



Province of Saskatchewan

Order in Council 517/2018

Approved and Ordered: 25 October 2018


Lieutenant Governor

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, makes *The Saskatchewan Insurance (Licence Condition) Amendment Regulations, 2018* in accordance with the attached Schedule.

Acting 
President of the Executive Council

(For administrative purposes only)

Recommended by: Minister of Justice and Attorney General

Authority: *The Saskatchewan Insurance Act - section 467*

SCHEDULE to OC 517/2018

Title

1 These regulations may be cited as *The Saskatchewan Insurance (Licence Condition) Amendment Regulations, 2018*.

RRS c S-26 Reg 8, new section 3.1

2 The following section is added after section 3 of *The Saskatchewan Insurance Regulations, 2003*:

“Licence condition

3.1(1) In this section:

- (a) **‘eligible period’** means the period commencing on the day on which a contract for life insurance takes effect and ending on the day on which the last person whose life is insured by the contract reaches the age of 120;
- (b) **‘life insurance premium’** means the premium under a contract for life insurance but does not include any amount paid, transferred, credited or deposited to a side account;
- (c) **‘side account’** means an account associated with a life insurance policy that holds amounts in excess of the maximum amount permitted to be held in a life insurance policy that is exempt from accrual taxation pursuant to the *Income Tax Act* (Canada);
- (d) **‘variable insurance contract’** means:
 - (i) an annuity or a life insurance policy with respect to which all or any part of the reserves vary in amount with the market value of a specified group of assets segregated from the other assets of the insurer; or
 - (ii) a life insurance policy that permits the holder to participate in the profits of the insurer.

(2) Subject to subsection (3), for the purposes of section 34 of the Act, with respect to a contract for life insurance, during the eligible period:

- (a) no licensed insurer shall receive or accept for deposit funds or payments in excess of the amount required to pay the life insurance premium for the eligible period; and

APPROVED
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(b) with respect to a contract for life insurance that is not exempt from accrual taxation pursuant to the *Income Tax Act* (Canada), no licensed insurer shall receive or accept for deposit funds or payments in excess of the life insurance premium required to keep the contract for life insurance in force until the end of the eligible period.

(3) This section does not apply to a variable insurance contract.

(4) Each contract for life insurance issued by a licensed insurer is deemed to contain the restrictions set out in this section”.

Coming into force

3 These regulations come into force on the day on which they are filed with the Registrar of Regulations.

