

persons whom it considers entitled to be heard upon the petition, or giving them an opportunity to be so heard, may confirm the same if it is satisfied that no sufficient objection to the arrangement has been established.

4. Before any such application is made to the Treasury Board notice thereof together with—

(a) a statement of the nature and terms of the amalgamation, transfer or reinsurance as the case may be; and,

(b) an abstract containing the material facts embodied in the agreement under which such amalgamation, transfer or reinsurance is proposed to be effected; and,

(c) copies of the actuarial or other reports upon which such agreement is founded, including a report by an independent actuary; shall be served on the shareholders and on the holders of all policies in Canada other than industrial policies of each company: Provided, however, that the Superintendent may dispense with the service of such documents on the policyholders of the reinsuring company.

Such notice and documents shall be served by being transmitted through the post office directed to the registered or other known address of each such shareholder and policyholder, and within such period that they may be delivered in due course of delivery thirty days at least before the day appointed for the hearing of the application.

The agreement under which such amalgamation, transfer or reinsurance is proposed to be effected shall be open to the inspection of the policyholders and shareholders at the principal office of the company or companies for a period of thirty days after the issue of the abstract herein provided for.

5. A copy of such notice shall also be published in *The Canada Gazette* at least thirty days before the application is made; but this subsection shall not apply to any company which issues industrial insurance.

6. The Treasury Board shall not sanction any amalgamation, transfer or reinsurance in any case in which it appears to the Board that the policyholders representing one-fifth or more of the total amount assured in any company which it is proposed to amalgamate, or in any company the business of which it is proposed to transfer or reinsure, dissent from such amalgamation, transfer or reinsurance.

7. No company shall be permitted to amalgamate its business with, transfer its business to, or reinsure its business in any other company, if the capital of the combined companies after such amalgamation, or of the continuing company after such transfer or reinsurance, shall be impaired, the policy and annuity liabilities of the combined or continuing company being calculated on the basis prescribed in subsections 2, 4 and 6, respectively, of section 42 of this Act.

8. When an amalgamation takes place between any companies, or when the business of one company is transferred to or reinsured in another company, the combined company or the continuing company, as the case may be, shall within ten days from the date of the completion of the amalgamation, transfer or reinsurance, deposit with the Superintendent the following documents, that is to say:—

(a) Certified copies of the statement of the assets and liabilities of the companies concerned in such amalgamation, transfer or reinsurance; and,

(b) A statement of the nature and terms of the amalgamation, transfer or reinsurance; and

(c) A certified copy of the agreement under which such amalgamation, transfer or reinsurance is effected; and,

(d) Certified copies of the actuarial or other reports upon which such agreement is founded; and,

(e) A declaration under the hands of the president and manager of each company that to the best of their knowledge and belief every payment made or to be made to any person whatsoever on account of the said amalgamation, transfer or reinsurance is therein fully set forth, and that no other payments beyond those set forth have been made or are to be made either in money, policies, bonds, valuable securities or other property, by or with the knowledge of any of the parties to the amalgamation transfer or reinsurance.

9. No company shall amalgamate with another company, transfer its business to or reinsure its business in another company, unless such amalgamation, transfer or reinsurance is sanctioned by the Treasury Board in accordance with this section: Provided, however, that this section shall not apply to the contracts of reinsurance made by companies in the ordinary course of their business.

10. Subsections 4, 5 and 6 of this section shall not apply to the reinsurance of a Canadian company of the business of a company which is not and never has been licensed to transact business in Canada.

53. No life insurance company licensed under this Act, nor any person, firm or corporation on its behalf, shall, in respect of its Canadian business, pay or allow to any agent, broker or other person, firm or corporation for procuring an application for life insurance, for collecting any premium thereon or for any other service performed in connection therewith, any compensation other than that which has been determined in advance.

54. No such life insurance company, and no person, firm or corporation on its behalf, shall make any loan or advance without adequate security, to any person, firm or corporation soliciting or undertaking to solicit applications for insurance; nevertheless advances may be made to any such person, firm or corporation for travelling expenses or against commissions or other compensation to be earned in respect of premiums, but such advances shall not be allowed as assets in the Superintendent's annual report prepared for the Minister.

55. No salary, compensation or emolument shall be paid to any director of a Canadian life insurance company for his services as such director unless authorized by a vote of the members in the case of a mutual company, and by a vote of the shareholders and other members, if any, in the case of a company having capital stock. No salary, compensation or emolument shall be paid to any officer or trustee of any such company unless authorized by a vote of the directors, nor shall any salary, compensation or emolument amounting in any year to more than five thousand dollars be paid to any agent or employee unless the contract (if made after the passing of this Act) under which such amount becomes payable has been approved by the board of directors.

56. No Canadian life insurance company shall make any agreement with any of its officers or trustees, to pay for any services, rendered or to be rendered, any salary, compensation or emolument extending beyond a period of five years from the date of such agreement.