

HIGH COURT DIVISION.

MIDDLETON, J.

NOVEMBER 20TH, 1916.

ANDERSON v. ANCIENT ORDER OF UNITED
WORKMEN.

Insurance—Life Insurance—Friendly Society — Ontario Statute 6 Geo. V. ch. 106, secs. 5, 6, 9—Interpretation—Reduction of Amounts Insured—Option of Continuance upon Payment of Increased Premiums—Election — Tender — Death of Member before Ascertainment of Amount Payable.

Special case, heard in the Weekly Court at Toronto.

G. F. Henderson, K.C., for the plaintiff.

A. G. F. Lawrence, for the defendants.

MIDDLETON, J., in a written judgment, said that the case turned upon the construction of the Ontario statute 6 Geo. V. ch. 106—an Act respecting the Ancient Order of United Workmen of the Province of Ontario.

This society had conducted insurance upon too low a schedule of premiums, the result being that, unless some drastic remedy could be found, insolvency would inevitably result. To remedy this situation the Act provided that from and after the 1st July, 1916, the amount of the then outstanding certificates should be reduced to the amount justified by the assets of the association, each certificate being proportionately cut down, but (by sec. 5) the right is given to any member to maintain his insurance at the original amount, paying the additional premium proper upon his attained age upon the difference between the new and the original amount of his insurance.

The amount of the reduction in the insurance represented by the certificates, and consequently the amount of the premiums to be paid, could be ascertained only by actuarial calculation, and a statement is required to be prepared and filed on or before the 1st October, 1916.

Anderson died on the 17th July, before this statement was prepared, but after the 1st July he stated to the society his intention to continue his policy at the larger amount and his readiness to pay the increased premium—and this case was argued upon the footing that there was a tender of any sum which could be demanded by way of increased premium.

The statute provides (sec. 9) that, when death takes place