

STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE
Tuesday, May 5, 2015

MINUTE NO. 44
3:00 p.m. – Māmwapiwin Room (Room 8)

1. **Present:** Laura Ross in the Chair and Members D.F. (Yogi) Huyghebaert, Paul Merriman, Warren Michelson, John Nilson* and Warren Steinley.

Substituting Members

John Nilson for Doyle Vermette

2. The committee considered Bill No. 177 – The Insurance Act.

The following Justice Minister and officials appeared before the committee and answered questions:

Witnesses

Ministry of Justice

Hon. Gordon Wayant, Minister

Darcy McGovern, Q.C., Director, Legislative Services

Jane Chapco, Senior Crown Counsel, Legislative Services

Jim Hall, Senior Crown Counsel, Legislative Services

Financial and Consumer Affairs Authority

Janette Seibel, Lawyer

3. The question being put on Clause 1-1, it was agreed to.
4. During consideration of Clause 1-2, it was moved by Mr. Merriman:

Clause 1-2 of the printed Bill

Amend Clause 1-2 of the printed Bill:

(a) in subsection (1):

(i) by striking out the definition of “**group insurance**”; and

(ii) by striking out the definition of “**life company**” and substituting the following:

“**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”; and

(b) in subsection (4) by adding the following clause after clause (f):

“(g) any other prescribed person”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 1-2 as amended, it was agreed to.

5. The questions being put on Clauses 1-3 to 1-17, they were agreed to.
6. The questions being put on Clauses 2-1 to 2-69, they were agreed to.
7. The questions being put on Clauses 3-1 to 3-166, they were agreed to.
8. The questions being put on Clauses 4-1 to 4-20, they were agreed to.
9. During consideration of Clause 5-1, it was moved by Mr. Merriman:

Clause 5-1 of the printed Bill

Amend Clause 5-1 of the printed Bill in the definition of “**business**” by striking out “except in sections 5-46, 5-56 and 5-69 to 5-72” and substituting “unless the context requires otherwise”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 5-1 as amended, it was agreed to.

10. The questions being put on Clauses 5-2 to 5-18, they were agreed to.
11. During consideration of Clause 5-19, it was moved by Mr. Merriman:

Clause 5-19 of the printed Bill

Amend Clause 5-19 of the printed Bill by striking out subsections (2) and (3) and substituting the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 5-19 as amended, it was agreed to.

12. The questions being put on Clauses 5-20 to 5-28, they were agreed to.

13. During consideration of Clause 5-29, it was moved by Mr. Merriman:

Clause 5-29 of the printed Bill

Amend Clause 5-29 of the printed Bill by striking out subsection (1) and substituting the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 5-29 as amended, it was agreed to.

14. The questions being put on Clauses 5-30 to 5-43, they were agreed to.

15. The question being put on Clause 5-44, it was defeated.

16. The question being put on Clause 5-45, it was defeated.

17. The question being put on Clause 5-46, it was defeated.

18. The questions being put on Clauses 5-47 to 5-51, they were agreed to.

19. The question being put on Clause 5-52, it was defeated.

20. The questions being put on Clauses 5-53 to 5-69, they were agreed to.

21. During consideration of Clause 5-70, it was moved by Mr. Merriman:

Clause 5-70 of the printed Bill

Amend clause (1)(g) of Clause 5-70 of the printed Bill by striking out “an agency contract” and substituting “a contract”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 5-70 as amended, it was agreed to.

22. The questions being put on Clauses 5-71 to 5-89, they were agreed to.

23. The questions being put on Clauses 6-1 to 6-21, they were agreed to.

24. During consideration of Clause 7-1, it was moved by Mr. Merriman:

Clause 7-1 of the printed Bill

Amend Clause 7-1 of the printed Bill by striking out the definition of “**complaint**”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 7-1 as amended, it was agreed to.

25. The questions being put on Clauses 7-2 to 7-15, they were agreed to.

26. The question being put on Clause 7-16, it was defeated.

27. The questions being put on Clauses 7-17 to 7-22, they were agreed to.

28. During consideration of Clause 7-23, it was moved by Mr. Merriman:

Clause 7-23 of the printed Bill

Amend Clause 7-23 of the printed Bill:

(a) in subsection (1) in clause (b) of the definition of “**claimant**” by adding “, a group person insured” after “group life insured”; and

(b) in subsection (2) by striking out “at the time the insurer first receives notice of a claim and” in the portion preceding clause (a).

The question being put on the amendment, it was agreed to.

The question being put on Clause 7-23 as amended, it was agreed to.

29. The questions being put on Clauses 7-24 to 7-26, they were agreed to.

30. During consideration of Clause 7-27, it was moved by Mr. Merriman:

Clause 7-27 of the printed Bill

Strike out clause (1)(m) of Clause 7-27 of the printed Bill and substitute the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 7-27 as amended, it was agreed to.

31. The questions being put on Clauses 8-1 to 8-27, they were agreed to.

32. During consideration of Clause 8-28, it was moved by Mr. Merriman:

Clause 8-28 of the printed Bill

Amend Clause 8-28 of the printed Bill by adding the following subsection after subsection (3):

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-28 as amended, it was agreed to.

33. The question being put on Clause 8-29, it was agreed to.

34. During consideration of Clause 8-30, it was moved by Mr. Merriman:

Clause 8-30 of the printed Bill

Strike out subsection (2) of Clause 8-30 of the printed Bill and substitute the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-30 as amended, it was agreed to.

35. The questions being put on Clauses 8-31 to 8-32, they were agreed to.

36. During consideration of Clause 8-33, it was moved by Mr. Merriman:

Clause 8-33 of the printed Bill

Amend Clause 8-33 of the printed Bill by adding the following subsections after subsection (2):

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-33 as amended, it was agreed to.

37. The questions being put on Clauses 8-34 to 8-64, they were agreed to.

38. During consideration of Clause 8-65, it was moved by Mr. Merriman:

Clause 8-65 of the printed Bill

Strike out subsection (3) of Clause 8-65 of the printed Bill and substitute the following:

“(3) If a clause is included in accordance with subsection (2), the policy must include a prescribed notice in the prescribed form”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-65 as amended, it was agreed to.

39. The questions being put on Clauses 8-66 to 8-82, they were agreed to.

40. During consideration of Clause 8-83, it was moved by Mr. Merriman:

Clause 8-83 of the printed Bill

Strike out subsections (2) and (3) of Clause 8-83 of the printed Bill and substitute the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-83 as amended, it was agreed to.

41. The questions being put on Clauses 8-84 to 8-88, they were agreed to.

42. During consideration of Clause 8-89, it was moved by Mr. Merriman:

Clause 8-89 of the printed Bill

Strike out subsection (2) of Clause 8-89 of the printed Bill and substitute the following:

“(2) If the policy contains the clause mentioned in subsection (1), the policy must include a prescribed notice in the prescribed form”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-89 as amended, it was agreed to.

43. The questions being put on Clauses 8-90 to 8-97, they were agreed to.

44. During consideration of Clause 8-98, it was moved by Mr. Merriman:

Clause 8-98 of the printed Bill

Amend Clause 8-98 of the printed Bill:

(a) by adding the following definition in alphabetical order:

“**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

(b) by striking out the definition of “**group life insured**” and substituting the following:

“**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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-98 as amended, it was agreed to.

45. During consideration of Clause 8-99, it was moved by Mr. Merriman:

Clause 8-99 of the printed Bill

Amend Clause 8-99 of the printed Bill by striking out “Sections 8-8 and 8-14” and substituting “Sections 8-14 and 8-19”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-99 as amended, it was agreed to.

46. The questions being put on Clauses 8-100 to 8-103, they were agreed to.

47. During consideration of Clause 8-104, it was moved by Mr. Merriman:

Clause 8-104 of the printed Bill

Amend Clause 8-104 of the printed Bill by striking out subsection (3) and substituting the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-104 as amended, it was agreed to.

48. The question being put on Clause 8-105, it was agreed to.

49. During consideration of Clause 8-106, it was moved by Mr. Merriman:

Clause 8-106 of the printed Bill

Amend Clause 8-106 of the printed Bill by striking out subclause (1)(d)(ii) and substituting the following:

“(ii) a prescribed notice in the prescribed form”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-106 as amended, it was agreed to.

50. During consideration of Clause 8-107, it was moved by Mr. Merriman:

Clause 8-107 of the printed Bill

Amend Clause 8-107 of the printed Bill by striking out subsection (2) and substituting the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-107 as amended, it was agreed to.

51. The questions being put on Clauses 8-108 to 8-113, they were agreed to.

52. During consideration of Clause 8-114, it was moved by Mr. Merriman:

Clause 8-114 of the printed Bill

Amend Clause 8-114 of the printed Bill by striking out clause (3)(b) and substituting the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-114 as amended, it was agreed to.

53. The questions being put on Clauses 8-115 to 8-146, they were agreed to.

54. During consideration of Clause 8-147, it was moved by Mr. Merriman:

Clause 8-147 of the printed Bill

Amend clause (2)(b) of Clause 8-147 of the printed Bill by striking out “at a rate not exceeding” and substituting “at a rate not less than”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-147 as amended, it was agreed to.

55. The questions being put on Clauses 8-148 to 8-154, they were agreed to.

56. During consideration of Clause 8-155, it was moved by Mr. Merriman:

Clause 8-155 of the printed Bill

Amend Clause 8-155 of the printed Bill by striking out the definition of “**group person insured**” and substituting the following:

“‘**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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-155 as amended, it was agreed to.

57. During consideration of Clause 8-156, it was moved by Mr. Merriman:

Clause 8-156 of the printed Bill

Amend Clause 8-156 of the printed Bill by striking out “Sections 8-8 and 8-14” and substituting “Sections 8-14 and 8-19”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-156 as amended, it was agreed to.

58. The questions being put on Clauses 8-157 to 8-159, they were agreed to.

59. During consideration of Clause 8-160, it was moved by Mr. Merriman:

Clause 8-160 of the printed Bill

Amend Clause 8-160 of the printed Bill by striking out subsection (3) and substituting the following:

“(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”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-160 as amended, it was agreed to.

60. The questions being put on Clauses 8-161 to 8-163, they were agreed to.

61. During consideration of Clause 8-164, it was moved by Mr. Merriman:

Clause 8-164 of the printed Bill

Amend Clause 8-164 of the printed Bill by striking out subclause (1)(d)(ii) and substituting the following:

“(ii) a prescribed notice in the prescribed form”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-164 as amended, it was agreed to.

62. The question being put on Clause 8-165, it was agreed to.

63. During consideration of Clause 8-166, it was moved by Mr. Merriman:

Clause 8-166 of the printed Bill

Amend Clause 8-166 of the printed Bill by striking out subsection (2) of Statutory Condition 1.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-166 as amended, it was agreed to.

64. The question being put on Clause 8-167, it was agreed to.

65. The question being put on Clause 8-168, it was defeated.

66. The questions being put on Clauses 8-169 to 8-177, they were agreed to.

67. During consideration of Clause 8-178, it was moved by Mr. Merriman:

Clause 8-178 of the printed Bill

Amend subsection (7) of Clause 8-178 of the printed Bill:

(a) in clause (a) by striking out “or well-being or both”; and

(b) in clause (b) by striking out “contract of insurance” and substituting “contract of life insurance”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 8-178 as amended, it was agreed to.

68. The questions being put on Clauses 8-179 to 8-192, they were agreed to.

69. The question being put on Clause 8-193, it was defeated.

70. The questions being put on Clauses 8-194 to 8-212, they were agreed to.

71. The questions being put on Clauses 9-1 to 9-26, they were agreed to.

72. The questions being put on Clauses 10-1 to 10-24, they were agreed to.

73. The question being put on Clause 10-25, it was defeated.

74. During consideration of Clause 10-26, it was moved by Mr. Merriman:

Clause 10-26 of the printed Bill

Amend Clause 10-26 of the printed Bill:

(a) in subsection (1) by striking out “, adjuster or insurance intermediary” in the portion preceding clause (a); and

(b) in subsection (2) by striking out “, adjuster’s or insurance intermediary’s”.

The question being put on the amendment, it was agreed to.

The question being put on Clause 10-26 as amended, it was agreed to.

75. The question being put on Clause 10-27, it was defeated.

76. The question being put on Clause 10-28, it was agreed to.

77. The question being put on Clause 10-29, it was defeated.

78. The questions being put on Clauses 10-30 to 10-48, they were agreed to.

79. The questions being put on Clauses 11-1 to 11-15, they were agreed to.

80. During consideration of new Clause 5-44, it was moved by Mr. Merriman:

New Clause 5-44 of the printed Bill

Add the following Clause after Clause 5-43 of the printed Bill:

“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”.

The question being put on the new Clause 5-44, it was agreed to.

81. During consideration of new Clause 5-45, it was moved by Mr. Merriman:

New Clause 5-45 of the printed Bill

Add the following Clause after Clause 5-44 of the printed Bill:

“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”.

The question being put on new Clause 5-45, it was agreed to.

82. During consideration of new Clause 5-46, it was moved by Mr. Merriman:

New Clause 5-46 of the printed Bill

Add the following Clause after Clause 5-45 of the printed Bill:

“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”.

The question being put on new Clause 5-46, it was agreed to.

83. During consideration of new Clause 5-52, it was moved by Mr. Merriman:

New Clause 5-52 of the printed Bill

Add the following Clause after Clause 5-51 of the printed Bill:

“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”.

The question being put on new Clause 5-52, it was agreed to.

84. During consideration of new Clause 7-16, it was moved by Mr. Merriman:

New Clause 7-16 of the printed Bill

Add the following Clause after Clause 7-15 of the printed Bill:

“Trading in life insurance policies

7-16 Unless specifically authorized in the regulations to do so, no person other than a life company shall:

- (a) advertise or hold himself, herself or itself out as a purchaser of life insurance policies or of benefits under life insurance policies; or
- (b) traffic or trade in life insurance policies for the purpose of procuring the sale, surrender, transfer, assignment, pledge or hypothecation of life insurance policies to himself, herself or itself or any other person”.

The question being put on new Clause 7-16, it was agreed to.

85. During consideration of new Clause 8-168, it was moved by Mr. Merriman:

New Clause 8-168 of the printed Bill

Add the following Clause after Clause 8-167 of the printed Bill:

“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”.

The question being put on new Clause 8-168, it was agreed to.

86. During consideration of new Clause 8-193, it was moved by Mr. Merriman:

New Clause 8-193 of the printed Bill

Add the following Clause after Clause 8-192 of the printed Bill:

“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”.

The question being put on new Clause 8-193, it was agreed to.

87. During consideration of new Clause 10-25, it was moved by Mr. Merriman:

New Clause 10-25 of the printed Bill

Add the following Clause after Clause 10-24 of the printed Bill:

“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”.

The question being put on new Clause 10-25, it was agreed to.

88. During consideration of new Clause 10-27, it was moved by Mr. Merriman:

New Clause 10-27 of the printed Bill

Add the following Clause after Clause 10-26 of the printed Bill:

“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”.

The question being put on new Clause 10-27, it was agreed to.

89. During consideration of new Clause 10-29, it was moved by Mr. Merriman:

New Clause 10-29 of the printed Bill

Add the following Clause after Clause 10-28 of the printed Bill:

“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”.

The question being put on new Clause 10-29, it was agreed to.

90. It was moved by Mr. Merriman:

That the committee report Bill No. 177 – The Insurance Act – with amendment.

The question being put, it was agreed to.

91. It was moved by Mr. Steinley:

That this committee do now adjourn.

The question being put, it was agreed to.

92. The committee adjourned at 4:47 p.m. to the call of the Chair.