to 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 the person's right to make representations to the Superintendent.

(3) No penalty is to be assessed by the Superintendent more than three years after the act or omission that renders the person liable for a penalty first came to the knowledge of the Superintendent.

(4) A person to whom notice is sent pursuant to subsection (2) may make representations to the Superintendent respecting whether a penalty should be assessed and the amount of any penalty.

(5) Representations pursuant to subsection (4) must be made within 30 days after the person received the notice pursuant to subsection (2).

(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 a copy of his or her decision pursuant to subsection (6) on the person.

(8) The Superintendent may file in the court a certificate signed by the Superintendent and setting out:

(a) the amount of the penalty assessed pursuant to subsection (6); and

(b) the person from whom the penalty is to be recovered.

(9) A certificate filed pursuant to this section has the same force and effect as if it were a judgment obtained in the court for the recovery of a debt in the amount set out in the certificate, together with reasonable costs and charges with respect to its filing.

(10) 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.

(11) The Superintendent may assess a penalty pursuant to this section notwithstanding that the facts and circumstances giving rise to the penalty arose due to the actions of an employee, contractor or agent of the person required to pay the penalty.

2015, c.I-9.11, s.9-21; 2018, c 14, s.22.

Compliance undertakings

9-22(1) The following may provide a compliance undertaking:

(a) a person:

(i) who is not complying with this Act or the regulations;

(ii) whose activities or failure or neglect to undertake any activities will result in that person not complying with this Act or the regulations;

(iii) whose activities or failure or neglect to undertake any activities will harm the interests of consumers;

(iv) whose activities or failure or neglect to undertake any activities will result in that person not complying with an undertaking given pursuant to this Act;

(v) whose activities or failure or neglect to undertake any activities will result in that person not complying with prescribed industry guidelines;

(b) a provincial company that is committing any act or pursuing any course of conduct that places the company in a position where it is carrying on business in an unsound manner.

(2) A compliance undertaking must be in writing, and binds the person or provincial company from the time it is approved by the Superintendent.

(3) As long as the person or provincial company that is the subject of a compliance undertaking complies with the terms of the undertaking, no prosecution pursuant to this Act shall be brought and the Superintendent shall not make an order or take other action pursuant to this Act against the person or company with respect to the matters that gave rise to the undertaking.

(4) The fact that a compliance undertaking is entered into does not prevent the Superintendent from making orders or taking other action pursuant to this Act against the person or provincial company:

(a) on matters not covered by the undertaking;

(b) on matters covered by the undertaking if the undertaking is not complied with; or

(c) on matters covered by the undertaking if all the facts related to the matters covered by the undertaking were not known by the Superintendent at the time the undertaking was entered into.

(5) The Superintendent may, on the request of the person or provincial company that is the subject of a compliance undertaking, approve an amendment of the terms of the undertaking.

2015, c.I-9.11, s.9-22.

Power of Superintendent to order compliance

9-23(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 circumstances mentioned in subsection 9-22(1) exist.

(2) Subject to section 10-11, 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 cease failing or neglecting to do an act;

(b) comply with this Act or the regulations;

(c) do or refrain from doing any other thing that the Superintendent considers necessary.

(3) In accordance with subsection 10-11(8), if a provincial company has a substantial investment in a body corporate and the Superintendent is satisfied that the body corporate is carrying on business in an unsound manner, the Superintendent may issue a temporary order to the provincial company to do any of the following:

(a) dispose of the substantial investment within a period specified in the notice;

(b) cease doing any act or pursuing any course of conduct specified in the notice;

(c) perform acts specified in the notice that, in the Superintendent's opinion, are necessary to remedy the situation.

(4) If the Superintendent issues a temporary order pursuant to subsection (3), the Superintendent shall give written notice to the provincial company of the temporary order.

(5) If an order pursuant to this section would require compliance by a subsidiary whose business activities are regulated by or under or are otherwise subject to supervision pursuant to *The Trust and Loan Corporations Act, 1997* or *The Securities Act, 1988*, the Superintendent shall not issue a temporary order pursuant to subsection (3) without prior notice in writing to the Superintendent responsible for the administration of *The Trust and Loan Corporations Act, 1997* or the chairperson of the Authority, as the case may be.

2015, c.I-9.11, s.9-23.

Power of court to order compliance

9-24(1) If the Superintendent is of the opinion that a person has failed to comply with this Act, the regulations or an order made pursuant to 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, the regulations or an order made pursuant to this Act, or restraining that person from contravening this Act, the regulations or an order made pursuant to this Act;

(b) if the person is a body corporate, an order directing the directors and officers of the body corporate to comply with this Act, the regulations or an order made pursuant to this Act, or restraining those directors and officers from contravening this Act, the regulations or an order made pursuant to this Act;

(c) an order directing the person to comply with any consent, approval, order, undertaking or term or condition, or restraining the person from contravening the approval, order, undertaking or term or condition;

(d) if the person is a body corporate, an order directing the directors and officers of the body corporate to cause the body corporate to comply with or to cease contravening any approval, order, undertaking or term or condition;

(e) 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.

2015, c.I-9.11, s.9-24.

Costs

9-25(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, subject to section 10-11, 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 person 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) Subject to the regulations, if a person is convicted of an offence pursuant to this Act, the Superintendent may, subject to section 10-11, order the person to pay 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 with the court pursuant to subsection (5) 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 legal fees to the Superintendent, notwithstanding that the Superintendent was represented by a member of the public service of Saskatchewan.

2015, c.I-9.11, s.9-25.

DIVISION 5
Regulations

Regulations for Part

9-26 The Lieutenant Governor in Council may make regulations:

(a) respecting the conduct of insurance compliance self-evaluative audits for the purposes of subsection 9-5(2);

(b) **Repealed.** 2018, c14, s.23.

(c) prescribing industry guidelines for the purposes of subclause 9-22(1)(a)(v);

(d) respecting costs for proceedings for the purposes of section 9-25;

(e) prescribing any matter or thing that is required or authorized by this Part to be prescribed in the regulations;

(f) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Part.

2015, c.I-9.11, s.9-26; 2918, c14, s.23.

PART X
General Provisions

DIVISION 1
Superintendent and Registers

Superintendent of Insurance

10-1(1) The minister may appoint:

(a) a Superintendent of Insurance; and

(b) one or more Deputy Superintendents of Insurance.

(2) The Superintendent may delegate to any person the exercise of any powers given to the Superintendent and the fulfilling of any responsibilities imposed on the Superintendent pursuant to this Act or any other Act.

(3) The Superintendent may impose any terms and conditions on a delegation pursuant to this section that the Superintendent considers appropriate.

(4) 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.

(5) A Deputy Superintendent of Insurance may exercise all the powers and fulfil all the duties of the Superintendent.

(6) The Superintendent, a Deputy Superintendent of Insurance or any officer or employee in the office of the Superintendent shall not, directly or indirectly, be interested as a shareholder in any insurer doing business in Saskatchewan.

2015, c.I-9.11, s.10-1.

Responsibilities of Superintendent

10-2 Subject to any directions of the minister, the Superintendent shall:

(a) supervise the business of insurance within Saskatchewan;

(b) administer and enforce this Act and the regulations; and

(c) examine and report to the minister on all matters connected with insurance.

2015, c.I-9.11, s.10-2.

Guidelines and interpretation bulletins

10-3 The Superintendent may issue guidelines and interpretation bulletins respecting the interpretation or application of this Act and the regulations.

2015, c.I-9.11, s.10-3.

Experts

10-4(1) The Superintendent may retain any person the Superintendent considers to be an expert 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.

2015, c.I-9.11, s.10-4.

Insurance Register

10-5(1) In this section and in sections 10-6 to 10-9, **"Insurance Register"** means the Insurance Register required to be maintained pursuant to this section.

(2) Subject to section 10-6, the Superintendent shall maintain a register to be known as the Insurance Register.

(3) The Insurance Register must contain the following information with respect to each licensed insurer:

(a) the name of the insurer;

(b) all terms, conditions and restrictions imposed on the licence of the insurer;

(c) the classes of insurance that the insurer is authorized to carry on in Saskatchewan;

(d) the name and address of the insurer's attorney for service;

(e) the address of the insurer's chief office in Saskatchewan;

(f) information on any suspension or cancellation of the licence of the insurer;

(g) any compliance undertaking provided by the insurer;

(h) in the case of an insurer that is a reciprocal insurance exchange, the name and address of its principal attorney;

(i) any other prescribed information.

(4) The Insurance Register must contain the following information with respect to each special broker:

(a) the name and business address of the special broker;

(b) the classes of insurance with respect to which the special broker is authorized to transact business;

(c) information on any suspension or cancellation of the licence of a special broker;

(d) any other prescribed information.

(5) The Insurance Register must contain the following information with respect to each licensed insurance agent, managing general agent, insurer's representative as defined in Part V and adjuster:

(a) the name and business address of the insurance agent, managing general agent, insurer's representative or adjuster;

(b) all terms and conditions imposed on a licence;

(c) in the case of an insurance agent, managing general agent or insurer's representative, the classes of insurance with respect to which the insurance agent, managing general agent or insurer's representative is authorized to transact business;

(d) the name and business address of any designated representative of the insurance agent, managing general agent or adjuster;

(e) information on any suspension or cancellation of a licence;

(f) any compliance undertaking provided by the insurance agent, managing general agent, insurer's representative or adjuster;

(g) any other prescribed information.

(6) The Insurance Register must contain the following information with respect to each restricted licensee as defined in Division 4 of Part V:

(a) the name and business address of the restricted licensee;

(b) all terms and conditions imposed on the licence of the restricted licensee;

(c) the classes of insurance with respect to which the restricted licensee is authorized to transact business;

(d) the name and business address of any designated representative of the restricted licensee;

(e) information on any suspension or cancellation of the licence;

(f) any compliance undertaking provided by a restricted licensee;

(g) any other prescribed information.

(7) The Insurance Register must contain the prescribed information respecting third party administrators.

2015, c.I-9.11, s.10-5; 2-18, c14, s.24.

Insurance council to maintain all or part of Insurance Register

10-6 If the duty to maintain all or part of the Insurance Register is delegated to an insurance council pursuant to section 5-84, the insurance council shall maintain the Insurance Register or that part delegated to it in accordance with any terms and conditions that are imposed on the delegation.

2015, c.I-9.11, s.10-6.

Form of Insurance Register

10-7 The Insurance Register must be maintained in any form that the Superintendent considers to be appropriate to permit copies of it to be made.

2015, c.I-9.11, s.10-7.

Inspection and copies of Insurance Register

10-8 On the request of any person, the Superintendent shall:

(a) allow the person to inspect the information in the Insurance Register; and

(b) provide a copy of the information in the Insurance Register on payment of the prescribed fee.

2015, c.I-9.11, s.10-8.

Inspection and copies – Insurance Register maintained by insurance council

10-9 If the duty to maintain all or part of the Insurance Register has been delegated to an insurance council pursuant to section 5-84, the insurance council shall, on the request of any person:

(a) allow the person to inspect the information in the Insurance Register or that part of the Insurance Register that it maintains; and

(b) provide a copy of the information in the Insurance Register or that part of the Insurance Register that it maintains on payment of the prescribed fee.

2015, c.I-9.11, s.10-9.

Proceedings before Superintendent

10-10(1) In this section, **"record"** includes any information that is recorded or stored in any medium or by means of any device, including a computer or electronic media.

(2) For the purpose of carrying out an inspection or investigation pursuant to this Act or of carrying out any proceeding before the Superintendent, the Superintendent has the same power as is vested in the court for the trial of civil actions:

(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.

(3) If a person summoned as a witness pursuant to subsection (2) 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.

(4) The Superintendent may accept any evidence the Superintendent considers appropriate and is not bound by the rules of law concerning evidence.

(5) In determining any matter, the Superintendent may consider any relevant information obtained by the Superintendent in addition to information provided by the parties, if he or she first informs the parties of the additional information and gives them an opportunity to explain or refute it.

(6) The Superintendent may fix the rules, forms and procedures to be followed in proceedings before the Superintendent.

(7) A person attending a proceeding before the Superintendent may be represented by a lawyer or agent at that person's own expense.

(8) 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.

2015, c.I-9.11, s.10-10.

Opportunity to be heard

10-11(1) In this section, **"action"** means the Superintendent:

(a) refusing to issue a licence;

(b) amending terms or conditions imposed on a licence;

(c) imposing new terms or conditions on a licence;

(d) suspending or cancelling a licence;

(e) revoking a class of insurance; or

(f) doing any other thing that this Act specifies is subject to this section.

(2) Before taking an action, the Superintendent shall serve notice on the person who is the subject of the proposed action:

(a) setting out the action proposed to be taken by the Superintendent and the reasons for that action; and

(b) informing the person of the person's right to make representations to the Superintendent on why the action should not be taken.

(3) A person on whom a notice is served pursuant to subsection (2) may, within 15 days after being served, advise the Superintendent that:

(a) the person requests an oral hearing; or

(b) the person intends to make written representations to the Superintendent respecting why the action should not be taken.

(4) A person requesting an oral hearing pursuant to clause (3)(a) shall, within seven days after requesting the hearing, contact the Superintendent and arrange a date, time and place for the hearing.

(5) Written representations pursuant to clause (3)(b) must be received by the Superintendent within 30 days after the person is served with the notice pursuant to subsection (2).

(6) The Superintendent may take the actions stated in the notice without considering any representations of the person if the person fails to:

(a) advise the Superintendent in accordance with subsection (3);

(b) meet the requirements of subsection (4) or (5) within the required time; or

(c) appear on the date and at the time and place arranged for the hearing without the prior approval of the Superintendent.

(7) Nothing in this section requires the Superintendent to give an oral hearing to any person who has made written representations in accordance with this section.

(8) Notwithstanding subsection (2), if the Superintendent considers that it is necessary and in the public interest to take immediate action, the Superintendent may immediately take any action without giving the person an opportunity to be heard, but the Superintendent shall give the person an opportunity to make written representations or attend a hearing before the Superintendent within 15 days after the date on which the Superintendent takes the action.

(9) If, with respect to any matter, the Superintendent has made a temporary order pursuant to subsection 9-23(4) or has made an order or decision as a result of taking an action pursuant to subsection (8), that order or decision remains in force until the Superintendent makes a final decision respecting that matter pursuant to this section.

(10) On holding a hearing or receiving a person's written representations pursuant to this section, the Superintendent shall, within a reasonable period:

(a) consider the submissions and make a decision;

(b) notify the person, in writing, of the Superintendent's decision;

(c) provide written reasons for the Superintendent's decision; and

(d) provide the person with information respecting the right of appeal pursuant to this Part.

(11) If a person fails to provide written representations, request a hearing or attend a hearing, the Superintendent may make any order that the Superintendent considers appropriate.

2015, c.I-9.11, s.10-11.

Extension of time

10-12(1) If something is required to be done pursuant to this Act or the regulations within a certain period, the Superintendent may, on written application of the person who must do the thing made before the expiration of the period, extend the time within which the thing must be done.

(2) Anything done at or within the time specified in an order pursuant to subsection (1) is valid as if it had been done at or within the time fixed by or pursuant to this Act or the regulations.

2015, c.I-9.11, s.10-12.

Power to require affidavits or declarations re documents or facts

10-13(1) The Superintendent may require that a document or a fact stated in a document required by this Act or the regulations to be sent to the Superintendent be verified by affidavit or declaration.

(2) For the purposes of this Act, the Superintendent may administer oaths and affirmations and take and receive affidavits and declarations.

2015, c.I-9.11, s.10-13.

Actions by Superintendent

10-14 The Superintendent may bring actions and institute proceedings in the name of the Superintendent's office to enforce any provision of this Act or the regulations or to recover fees and penalties payable pursuant to this Act or the regulations.

2015, c.I-9.11, s.10-14.

Actions on behalf of consumers

10-15(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, insurance agent, third party administrator, restricted licensee as defined in Division 4 of Part V, managing general 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, insurance agent, third party administrator, restricted licensee as defined in Division 4 of Part V, managing general 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) commence or assume the conduct of any actions or proceedings; or

(b) defend any actions or proceedings.

(3) With respect to actions or proceedings mentioned in subsection (2):

(a) the Superintendent, on behalf of the consumer, has the same rights in and control over the actions or proceedings that the consumer has, including the right to settle all or part of any action or proceeding;

(b) the Superintendent may conduct the actions or 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 must be paid to the consumer;

(d) in the case of costs awarded against:

(i) the insurer, insurance agent, third party administrator, restricted licensee as defined in Division 4 of Part V, managing general agent or adjuster, the costs are the property of the Superintendent and must be paid to the Superintendent; or

(ii) the consumer or the Superintendent, the Superintendent shall pay the costs.

(4) If a party to actions or proceedings mentioned in this section files a counterclaim and the counterclaim is not related to the actions or 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.

2015, c.I-9.11, s.10-15.

Duty to provide notice to Superintendent

10-16(1) No provincial company or any other prescribed person or class of persons shall fail to immediately inform the Superintendent in writing of any prescribed action or proceeding.

(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 company or other person mentioned in subsection (1) shall fail to provide the Superintendent with a copy of any order or judgment of the court in a prescribed action or proceeding within one day after the order or judgment is made.

2015, c.I-9.11, s.10-16.

Publication by Superintendent

10-17(1) The Superintendent may publish notices, reports, results of hearings, sanctions, decisions, orders and any other matter considered by the Superintendent to be in the public interest.

(2) The Superintendent may prepare and publish a statistical report respecting the insurance undertaken by each licensed insurer during the previous year.

2015, c.I-9.11, s.10-17.

Superintendent's power re report

10-18 In the statistical report prepared pursuant to subsection 10-17(2), the Superintendent:

(a) shall:

(i) include the particulars of the business of each licensed insurer as ascertained from each return filed by the insurer and each inspection and inquiry of the insurer;

(ii) allow as assets only those investments of any provincial company or reciprocal insurance exchange that:

(A) are authorized by this Act; or

(B) were authorized by law at the time of their acquisition; and

(iii) 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.

2015, c.I-9.11, s.10-18.

Forms

10-19(1) The Superintendent may approve forms for the purposes of this Act and the regulations.

(2) If the Superintendent approves a form pursuant to subsection (1), that form must be used for the purposes of this Act and the regulations.

(3) The Superintendent may approve electronic forms for any purposes pursuant to this Act and the regulations.

2015, c.I-9.11, s.10-19.

DIVISION 2
Special Matters related to the Superintendent

Power of Superintendent to review, rescind, amend or vary orders

10-20(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.

2015, c.I-9.11, s.10-20.

Defamation

10-21(1) No person, including the Superintendent, an employee in the office of the Superintendent, an insurance council, a member of an insurance council or an employee 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 or the regulations.

(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 or the regulations.

2015, c.I-9.11, s.10-21.

Immunity

10-22(1) No action or other proceeding lies or shall be commenced against:

(a) the Crown in right of Saskatchewan;

(b) the minister;

(c) the Superintendent or any person employed in the office of the Superintendent;

(d) any representative of the Superintendent;

(e) 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 the regulations;

(f) the Authority or any person employed or engaged by the Authority; or

(g) an insurance council, any member of an insurance council or any person acting under the authority of a council;

if the person mentioned in clause (a), (b), (c), (d), (e), (f) or (g) 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 action or other proceeding lies or shall be commenced 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.

2015, c.I-9.11, s.10-22.

No liability re disclosures or statements to Superintendent

10-23 No action or proceeding lies or shall be commenced against a person who in good faith makes an oral or written statement or disclosure to any person mentioned in section 10-22 that is relevant to the responsibilities of the person to whom the statement or disclosure is made.

2015, c.I-9.11, s.10-23.

Superintendent and others not compellable to give evidence

10-24(1) In this section, **"Superintendent"** includes:

(a) a Deputy Superintendent;

(b) a person employed in the office of the Superintendent;

(c) any representative of the Superintendent; and

(d) 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.

(2) Except in the case of a prosecution respecting a contravention of this Act, the Superintendent, an insurance council 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 or insurance council 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.

(3) Any information, document, record, statement or other thing concerning a person licensed or applying for a licence pursuant to this Act that is made or disclosed to the Superintendent by a person other than the person licensed or applying for a licence is privileged and may not be used as evidence in any civil or administrative proceeding brought by or on behalf of the person licensed or applying for a licence.

2015, c.I-9.11, s.10-24.

DIVISION 3
Service

Subdivision 1
Attorney for Service

Attorney for service

10-25(1) Every licensed insurer shall appoint an attorney for service who is a resident of Saskatchewan.

(2) Service of any notice or document in a legal action or proceeding on a licensed insurer may be effected by:

(a) leaving a copy of the notice or document with the attorney for service;

(b) leaving a copy of the notice or document with an individual at the address of its attorney for service; or

(c) sending the notice or document by registered mail to the address mentioned in clause (b).

(3) A notice or document served in accordance with clause (2)(c) is deemed to have been received on the fifth business day following the date of its mailing, unless the attorney for service establishes that, through no fault of the attorney for service, the attorney for service did not receive the notice or document or received it at a later date.

(4) Every licensed insurer shall ensure that its attorney for service's office is open during normal business hours.

2015, c.I-9.11, s.10-25.

Filing of copy of document appointing attorney

10-26(1) Every licensed insurer shall file with the Superintendent:

(a) the appointment of its attorney for service; and

(b) the consent of the individual to act as the attorney for service.

(2) A copy, certified by the Superintendent, of a document filed pursuant to clause (1)(a) 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 document to act as the insurer's attorney for service for the purposes of this Act.

2015, c.I-9.11, s.10-26.

Service on attorney is binding

10-27 Service of notices or documents on the licensed insurer's attorney for service is binding on the licensed insurer.

2015, c.I-9.11, s.10-27.

Attorney for service's change of address

10-28 An attorney for service who changes addresses shall, before the change occurs, notify the Superintendent of the date of the change and the new address.

2015, c.I-9.11, s.10-28.

Change in attorney for service

10-29(1) If the attorney for service of a licensed insurer dies or resigns or if an insurer revokes the appointment of its attorney for service, the insurer shall, within five business days, file with the Superintendent:

(a) the appointment of its new attorney for service; and

(b) the consent of the individual to act as the attorney for service.

(2) An attorney for service of a licensed insurer who intends to resign shall:

(a) give not less than 60 days' notice to the insurer; and

(b) send a copy of the notice to the Superintendent.

2015, c.I-9.11, s.10-29.

If no attorney for service - service on Superintendent

10-30(1) If a licensed insurer does not have a head office or an attorney for service in Saskatchewan, service on the insurer of a notice or document may be made by:

(a) leaving two copies of the notice or document in the Superintendent's office; or

(b) forwarding those copies to the Superintendent by registered mail.

(2) Service pursuant to subsection (1) is deemed service on:

(a) the licensed insurer in the case of a body corporate; and

(b) on members of the licensed insurer in the case of an unincorporated body or association.

(3) Immediately after being served pursuant to this section, the Superintendent shall forward one copy of the document to the licensed insurer by registered mail addressed to the last known address of the insurer in the records of the Superintendent.

2015, c.I-9.11, s.10-30.

Subdivision 2
General

Service

10-31(1) Unless otherwise provided in this Act, any notice or other document that is required to be served pursuant to this Act or the regulations 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 mail addressed to the last address of the person to be served known to the Superintendent;

(c) 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; or

(d) by any other prescribed means.

(2) A notice or document sent by registered mail is deemed to have been served on the fifth business day following the date of its mailing unless the person to whom it was mailed establishes that, through no fault of his or her own, the person did not receive the notice or document or received it at a later date.

(3) Service of a notice or document by any other prescribed means is to be proved in the prescribed manner.

(4) 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 with any person appearing to have authority to accept the notice or document;

(b) by registered mail addressed to the office of the Superintendent; or

(c) by any other prescribed means.

(5) If the Superintendent is unable to effect service by the methods set out in subsection (1) after making reasonable efforts to do so, the Superintendent may serve a notice or document by publishing it in a newspaper of general circulation in the area in which the person to be served was last known to reside.

(6) Service of any notice or document may be proved by affidavit or oral evidence of the person claiming to have served it.

2015, c.I-9.11, s.10-31.

Service on Superintendent

10-32(1) If a notice or document in any action or proceeding in Saskatchewan is to be served on a licensed insurer that is an extraprovincial company or a federally authorized company, it may be served on:

(a) the licensed insurer's attorney for service appointed pursuant to section 10-25; or

(b) if the licensed insurer has not appointed an attorney for service, the Superintendent.

(2) If a notice or document is to be served on the Superintendent pursuant to clause (1)(b), it may be served by:

(a) leaving two copies of the notice or document in the Superintendent's office; or

(b) forwarding those copies to the Superintendent by registered mail.

(3) Service on the Superintendent in accordance with this section is deemed to be service on the extraprovincial company or federally authorized company.

(4) If a notice or document is served on the Superintendent pursuant to this section, the Superintendent shall immediately forward the notice or document by registered mail to the extraprovincial company or federally authorized company at its last address contained in the records of the Superintendent.

2015, c.I-9.11, s.10-32.

DIVISION 4
Appeals

Appeal of decision or order of Superintendent

10-33(1) Any person affected by a decision or order of the Superintendent may appeal the decision or order to the appeal panel.

(2) A notice of appeal must be in writing and must be served on the Superintendent and filed with the chairperson of the Authority within:

(a) 30 days after the date of the Superintendent's decision or order; or

(b) any other period that this Act specifies.

2015, c.I-9.11, s.10-33.

Appeal of decision or order of insurance council

10-34(1) A decision or order made by an insurance council or a committee of an insurance council pursuant to Part V may be appealed to the appeal panel by:

(a) an applicant who has been refused a licence or endorsement if the Superintendent's powers to issue or refuse a licence have been delegated to the insurance council;

(b) an applicant or licensee whose licence or endorsement is made subject to any limitation, restriction, term or condition or any new, additional or amended limitation, restriction, term or condition if the Superintendent's powers to impose limitations, restrictions, terms and conditions on licences or endorsements have been delegated to the insurance council;

(c) an applicant who has been refused reinstatement of a licence or an endorsement if the Superintendent's powers to reinstate licences or endorsements have been delegated to the insurance council;

(d) a licensee whose licence has been suspended or cancelled if the Superintendent's powers to suspend or cancel licences or endorsements have been delegated to the insurance council; or

(e) a person required to pay a penalty or costs assessed in accordance with the regulations.

(2) A notice of appeal must be in writing and must be served on the insurance council and the Superintendent and filed with the chairperson of the Authority within 30 days after the date of the insurance council's decision or order.

2015, c.I-9.11, s.10-34.

Extension of time

10-35 A person mentioned in subsection 10-33(1) or 10-34(1) may apply to the appeal panel for an extension of the time within which an appeal may be commenced, and the appeal panel may, if the appeal panel considers it reasonable to do so, make an order extending the time within which the appeal may be commenced.

2015, c.I-9.11, s.10-35.

Notice of appeal

10-36(1) A written 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 Superintendent's or insurance council's decision or order, as the case may be; 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.

(2) If, in the opinion of the appeal panel, a person fails to provide information required pursuant to subsection (1), the appeal panel 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 appeal panel may dismiss the appeal.

(3) Within five business days after receiving the notice of appeal, the appeal panel shall fix a date and place for hearing the appeal.

(4) After receiving a notice of appeal pursuant to subsection (1), the Superintendent or insurance council, as the case may be, shall as soon as is reasonably possible provide to the appeal panel a copy of:

(a) any information, evidence or material the Superintendent or insurance council relied on or considered in making the decision or order that is the subject of the notice of appeal;

(b) the transcript of any hearing conducted by the Superintendent or insurance council respecting the decision or order that is the subject of the notice of appeal;

(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 Superintendent or insurance council.

(5) The Superintendent or insurance council, as the case may be, shall provide to the appellant or the appellant's lawyer or agent a copy of the documents provided to the appeal panel pursuant to subsection (4) if the appellant or the appellant's lawyer or agent pays to the Superintendent or insurance council, as the case may be, the reasonable costs of making and providing a copy.

2015, c.I-9.11, s.10-36.

Rules re appeals

10-37(1) Subject to subsection (2), the appeal panel shall determine the appeal on the basis of:

(a) the notice of appeal;

(b) any information provided pursuant to subsection 10-36(2); and

(c) the materials provided pursuant to subsection 10-36(4).

(2) If the appellant or the appellant's lawyer or agent applies to the appeal panel to present new or additional evidence, the appeal panel may authorize the appellant to introduce the new or additional evidence.

(3) If the appellant or the appellant's lawyer or agent presents new or additional evidence during the hearing of an appeal, the appeal panel may, if it considers it to be appropriate to do so:

(a) consider the new or additional evidence;

(b) exclude the new or additional evidence;

(c) direct a new hearing by the Superintendent or the insurance council on the basis of the new or additional evidence and the materials mentioned in subsection 10-36(2); or

(d) direct further inquiries by the Superintendent or the insurance council.

(4) On an appeal pursuant to sections 10-33 and 10-34, the appeal panel may do any of the following:

(a) dismiss the appeal;

(b) allow the appeal;

(c) direct a new hearing or further inquiries by the Superintendent or the insurance council;

(d) vary the decision or order of the Superintendent or the insurance council;

(e) substitute the appeal panel's own decision for the decision of the Superintendent or the insurance council;

(f) in the case of an appeal pursuant to section 10-34, order the insurance council to issue or reinstate the licence or endorsement;

(g) if applicable, vary any terms and conditions imposed by the Superintendent or insurance council on the appellant's licence or endorsement;

(h) make any order as to costs that the appeal panel considers appropriate.

(5) The Superintendent is entitled to be heard, by a lawyer or otherwise, at the hearing of an appeal pursuant to section 10-33 or 10-34 and on any application connected with the appeal.

(6) The insurance council is entitled to be heard, by a lawyer or otherwise at the council's own expense, at the hearing of an appeal pursuant to section 10-34 and on any application connected with the appeal.

(7) The appeal panel shall provide a decision, in writing, including the reasons for the decision to:

(a) in the case of an appeal pursuant to section 10-33, the appellant and the Superintendent; and

(b) in the case of an appeal pursuant to section 10-34, the appellant, the insurance council and the Superintendent.

(8) The commencement of an appeal pursuant to section 10-33 or 10-34 does not stay the effect of the decision or order appealed from, but, on five business days' notice to the Superintendent and the insurance council, if applicable, the appellant may apply to the appeal panel for a stay of the decision or order pending the disposition of the appeal.

2015, c.I-9.11, s.10-37.

Right of appeal

10-38(1) Any person who is directly affected by a decision of the appeal panel pursuant to this Act may appeal the decision to the Court of Appeal on a question of law only.

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

(a) filing a notice of appeal with the Court of Appeal; 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 appeal panel and the Superintendent, and the insurance council, if applicable.

(3) The Superintendent is entitled to appear and be heard at the hearing of an appeal to the Court of Appeal and at any application concerned with that appeal.

(4) At the hearing of an appeal to the Court of Appeal of a decision or order of an insurance council pursuant to section 10-34 and at any application concerned with that appeal, the insurance council is entitled to be heard, by a lawyer or otherwise, at the council's own expense.

(5) An appeal does not stay the appeal panel's decision unless a judge of the Court of Appeal orders otherwise.

(6) On an appeal, the Court of Appeal may do any of the following:

(a) dismiss the appeal;

(b) allow the appeal;

(c) direct a new hearing or further inquiries by the appeal panel;

(d) vary the decision of the appeal panel;

(e) substitute the Court of Appeal's own decision for the decision of the appeal panel;

(f) if applicable, vary any terms and conditions imposed by the appeal panel on the appellant's licence or endorsement;

(g) make any order as to costs that the Court of Appeal considers appropriate.

2015, c.I-9.11, s.10-38.

DIVISION 5
General

Evidence re certificate of Superintendent

10-39(1) 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 or had or had not been granted an endorsement;

(b) that a licence was issued, or an endorsement granted, to a person on a date set out in the certificate;

(c) that the licence or endorsement of a person was suspended, cancelled or reinstated at a particular time;

(d) that a licence issued, or an endorsement granted, to a person was made subject to terms and conditions.

(2) A record certified by the Superintendent to be a copy made pursuant to this Act of any book, record, instrument or document in the office of the Superintendent, or an extract of any of them is admissible in evidence as proof, in the absence of evidence to the contrary, of its content, without proof of the appointment or signature of the person certifying the record.

2015, c.I-9.11, s.10-39.

Restrictions on access to records

10-40(1) Notwithstanding *The Freedom of Information and Protection of Privacy Act*, any information, document or record submitted or provided to the Superintendent or otherwise 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 persons 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, document or record relates, no person employed in the office of the Superintendent and no person authorized by the Superintendent to inspect or have access to the information, document or record shall:

(a) communicate or allow to be communicated any information, document or record obtained pursuant to this Act to any person who is not legally entitled to it; or

(b) allow any person who is not legally entitled to the information, document or record 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, document or record 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 if:

(a) the information, document or record 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 10-41; 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, document or record mentioned in those subsections to or by a law enforcement agency or investigative body inside or outside Canada if:

(a) the information, document or record 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 10-41; 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, document or record mentioned in those subsections to or by an insurance council or its employees, or an equivalent body in another jurisdiction or its employees, if:

(a) the information, document or record 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 10-41; or

(c) the Superintendent believes that it is in the public interest to allow the release, inspection or access.

(6) No person to whom any information, document or record is provided pursuant to this section is compellable to give evidence concerning that information, document or record unless:

(a) the person to whom the information, document or record 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, document or record 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.

2015, c.I-9.11, s.10-40.

Agreements with other jurisdictions

10-41 Subject to the approval of the minister, 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:

(i) 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

(ii) 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.

2015, c.I-9.11, s.10-41.

DIVISION 6
Compensation Associations

Agreements with compensation associations

10-42 Subject to the approval of the Lieutenant Governor in Council, the Superintendent may enter into an agreement with compensation associations relating to a plan for the compensation by compensation associations of policyholders and eligible claimants of insolvent insurers.

2015, c.I-9.11, s.10-42.

Compensation associations

10-43(1) If an entity has been designated in the regulations as a designated compensation association for a class of insurance, every insurer, while licensed to carry on that class of insurance and for 180 days after ceasing to be licensed, shall remain a member of that designated compensation association.

(2) Subsection (1) does not apply to an insurer that is designated in a regulation pursuant to section 10-48 or whose business is limited to that of reinsurance.

2015, c.I-9.11, s.10-43.

Members of compensation association bound by rules, etc.

10-44 Every member of a designated compensation association is bound by the bylaws and memorandum of operation of the compensation association.

2015, c.I-9.11, s.10-44.

Levies by compensation associations

10-45(1) A member of a designated compensation association shall pay to the compensation association all assessments and levies made against the member by the compensation association.

(2) If a member fails to pay an assessment or levy within 30 days after the mailing of the notice of the assessment or levy to the member:

(a) the designated compensation association may claim the amount of the assessment or levy, with interest, as a debt due from the member; and

(b) subject to section 10-11, the Superintendent may suspend the member's licence subject to any terms or conditions the Superintendent considers appropriate.

(3) The debt due pursuant to clause (2)(a) does not cease to be due on the termination of the member's membership.

(4) If an insurer's licence is suspended pursuant to clause (2)(b), the insurer shall cease to carry on business in Saskatchewan in accordance with the terms and conditions of the suspension.

2015, c.I-9.11, s.10-45.

DIVISION 7
OmbudServices

General Insurance OmbudService

10-46(1) Every insurer, while licensed to undertake a prescribed class of insurance, is a member of:

(a) the General Insurance OmbudService incorporated pursuant to the *Canada Not-for-profit Corporations Act*; or

(b) any other entity designated by the Superintendent in substitution for the General Insurance OmbudService.

(2) Every member of the General Insurance OmbudService is bound by the bylaws and memorandum of operation of the General Insurance OmbudService.

(3) A member of the General Insurance OmbudService shall pay to it all assessments and levies made against the member by the General Insurance OmbudService.

(4) If a member fails to pay an assessment or levy within 30 days after the mailing of the notice of the assessment or levy to the member:

(a) the General Insurance OmbudService may claim the amount of the assessment or levy, with interest, as a debt due from the member; and

(b) subject to section 10-11, the Superintendent may suspend the member's licence subject to any terms or conditions the Superintendent considers appropriate.

(5) If an insurer's licence is suspended pursuant to clause (4)(b), the insurer shall cease to carry on business in Saskatchewan in accordance with the terms and conditions of the suspension.

(6) If, pursuant to subsection (1), the Superintendent designates another entity in substitution for the General Insurance OmbudService:

(a) every insurer, while licensed to undertake a prescribed class of insurance, is a member of that entity and is not by virtue of this section a member of the General Insurance OmbudService; and

(b) all references to the General Insurance OmbudService in this section must be read as references to that entity.

2015, c.I-9.11, s.10-46.

OmbudService for Life & Health Insurance

10-47(1) Every insurer, while licensed to undertake a prescribed class of insurance, is a member of:

(a) the Canadian Life and Health Insurance OmbudService incorporated pursuant to the *Canada Not-for-profit Corporations Act* operating as the OmbudService for Life & Health Insurance; or

(b) any other entity designated by the Superintendent in substitution for the OmbudService for Life & Health Insurance.

(2) Every member of the OmbudService for Life & Health Insurance is bound by the bylaws and memorandum of operation of the OmbudService for Life & Health Insurance.

(3) A member of the OmbudService for Life & Health Insurance shall pay to it all assessments and levies made against the member by the OmbudService for Life & Health Insurance.

(4) If a member fails to pay an assessment or levy within 30 days after the mailing of the notice of the assessment or levy to the member:

(a) the OmbudService for Life & Health Insurance may claim the amount of the assessment or levy, with interest, as a debt due from the member; and

(b) subject to section 10-11, the Superintendent may suspend the member's licence subject to any terms or conditions the Superintendent considers appropriate.

(5) If an insurer's licence is suspended pursuant to clause (4)(b), the insurer shall cease to carry on business in Saskatchewan in accordance with the terms and conditions of the suspension.

(6) If, pursuant to subsection (1), the Superintendent designates another entity in substitution for the OmbudService for Life & Health Insurance:

(a) every insurer, while licensed to undertake a prescribed class of insurance, is a member of that entity and is not by virtue of this section a member of the OmbudService for Life & Health Insurance; and

(b) all references to the OmbudService for Life & Health Insurance in this section must be read as references to that entity.

2015, c.I-9.11, s.10-47.

DIVISION 8
Regulations

Regulations

10-48(1) In this section, **"former Act"** means *The Saskatchewan Insurance Act* as that Act existed on the day before the coming into force of section 1-1 of this Act.

(2) The Lieutenant Governor in Council may make regulations:

(a) defining, enlarging or restricting the meaning of any word or expression used in this Act but not defined in this Act;

(b) establishing the classes and subclasses of insurance for the purposes of this Act;

(c) prescribing the documents, reports, statements, agreements and other information required to be filed, provided or delivered pursuant to this Act, and the form and content of them, including authorizing the Superintendent to approve those documents, reports, statements, agreements and other information;

(d) prescribing information to be contained in the Insurance Register;

(e) authorizing the Superintendent to charge and collect from insurers and other persons annual fees, other fees, levies or other assessments, including regulations respecting:

(i) the amount of fees, levies and other assessments;

(ii) the manner in which fees, levies and other assessments are to be determined;

(iii) the manner in which and times at which fees, levies and other assessments must be paid;

(iv) the imposition of interest and penalties for unpaid fees, levies and other assessments; and

(v) the waiving of fees, levies and other assessments;

(f) prescribing fees for the purposes of sections 10-8 and 10-9;

(g) defining "consumer" for the purposes of section 10-15;

(h) prescribing persons, classes of persons, actions and proceedings for the purposes of section 10-16;

(i) prescribing means of service for the purposes of section 10-31;

(j) with respect to any matter governed by this Act:

(i) adopting, as amended from time to time or otherwise, all or any part of any code, standard or guideline;

(ii) amending for the purposes of this Act or the regulations any code, standard or guideline adopted pursuant to subclause (i);

(iii) requiring compliance with a code, standard or guideline adopted pursuant to subclause (i);

(k) respecting any matter or thing that the Lieutenant Governor in Council considers necessary to facilitate the transition from the former Act to this Act, including:

(i) suspending the application of any provision of this Act; and

(ii) declaring that any provisions of the former Act are to apply to persons or any category of persons and respecting the conditions on which provisions of the former Act are to apply;

(l) designating a compensation association that has entered into an agreement with the Superintendent pursuant to section 10-43 as a compensation association for one or more classes of insurance;

(m) prescribing classes of insurance for the purposes of sections 10-46 and 10-47;

(n) designating an insurer as being adequately covered by a plan of compensation other than that provided by reason of membership in a designated compensation association;

(o) authorizing a compensation association to establish and enforce its bylaws, memorandum of association, fees and levies;

(p) exempting licensees or classes of licensees from all or any provision of any bylaws, memorandum of association, fees or levies of a compensation association;

(q) prescribing any other matter or thing that the Lieutenant Governor in Council considers necessary to implement a compensation plan;

(r) prescribing any matter or thing that is required or authorized by this Act to be prescribed in the regulations;

(s) respecting any other matter or thing that the Lieutenant Governor in Council considers necessary to carry out the intent of this Act.

(3) If there is any conflict between the regulations made pursuant to clause (2)(k) and any other provision of this Act or any other Act or law, the regulations made pursuant to that clause prevail.

2015, c.I-9.11, s.10-48; 2018, c14, s.25.

PART XI
Repeal, Consequential Amendments, Transitional and Coming into Force

DIVISION 1
Repeal

R.S.S. 1978, c.S-26 repealed

11-1 *The Saskatchewan Insurance Act* is repealed.

2015, c.I-9.11, s.11-1.

DIVISION 2
Consequential Amendments

S.S. 1988-89, c.A-18.02, section 14 amended

11-2 Section 14 of *The All Terrain Vehicles Act* is amended by striking out "Part VI of *The Saskatchewan Insurance Act*** " and substituting "**Division 3 of Part VIII of *The Insurance Act*** ".**

2015, c.I-9.11, s.11-2.

R.S.S. 1978, c.A-35, new section 84

11-3 Section 84 of *The Automobile Accident Insurance Act* is repealed and the following substituted:

"***The Insurance Act* does not apply**

84(1) *The Insurance Act* does not apply to insurance provided pursuant to this Act.

(2) Insurance provided pursuant to this Act:

(a) is deemed not to be:

(i) other insurance within the meaning of section 8-76 of *The Insurance Act*; or

(ii) a policy of insurance subject to section 8-76 of *The Insurance Act*; and

(b) is deemed not to contain any term to the same or like effect as subsection 8-76(1) or (2) of *The Insurance Act* ".

2015, c.I-9.11, s.11-3.

R.R.S. c.F-22.01 Reg 1, section 12 amended

11-4 Clause 12(j) of *The Freedom of Information and Protection of Privacy Regulations* is repealed and the following substituted:

"(j) section 10-40 of *The Insurance Act* ".

2015, c.I-9.11, s.11-4.

S.S. 1999, c.02 amended

11-5(1) *The Group Medical Services Act, 1999* is amended in the manner set forth in this section.

(2) Section 14 is amended by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***".**

(3) Section 15 is amended by adding "or the Minister of Justice and Attorney General**" after "**the Minister of Health**".**

2015, c.I-9.11, s.11-5.

S.S. 2000, c.L-5.1, section 84 amended

11-6 Paragraph 84(2)(g)(iv)(A) of *The Land Titles Act, 2000* is amended by striking out "title insurance as defined in *The Saskatchewan Insurance Act*" and substituting "**title insurance governed by *The Insurance Act*".**

2015, c.I-9.11, s.11-6.

S.S. 1986, c.02 amended

11-7(1) *The Medical Services Incorporated Act* is amended in the manner set forth in this section.

(2) Section 12 is amended by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***".**

(3) Section 13 is amended by adding "or the Minister of Justice and Attorney General**" after "**the Minister of Health**".**

2015, c.I-9.11, s.11-7.

S.S. 2009, c.M-20.01, section 15 amended

11-8 Clause 15(4)(b) of *The Missing Persons and Presumption of Death Act* is repealed and the following substituted:

"(b) section 8-140 or 8-195 of *The Insurance Act*".

2015, c.I-9.11, s.11-8.

R.S.S. 1978, c.M-23, section 2 amended

11-9 Section 2 of *The Motor Vehicle Insurance Premiums Tax Act* is amended:

(a) in clause (c) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***";**

(b) in clause (d) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***";**

(c) in clause (f) by striking out "Part VI of *The Saskatchewan Insurance Act*" **and substituting "**Division 3 of Part VIII of *The Insurance Act*"; and**

(d) in clause (g) by striking out "Part VI of *The Saskatchewan Insurance Act*" **and substituting "**Division 3 of Part VIII of *The Insurance Act*".**

2015, c.I-9.11, s.11-9.

S.S. 2012, c.S-12.1 amended

11-10(1) *The Saskatchewan Crop Insurance Corporation Act* is amended in the manner set forth in this section.

(2) Section 31 is repealed and the following substituted:

"Application of *The Insurance Act*

31 A contract of crop insurance or agricultural product insurance entered into pursuant to this Act is not a contract of insurance within the meaning of *The Insurance Act* and, except as otherwise expressly provided in this Act, that Act does not apply to the administration of this Act**".**

(3) Subsection 32(2) is amended by striking out "Part XV of *The Saskatchewan Insurance Act***" and substituting "**Part III of *The Insurance Act***".**

2015, c.I-9.11, s.11-10.

S.S. 1979-80, c.S-19.1 amended

11-11(1) *The Saskatchewan Government Insurance Act, 1980* is amended in the manner set forth in this section.

(2) Clause 2(n) is amended by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***".**

(3) Section 9 is amended:

(a) by repealing clause (1)(j) and substituting the following:

"(j) purchase and take over all or any portion of the business and property of any other insurer, and the provisions of *The Insurance Act* prescribed in the regulations apply, with any necessary modification, in the same manner and to the same extent as if the corporation were licensed pursuant to *The Insurance Act***"; and**

(b) by repealing subsections (2) and (3) and substituting the following:

"(2) Nothing in clause (1)(i) or (j) or in *The Insurance Act* prevents the corporation, having lawfully effected a contract of insurance in Saskatchewan, from reinsuring all or any portion of the risk with any insurer transacting business outside Saskatchewan and not licensed pursuant to *The Insurance Act*.

"(3) The corporation may act as an insurance agent, within the meaning of *The Insurance Act*, for the purpose of negotiating any class of insurance with any person carrying on the business of insurance in Canada or elsewhere**".**

(4) Section 12 is repealed and the following substituted:

"Application of *The Insurance Act*

12(1) The provisions of *The Insurance Act* prescribed in the regulations apply in the manner prescribed in the regulations to:

(a) the business of insurance conducted pursuant to this Act; and

(b) the contracts of insurance entered into in the course of the business of insurance conducted pursuant to this Act.

(2) Any expressions contained in the provisions of *The Insurance Act* incorporated in this Act have the meaning given to them in *The Insurance Act* unless that meaning is inconsistent with this Act.

(3) Notwithstanding *The Insurance Act*, a policy of automobile insurance issued by the corporation must:

(a) provide insurance with respect to each separate item covered by the policy in excess of insurance provided pursuant to *The Automobile Accident Insurance Act* with respect to that item; and

(b) be in a form and contain any terms and conditions that are sufficient and appropriate to insure the risks covered by the policy, whether or not the form, terms and conditions modify, vary, omit or are consistent with *The Insurance Act*.

(4) Notwithstanding any other Act or law, every policy of automobile insurance issued by the corporation is effective and binding according to its terms and conditions.

(5) Every agent or adjuster shall have any licence in relation to his or her employment that may be required pursuant to *The Insurance Act* in relation to any insurance agent or adjuster within the meaning of that Act**".**

(5) The following clause is added after clause 21(b):

"(b.1) for the purposes of clause 9(1)(j) and section 12, prescribing the provisions of *The Insurance Act* that are to apply to the corporation and the manner in which they are to apply**".**

2015, c.I-9.11, s.11-11.

S.S. 1993, c.S-67.1, section 9 amended

11-12 Section 9 of *The Survivorship Act, 1993* is amended by striking out "sections 177 and 253 of *The Saskatchewan Insurance Act*" **and substituting "**sections 8-145 and 8-206 of *The Insurance Act*"**.**

2015, c.I-9.11, s.11-12.

S.S. 2004, c.T-18.1 amended

11-13(1) *The Traffic Safety Act* is amended in the manner set forth in this section.

(2) Subsection 2(1) is amended:

(a) in paragraph (s)(i)(A) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***"; and**

(b) in clause (ss) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***".**

(3) Section 126 is amended:

(a) in clause (1)(a) in the portion preceding subclause (i) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***";**

(b) in subclause (1)(a)(i) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***"; and**

(c) in subclause (4)(d)(ii) by striking out "Part VI of *The Saskatchewan Insurance Act*" **and substituting "**Division 3 of Part VIII of *The Insurance Act*"**.**

(4) Section 127 is amended:

(a) in clause (a) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***"; and**

(b) in clause (b) by striking out "*The Saskatchewan Insurance Act***" and substituting "***The Insurance Act***".**

2015, c.I-9.11, s.11-13.

DIVISION 3
Transitional

Transitional

11-14(1) In this section, **"former Act"** means *The Saskatchewan Insurance Act* as that Act existed on the day before the coming into force of section 1-1 of this Act.

(2) Every investigation, action or proceeding commenced pursuant to the former Act is continued and is to be conducted in conformity with this Act as far as is consistent with this Act.

(3) On the repeal of the former Act, every order or decision made pursuant to the former Act that is in force on the day on which the former Act is repealed is continued and may be enforced or otherwise dealt with as if made pursuant to this Act.

(4) On the repeal of the former Act, every licence issued pursuant to the former Act that is in force on the day on which the former Act is repealed:

(a) is continued subject to the same terms and conditions, if any, pursuant to which it was issued until it expires or is amended, cancelled or renewed pursuant to this Act; and

(b) may be dealt with as if made pursuant to this Act.

2015, c.I-9.11, s.11-14.

DIVISION 4
Coming into Force

Coming into force

11-15 This Act comes into force on proclamation.

2015, c.I-9.11, s.11-15.

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