

Effect of Delivery of Policy.

A usual agreement between the insurer and the assured is that the contract of insurance shall not take effect or be binding until the first premium called for by the contract shall have been paid. In Ontario, however, this agreement is nullified by the provisions of Section 159, which defines,

"Where the contract for insurance has been delivered it shall be as binding on the insurer as if the premium had been paid, although it has not in fact been paid, and although delivered by an officer or agent of the insurer who had not authority to deliver it."

This stipulation, so far as life insurance contracts are concerned, is fortunately not in force in any other Province.

LAWS OF OTHER PROVINCES.**Quebec.**

The Province of Quebec has fairly complete laws on the subject of life insurance but owing to the system of law obtaining in that province, it is often difficult to determine, in connection with the question of beneficiaries, the bearing and force of the enactments.

There is no "Preferred" class of beneficiaries as in Ontario, but there is a specially protected class consisting of the husband, wife, children and step-children. Where the beneficiary is one of this class and a condition of "acceptance" of the benefit on the part of the beneficiary obtains, the benefit is protected from the claims of creditors and passes beyond the unrestricted control of the assured, but he has the right of apportionment and change within the class mentioned in quite similar fashion to the provisions of the Ontario law. Where no apportionment is made, in a case where the wife and children are the beneficiaries, the wife takes one-half of the insurance money and the other half is divided equally between the surviving children and in the event of any child having predeceased the assured any surviving children of such child shall take his share. If the beneficiaries designated are the children of the assured and no appointment has been made, they share equally in the insurance money.

If the wife (or a child alone without issue) be the sole designated beneficiary and predecease the assured, the benefit reverts to the assured.

A wife cannot, it appears, insure her own life (except in favor of her children) without her husband's written authorization.

Beneficiaries other than those referred to above are not dealt with in the definite and specific manner of the Ontario Act. In the main the effect is much the same, but, once the appointment of a beneficiary has been made, the assured has less control over the disposition of a policy than in Ontario. The matter of "acceptance" of a benefit, on the part of a beneficiary enters as a complicating factor. If there has been acceptance—of which there is not always convenient evidence—the beneficiary has a vested interest. In the absence of acceptance, the assured appears to retain control of the benefits of the policy as fully as in Ontario.

Maritime Provinces.

The laws affecting life insurance as in the Provinces of Nova Scotia and New Brunswick are similar to those of Ontario. Their laws, however, were based upon the laws in force in Ontario at an earlier period, and the provisions in regard to beneficiaries are therefore the same in those provinces as in Ontario with the exception of the slight changes made by the amendments to the Ontario Act since those dates.

In Prince Edward Island, the Insurance Act is similar to the Ontario Act of 1905 with the exception that the list of beneficiaries in whose favor a trust is created includes also the father, sister and brother of the assured. By an amending act in 1907, "Fathers, brothers or sisters" was deleted from the section defining who should constitute the preferred class of beneficiaries, but the same relatives were not struck out by the section of the act which declares that when they are appointed beneficiaries, a trust is created in

their favor and the latter would therefore still seem to be beneficiaries with a vested interest under the P. E. I. statutes.

Manitoba.

In Manitoba the husband, wife, children and step-children form a class of beneficiaries for whom a trust is created and insurance moneys payable to them are protected from the creditors of the assured and policies payable to the wife and children of the assured are exempt from attachment for the debts of either the assured or beneficiaries.

With the exception of a beneficiary-for-value, the assured has full powers of appointment, apportionment and revocation whether the beneficiary be of the Ordinary class or those mentioned above for whom a trust is created.

Where the policy is payable to the wife and children of the assured and no apportionment has been made, the wife is entitled to one-third of the insurance money and the remaining two-thirds is divided among the children equally.

Saskatchewan.

A new Insurance Act has recently come in force in this Province in which the provisions with reference to beneficiaries are an exact counterpart of those contained in the Ontario Act.

Alberta.

In the Province of Alberta the wife and children constitute a Preferred class of beneficiaries in whose favor a statutory trust is created. The rights of the assured to apportion and change the beneficiary are restricted as under the Ontario Act.

There is no legislation bearing upon beneficiaries other than the Preferred class referred to and in the absence of any agreement in the contract bearing on the subject, the matter of the status and rights of other beneficiaries would be presumably governed by common law.

British Columbia.

The conditions in regard to Insurance Law in British Columbia are much the same as those in the Province of Alberta with the exception that the statutes of the former Province declares, in addition, that "whatever under this Act a man may lawfully do with insurance effected upon his life, may, also, under the like circumstances, be done by a woman in respect of insurance effected upon her life, or effected by her on the life of her husband, and the like rules of construction shall prevail."

Uniform Legislation.

There is considerable diversity in the laws of some of the provinces, relating to the position of beneficiaries and the rights of the assured in disposing of the benefits of a life insurance contract; and in some cases the legislation is quite incomplete. This frequently results in confusion, inconvenience and occasionally in litigation, making apparent the advantage that would accrue to the insuring public and the Life Companies were the laws of the several provinces in accord.

The Government of the Province of Saskatchewan is to be commended for its recognition of the value of uniform provincial laws bearing on the business of life insurance, as evidenced in the recent enactment of insurance laws that are practically identical with those of Ontario.

As a result of assiduous and careful attention to the legislative needs of the great and growing interests affected, Ontario may be said to have the most enlightened legislation dealing with the life insurance business or, at any rate, dealing with the subject of beneficiaries. Outside of the statutory provisions enacted in Ontario, legislation, bearing on the status of beneficiaries and the rights of the assured in disposing of the benefits of a policy of life insurance, appears to have followed the principle expressed by Bliss, at a time when the life insurance business was in its formative period. "We apprehend the general rule to be that a policy and the money to become due under it belong the moment it is issued, to the person or persons named in it as beneficiary or beneficiaries, and that there is no power