

larly to life insurance companies. The purpose of these sections generally is to provide for the application of deposits held by the Minister and of the assets held by the trustees under the Insurance Act, and they provide in effect that the policy-holders in Canada are entitled to claim for the net values of their policies, that such claims rank with judgments against the company upon policies in Canada, and that the proceeds of the sale of the securities held by the Minister and the assets held by the trustees are to be divided *pro rata* in accordance with such claims and judgments.

There are no definitions in the Winding-up Act which affect the present question; but the Insurance Act, R. S. C. 1906 ch. 34, by sec. 2 (h), defines "Canadian policy" or "policy in Canada," as regards life insurance, to mean a policy issued by any company licensed under that Act to transact the business of life insurance in Canada in favour of any person or persons resident in Canada at the time when such policy was issued. By sub-sec. (u), "policy-holder in Canada" means, as respects life insurance, any person in favour of whom any company licensed under that Act to transact the business of life insurance in Canada has, while such person was resident in Canada, issued a policy. These definitions do not in words include assignees of the assured or the beneficiaries to whom the policies are made payable. The assignee is provided for in one case; he is included in the term "policy-holder," as defined by sub-sec. (v) of sec. 2, when used in reference to the person to whom a tender is made by the Minister upon a company which voluntarily ceases to do business in Canada applying for a release of deposits. If full effect is to be given to these definitions, it would seem that where a company ceases to do business and applies for a release of its deposits, the assured or his assignee is entitled to say whether he will accept a transfer of his policy to another company or a surrender; whereas, if the company is being wound up compulsorily under the Winding-up Act, no provision is made for the protection of the assignee.

I think that the intention of the Insurance Act is simply to provide funds to meet the claims of persons who are resident in Canada at the time the contract with the company was made, and that, both under that Act and the Winding-up Act, the provisions for the distribution of the fund are directed entirely to the questions arising as between the company and the assured and between the Canadian policy-holders themselves. I do not see that the statute was intended