

115. The license of any such company shall cease to be valid on the thirty-first day of March in each year, but shall be renewable from year to year, in the discretion of the Minister.

116. Such companies shall make attested returns of their condition and affairs at such times and in such form, and attested in such manner, as are prescribed by the Minister, and the Superintendent shall include such returns in his annual report.

117. Death claims shall be a first charge on all moneys realized from assessments, by any assessment company to which this Act applies, and no deduction shall be made from any such death claims on any account whatsoever.

2. No portion of any moneys received from assessments by such companies for death claims shall be used for any expense whatever; and every notice of any assessment shall truly specify the cause and purpose thereof.

118. Every application, policy and certificate, issued or used—

(a) in Canada by any such company incorporated elsewhere than in Canada;

(b) by any such company incorporated or formed in Canada to which this Act applies;

shall have printed thereon, in a conspicuous place, in ink of a colour different from that of the ink used in the instrument, and in large sized type the words:—

"This association is not required by law to maintain the reserve which is required of ordinary life insurance companies."

119. Every policy issued or used in Canada by any company referred to in the last preceding section shall contain a promise to pay the whole amount therein mentioned out of the death fund of the association and out of any moneys realized from assessments to be made for that purpose, and every such association shall be bound, forthwith and from time to time, to make assessments to an amount adequate, with its other available funds, to pay all obligations created under any such certificate or policy without deduction or abatement.

2. The condition embodied in this section shall be inserted in every policy issued or delivered by any such company to any person insured in Canada.

120. Every policy issued by an assessment company incorporated or legally formed elsewhere than in Canada, in favour of a resident of Canada, shall have a clause embodied therein or endorsed thereon, to the effect that an action to enforce the obligation of such policy may be validly taken in any court of competent jurisdiction in the province wherein the policyholder resides or last resided before his decease, and such policy shall not contain any provision inconsistent with such clause.

121. No such company shall assure to any of its members a certain annuity, either immediate or deferred, whether for life or a term of years, or any endowment whatever.

122. The words "Assessment System" shall be printed in large type at the head of every policy and every application for a policy, and also in every circular and advertisement issued or used in Canada in connection with the business of an assessment company.

123. If any company licensed or registered under this Act to carry on the business of life insurance on

the assessment system, has filed in the office of the Superintendent notice of its intention, after the date mentioned in the said notice, to maintain in respect of all policies issued after the said date, in the case of a Canadian company, or in respect of all policies issued in Canada after the said date, in the case of a company other than a Canadian company, the reserve required by this Act to be maintained by ordinary life insurance companies upon contracts of life insurance with fixed and definite premiums, such company shall, with respect to all policies issued after the said date, if a Canadian company, and with respect to all policies issued in Canada after the said date, if a company other than a Canadian company, maintain for the security of the holders of the said policies the said reserve, and comply with all other provisions of this Act applicable thereto, as if it were licensed under this Act as an ordinary life insurance company.

2. Such company shall, as to such policies, be exempt from all special provisions and conditions imposed by this Act upon assessment life insurance companies, except it shall not assure to any of its members a certain annuity, either immediate or deferred, whether for life or for a term of years, or any endowment whatever.

124. The deposit of any such company in the hands of the Minister, at the date mentioned in the notice in the preceding section referred to, shall be applicable to the policies issued prior to the said date, and shall be dealt with in regard to such policies as if the said notice had not been given.

2. Any such company shall, at the time of the filing of such notice, make with the Minister such deposits, if any, in respect of the policies to be issued in pursuance of such notice, as the Treasury Board may fix and determine.

125. For the purpose of carrying out the provisions of the two last preceding sections, separate and distinct registers and books of account shall be opened and kept, showing, respectively, all policies issued and business transacted by such company after the date mentioned in the said notice, and all policies issued and business transacted before the said date.

2. Such books and registers shall show all assets, liabilities, moneys and securities belonging or appertaining to the said respective portions of such company's business; and the assets and the entire business of the said respective portions shall be kept absolutely separate and distinct.

3. The reserves or assets applicable to the policies issued by such company after the date mentioned in the said notice shall not be available in any way for any liability of such company arising out of any policy issued by it on the assessment plan.

126. The provisions of this Act applicable to assessment life insurance companies, other than the provisions contained in the three last preceding sections, shall be applicable to the policies of the company issued prior to the said date, in the same manner and to the same extent as if the provisions contained in the said sections had not been enacted.

PART III.

FIRE INSURANCE.

Application of Part.

127. This part applies only to fire insurance companies, and to other insurance companies carrying on