

New Zealand.

STATE FIRE INSURANCE.

1908, No. 183.

AN ACT to consolidate certain Enactments of the General Assembly relating to the State Fire Insurance Office.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—

1. (1.) The Short Title of this Act is "The State Fire Insurance Act, 1908." Short Title.

(2.) This Act is a consolidation of the enactments mentioned in the First Schedule hereto, and with respect to those enactments the following provisions shall apply :— Enactments consolidated.

(a.) All offices, appointments, regulations, Orders in Council, orders, warrants, registers, accounts, policies, contracts, securities, records, instruments, and generally all acts of authority which originated under any of the said enactments or any enactment thereby repealed, and are subsisting or in force on the coming into operation of this Act, shall enure for the purposes of this Act as fully and effectually as if they had originated under the corresponding provisions of this Act, and accordingly shall, where necessary, be deemed to have so originated. Savings.

(b.) The State Fire Insurance Office and the Board constituted under those enactments shall be deemed to be the same office and Board under this Act :

Provided that in the case of each member of the Board appointed by the Governor the current term of office shall be computed from the date of its commencement.

(c.) All matters and proceedings commenced under the said enactments, and pending or in progress on the coming into operation of this Act, may be continued, completed, and enforced under this Act.

Interpretation.
1903, No. 49, sec. 2

2. In this Act, if not inconsistent with the context,—
 “Board” means “The State Fire Insurance Board” constituted under this Act:
 “Financial year” means any period of twelve months ending on the thirty-first day of December:
 “Minister” means the Minister of Finance:
 “Permanent staff” means the officers appointed by the Governor under this Act:
 “Prescribed” means prescribed by this Act or by regulations under this Act.

The State Fire Insurance Office.

“The State Fire Insurance Office” established.
Ibid, sec. 3

3. For the purpose of carrying out the objects of this Act there is hereby established an office to be called “The State Fire Insurance Office,” and such office shall be administered and managed by an officer (hereafter called “the General Manager”) who shall be appointed by the Governor.

General Manager constituted.
Ibid, sec. 4

4. The General Manager is hereby constituted a corporation sole under the style of “The State Fire Insurance General Manager,” with perpetual succession and a seal of office.

Power to appoint Deputy and to suspend either officer.
Ibid, sec. 5

5. The Governor may from time to time, as he thinks fit,—
 (a.) Appoint some person to be Deputy General Manager:
 (b.) Temporarily suspend the General Manager or Deputy General Manager:
 (c.) In the case of the death, removal, or resignation of the General Manager or Deputy General Manager, appoint some person in his stead.

When Deputy to act.
Ibid, sec. 6

6. With respect to the Deputy General Manager the following provisions shall apply:—

- (a.) He shall act during the illness, suspension, or absence of the General Manager, or while the office of General Manager remains vacant by reason of death, resignation, or removal, and while so acting shall have all the powers and perform all the duties of the General Manager.
 (b.) He may also act under authority delegated in that behalf by the General Manager, and while so acting he shall act in the name and on behalf of the General Manager.
 (c.) The fact that he so acts shall be sufficient evidence of his authority so to do, and no person shall be concerned to inquire whether any occasion has arisen requiring or authorising him so to do, or be affected by notice or by the fact that no such occasion has arisen.

Power to act not to be questioned.

7. The Governor may from time to time appoint such permanent officers as he deems necessary for the business of the State Fire Insurance Office.

Governor may appoint permanent staff.
Ibid, sec. 7

8. With respect to the General Manager, Deputy General Manager, and every member of the permanent staff the following provisions shall apply:—

Not to be subject to Civil Service Acts.
Ibid, sec. 9

- (a.) They shall be paid such salary, commission, or other remuneration as is appropriated from time to time by Parliament out of the State Fire Insurance Account hereinafter mentioned, and (except in such cases and to

such extent as may be provided by regulations) shall not be subject to the laws for the time being in force affecting or regulating the Civil Service.

(b.) Each of them whose fidelity is not guaranteed under "The Civil Service Act, 1908," shall give such security for the faithful discharge of his duties in such form and to such amount as may be prescribed. Security to be given.

(c.) With the approval of the Board, the General Manager may establish a Mutual Guarantee and Benefit Fund, to which all members of the staff shall contribute, and in which they shall all share in accordance with regulations under this Act. Mutual Guarantee and Benefit Fund.

(d.) Such fund may be supplemented by payments out of the State Fire Insurance Account to such an extent as is prescribed by regulations.

9. The Minister may from time to time appoint such agents, valuers, clerks, and servants as he deems necessary for the business of the State Fire Insurance Office. Appointment of agents, valuers, &c. 1908, No. 49, sec. 8

10. With the approval of the Board, the General Manager may from time to time establish such branch offices or agencies for the purposes of the aforesaid business, and appoint such agents (not being members of the permanent staff) on such terms as to salary, commission, or other remuneration, as he thinks fit. Power to establish branches and appoint agents. Ibid, sec. 10

Board.

11. For the purpose of further carrying out the objects of this Act there is hereby constituted a Board, under the style of "The State Fire Insurance Board," consisting of the General Manager and four other persons—to wit, the Minister and the Government Insurance Commissioner, both of whom shall be members *ex officio*, and two competent persons (not being members of the Civil Service) appointed by the Governor. State Fire Insurance Board constituted. Ibid, sec. 11

12. With respect to the constitution, proceedings, and functions of the Board the following provisions shall apply:—

(a.) The two members appointed by the Governor shall (subject to the right of the Governor to remove them or either of them at any time) hold office for two years, but may be reappointed, and while holding office shall be paid such salary or other remuneration as is from time to time appropriated by Parliament. Provisions as to unofficial members and as to meetings of Board. Ibid, sec. 12

(b.) Except in case of sickness, the absence without leave from three consecutive meetings of the Board of either of the persons appointed by the Governor shall render his seat vacant.

(c.) At every meeting of the Board the quorum shall be three.

(d.) The Minister shall be Chairman *ex officio*.

(e.) In the absence of the Minister from any meeting any member of the Executive Council, being a responsible Minister of the Crown, may attend such meeting in his stead and as his substitute, and while so attending shall be deemed to be the Chairman of the Board.

- (f.) In the absence of the Government Insurance Commissioner from any meeting the person for the time being holding the office of Deputy Government Insurance Commissioner may attend such meeting in his stead and as his substitute.
- (g.) In the absence of the General Manager from any meeting the Deputy General Manager may attend such meeting in his stead and as his substitute.
- (h.) While so attending every such substitute shall be deemed to be a member of the Board, and the fact that he so attends and acts at any such meeting shall be conclusive proof of his authority so to do.
- (i.) In the absence of the statutory Chairman from any meeting the members present shall appoint one of their number to act as Chairman at that meeting.
- (j.) The Chairman shall have a deliberative vote and, in the case of equality of voting, a casting-vote.
- (k.) The Board shall at all times cause proper minute-books to be kept, in which shall be entered in respect of each meeting the names of the members present and full and faithful minutes of all proceedings thereat.
- (l.) Subject to the provisions of this Act and any regulations made hereunder, the Board may from time to time, by by-laws or otherwise, regulate its own procedure, and also the general conduct of the business of the State Fire Insurance Office.
- (m.) The Board shall co-operate with and assist the General Manager in carrying out the objects of this Act.
- (n.) A resolution of the Board shall be binding on the General Manager.

Business.

Insurance and
reinsurance business
of office.
1903, No. 49, sec. 13

13. (1.) The business of the State Fire Insurance Office is to insure or reinsure against loss or damage by fire insurable property of all kinds situate in New Zealand, and generally to carry on in respect of such property, or of any insurable interest therein, the business of fire insurance and reinsurance in all its branches.

(2.) The State Fire Insurance Office may, for the purpose of reinsurance, have associated with it any fire insurance company doing business in or out of New Zealand:

Provided that neither the Board nor the General Manager shall, without the consent of the Minister, enter into any agreement with any insurance company or companies fixing the premiums payable.

General Manager
may enter
into contracts
therefor.
Ibid, sec. 14

14. Subject to the provisions of this Act and the regulations thereunder, the business of the State Fire Insurance Office shall be conducted by the General Manager, who in his corporate style and capacity shall have power from time to time to enter into, perform, and enforce any contracts which may be lawfully entered into by or with any person or company for the insurance or reinsurance of insurable property of all kinds situate in New Zealand, or of any insurable interest in such property, and generally to do whatever he deems

necessary in connection with or incident to such business, including the reinsurance of fire risks taken under this Act.

15. The General Manager may enter into such contracts as aforesaid either at the State Fire Insurance Office in Wellington or at branch offices or agencies throughout New Zealand, and either by himself or through the medium of such agents or other officers as, with the approval of the Board, he from time to time appoints for that purpose:

How contracts may be entered into. 1903, No. 49, sec. 15

Provided that, for the purpose of effecting with persons or companies out of New Zealand the reinsurance of fire risks under this Act, the General Manager may from time to time enter into or make arrangements for contracts for such reinsurances through the medium of attorneys or agents out of New Zealand, to be appointed by him, with such powers as he thinks fit:

Attorney outside New Zealand for reinsurance of fire risks.

Provided also that no such attorney or agent shall be appointed except with the consent of the Board.

16. With respect to all deeds, policies, instruments, and documents of any kind incident to the business of the State Fire Insurance Office or the purposes of this Act the following provisions shall apply:—

Mode of execution &c. of documents. Ibid, sec. 16

- (a.) The General Manager shall be described therein by his corporate style.
- (b.) Such of them as are to be signed by the General Manager shall be signed in his personal name, with the addition of his corporate style.
- (c.) Such of them as are to be signed by the Deputy General Manager shall be signed by him thus: "For the State Fire Insurance General Manager, A. B., Deputy General Manager."
- (d.) Such of them as are to be executed in New Zealand under seal shall be signed by the General Manager or the Deputy General Manager, as the case may be, at a duly constituted meeting of the Board, and the seal shall be then and there affixed pursuant to a resolution of the Board, and in the presence of one member thereof, who shall subscribe his name as witness thereto.
- (e.) Policies and indorsements thereon need not be executed under seal, and may, with any other document not required to be executed under seal, be signed in the name and on behalf of the General Manager by the Deputy General Manager, or by any attorney, agent, or officer authorised by the General Manager in that behalf.

17. The General Manager in his official style and capacity may sue and be sued in all actions and proceedings arising out of any act, matter, or thing done or suffered in relation to himself, or the State Fire Insurance Office, or the Board.

Power of General Manager to sue and be sued. Ibid, sec. 17

18. With respect to all such actions and proceedings the following provisions shall apply:—

How actions, &c., to be conducted. Ibid, sec. 18

- (a.) They shall be instituted, prosecuted, and defended by or against the General Manager in his corporate style and capacity only.

No abatement because action relates to office.

- (b.) They shall not abate or be dismissed by reason only that the cause of action relates to the said office, or the Board, or the business or affairs thereof, and not to the General Manager himself.
- (c.) No action shall lie against the General Manager in respect of any fire loss unless such action is commenced within six months after the loss occurred.
- (d.) The seal of the General Manager, and the appointment and signature of the General Manager, the Deputy General Manager, and every member of the Board, shall be judicially noticed without proof until the contrary is shown.

Local authorities and Government Departments to furnish information. 1903, No. 49, sec. 19

19. For the purpose of minimising as far as possible the risk of insurance under this Act the following provisions shall apply:—

- (a.) It shall be the duty of every local authority or other local governing body, and also of the head of every Government Department (including the Public Trust Office and the Government Life Insurance Department), and also of every officer thereof, at all times to furnish to the General Manager all such information and reports as he requests, and such authority, body, Department, or person can supply, concerning any fact or circumstance in any way affecting the risk of insurance.
- (b.) Any officer or other person authorised by the General Manager in that behalf may at all reasonable times enter on any building insured or proposed to be insured under this Act, or whose contents are so insured or proposed to be so insured, for the purpose of inspecting the same or the contents thereof.
- (c.) Every person who in any way hinders such entry or inspection, or refuses to give any information in his power relating to such building or its contents, or knowingly gives any false information, is liable to a fine not exceeding fifty pounds.

Power to inspect buildings or contents thereof.

Power to apply to Court for inquiry into the cause of fires. Ibid, sec. 20

20. (1.) In any case where any property insured in the State Fire Insurance Office is destroyed or damaged by or in consequence of fire, any person authorised by the General Manager so to do may apply to a Magistrate or any two Justices sitting as a Court of summary jurisdiction to hold an inquiry into the origin, causes, and circumstances of such fire, and such Court shall thereupon hold such inquiry, in the same manner and with the same procedure as nearly as may be as in the case of summary proceedings under "The Justices of the Peace Act, 1908."

(2.) Such inquiry shall be conducted in such manner—

- (a.) That the person who has applied to the Court to hold the inquiry shall superintend the management of the inquiry, and render such assistance to the Court as is in his power; and
- (b.) That if a charge is made against any person, such person shall have an opportunity of placing his defence before the Court.

(3.) The Court shall have all the powers of summoning witnesses, taking evidence, and allowing costs as a Magistrate or two

Justices in summary proceedings under "The Justices of the Peace Act, 1908."

(4.) The Court, after completing the inquiry, shall make a report to the General Manager containing a full statement thereof, and of the opinion of the Court thereon, accompanied by such reports of or extracts from the evidence, and such observations thereon, as the Court thinks fit.

21. With respect to every policy of insurance or reinsurance issued by the General Manager the following provisions shall apply:—

Payment of premiums, and power to cancel policies.
1908, No. 49, sec. 21

- (a.) In the case of builders' risks or other policies for short specified periods of less than a year the premium shall be payable in advance.
- (b.) In every other case the premium shall be payable annually in advance during the continuance of the policy.
- (c.) The policy may, in the absolute discretion of the General Manager, be cancelled by him at any time, and in such case he shall refund to the policyholder any sum paid in respect of premiums for the period subsequent to such cancellation.

22. In the event of the Board at any time reporting to the Governor that in its opinion the business of the State Fire Insurance Office should be discontinued or wound up, or otherwise disposed of, he may by Order in Council give such directions in the matter as he thinks fit, and such Order in Council shall be binding on the General Manager and the Board:

Procedure if Board recommends insurance be discontinued.
Ibid, sec. 22

Provided that if such report is made after Parliament has been summoned for the despatch of business or while Parliament is in session, the Governor, in lieu of making any such Order in Council, shall lay such report before Parliament for the signification of its pleasure thereon.

Capital.

23. (1.) In order to provide capital for the business of the State Fire Insurance Office the Minister, on being authorised by the Governor in Council so to do, is hereby empowered to raise from time to time, on the security of and charged upon the public revenues of New Zealand, such sums, not exceeding in the whole the sum of one hundred thousand pounds, as he thinks fit.

Sums, not exceeding £100,000, may be raised.
Ibid, secs. 23, 26 (3)

(2.) The sums so authorised to be raised shall be raised under and subject to the provisions of "The New Zealand Loans Act, 1908," and this Act shall be deemed to be an authorising Act accordingly.

(3.) The sums so raised shall bear interest at such rate, not exceeding four and a half per centum per annum, as the Minister prescribes.

(4.) The total amount authorised by this Act to be raised shall include the moneys already raised under "The State Fire Insurance Act, 1903," and all moneys raised under that Act shall be deemed to have been raised under this Act.

24. (1.) In the event of the capital so raised at any time proving insufficient for the business of the State Fire Insurance

When supplementary capital may be raised.
Ibid, sec. 24

Office, the Minister, on being authorised by the Governor in Council, is hereby empowered to raise from time to time in the manner aforesaid, as supplementary capital, such additional sums as are required:

Provided that the power conferred by this section shall not be exercised save in the circumstances and to the extent hereinafter specified, that is to say,—

Requisition by
General Manager.

(a.) If, after recourse has been had to the available funds and securities, the balance in the State Fire Insurance Account is at any time insufficient to meet the charges thereon, the General Manager shall forthwith convene a meeting of the Board, and, if at such meeting the Board approves, shall, by requisition under his seal, apply to the Minister for whatever supplementary capital is deemed necessary for the purpose of meeting the deficiency, and also of supplying additional funds (not exceeding twenty thousand pounds at any one time) wherewith to carry on the business aforesaid until the pleasure of Parliament is signified thereon.

(b.) The Minister may thereupon in the manner aforesaid raise supplementary capital not exceeding the total amount named in such requisition.

(2.) Every such requisition shall, as soon as practicable, be laid before Parliament.

(3.) For the purpose of raising the supplementary capital authorised by this section the provisions of "The New Zealand Loans Act, 1908," shall apply.

Rate of interest on
debentures, scrip,
&c.
1903, No. 49, sec. 25
1903, No. 43, sec. 3

25. (1.) No debenture, scrip, or other security issued in respect of any sum raised as aforesaid for the purposes of this Act shall be sold or otherwise disposed of at a price that will yield to the purchaser a higher rate of interest by the year than four pounds ten shillings for every hundred pounds of purchase-money:

Provided that the foregoing limitation shall not apply in the case of temporary advances obtained under paragraph (f) of section five of "The New Zealand Loans Act, 1908."

Charged on public
revenues.
1903, No. 49, sec.
26 (3)

(2.) The sum of money named in any such security, together with all interest payable thereon, is hereby declared to be a charge upon and to be payable out of the public revenues of New Zealand.

Disposal of proceeds
of securities issued.
Ibid, sec. 29

26. The proceeds of all securities issued in respect of original or supplementary capital shall, as and when received by the Government, be paid into the State Fire Insurance Account.

Sinking Funds.

Sinking fund for
redemption of
capital.
Ibid, sec. 30

27. In order to create a fund for the redemption at maturity of all securities issued as aforesaid for the purposes of this Act the following provisions shall apply:—

(a.) At the expiration of each of the respective periods mentioned in section forty-two hereof, during the currency of the securities, the General Manager shall pay over to the Public Trustee, to the credit of an account called the "State Fire Insurance Sinking Fund Account," one-half

of the net profits of the business of the State Fire Insurance Office for such period.

- (b.) The sums so paid over to the Public Trustee, and all accumulations of interest thereon, shall be invested by him in such of the modes of investment sanctioned by "The Public Trust Office Act, 1908," as will yield the highest rate of interest.
- (c.) The moneys in the said Sinking Fund Account, and the investments for the time being representing the same, and all accumulations of interest thereon, shall be held by the Public Trustee at the disposal of the Minister for the purpose of redeeming such securities at maturity.
- (d.) The Public Trustee shall, without further appropriation than this Act, pay to the Minister out of that account such sums as he from time to time requests for such purpose.

28. (1.) The Public Trustee shall supply to the Minister, and also to the General Manager, statements made up to the close of each financial year, and also for such other periods as are from time to time requested, showing the accretions of sinking fund and the investments representing the same.

Statements to be furnished by Public Trustee.
1903, No. 49, sec. 31

(2.) The Public Trustee shall, within fourteen days after the close of each financial year, lay a copy of such statement before Parliament if sitting, or if not, then within fourteen days after the commencement of the next ensuing session.

29. As soon as the Minister is satisfied that the accumulations of sinking fund in respect of any securities will suffice to redeem such securities at maturity, he shall notify the Public Trustee and the General Manager thereof, whereupon the payments of sinking fund in respect of such securities shall thereafter cease, and all subsequent accretions of interest shall be paid into the Reserve Fund mentioned in section forty-two hereof.

When annual payments to sinking fund to cease.
Ibid, sec. 32

Accounts and Audit.

30. All moneys payable to the General Manager shall be paid into the bank at which for the time being the Public Account of New Zealand is kept, to the credit of an account called "The State Fire Insurance Account," which shall be operated on only by cheque signed by the General Manager and countersigned by the Audit Office.

Moneys to be paid to State Fire Insurance Account.
Ibid, sec. 33

31. There shall be payable out of the State Fire Insurance Account, and (except where otherwise specially provided) without further appropriation than this Act,—

Moneys payable out of State Fire Insurance Account.
Ibid, sec. 34

- (a.) All costs and expenses incurred by the Government in raising capital under this Act :
- (b.) All salaries, expenses, fire losses, reinsurance premiums, and outgoings expended or incurred in the general management of the State Fire Insurance Office and the conduct of its business, including the interest payable on securities issued for the purposes of this Act :
- (c.) All other moneys payable for the purposes of this Act.

32. (1.) All moneys in the State Fire Insurance Account, or payable into that account by any person, and also all debts and other

All moneys to be property of Crown.
Ibid, sec. 35

moneys for the time being owing to the General Manager by any person, whether on account of premiums, loans on mortgage, rents, or otherwise, and whether the same are accrued due or not, are hereby declared to be the property of the Crown and recoverable accordingly by the General Manager as from debtors to the Crown.

(2.) All such moneys are hereby declared to be public moneys within the meaning of "The Public Revenues Act, 1908."

Other accounts to be kept.
1903, No. 49, sec. 36

33. In addition to the State Fire Insurance Account, the General Manager shall keep such other accounts as he thinks fit or as are from time to time prescribed.

Investment of surplus moneys.
Ibid, sec. 37

34. All moneys in the State Fire Insurance Account which in the opinion of the Board are for the time being not required for the purposes of that account shall be invested in such manner and on such securities as the Governor from time to time by Order in Council prescribes :

Provided that for the purposes of that account the aforesaid securities may from time to time be realised, hypothecated, or otherwise disposed of as the Board thinks fit.

Payment into Public Account to meet interest.
Ibid, sec. 38

35. At least two months before any payment falls due in respect of interest on the securities issued as aforesaid for the purposes of this Act, or, in the case of such of those securities as are disposed of in New Zealand, at such later date as the Minister from time to time prescribes, the General Manager shall pay into the Public Account, to the credit of the Consolidated Fund, a sum sufficient to meet such payment, together with all charges for exchange or otherwise in connection therewith.

Annual balance-sheet and statement of accounts to be laid before Parliament.
Ibid, sec. 39

36. (1.) The General Manager shall, within sixty days after the close of each financial year, prepare a balance-sheet and statement of accounts of the State Fire Insurance Office, made up to the close of that year, together with a report on the year's business, and lay the same before Parliament if sitting, or if not, then within fourteen days after the commencement of the next ensuing session.

(2.) Such balance-sheet and statement of accounts shall be in the form set forth in the Second Schedule hereto, or in such other form as may be prescribed by regulations.

Powers of Audit Office.
Ibid, sec. 40

37. The Audit Office shall have, in respect of the General Manager, the Deputy General Manager, the Board, the State Fire Insurance Office, the accounts thereof, and all persons employed therein, and all other persons employed under this Act, all the powers it possesses under "The Public Revenues Act, 1908."

Powers of Minister.
Ibid, sec. 41

38. The Minister shall at all times have full access to all the books, accounts, and papers of the State Fire Insurance Office; and it shall be the duty of the General Manager and the Board to furnish him with all such returns and information as he from time to time requires.

Property.

General Manager may acquire premises for transacting business.
Ibid, sec. 42

39. The General Manager, with the consent of the Board, may from time to time, but solely for the purpose of acquiring as the property of the Crown premises for the transaction of the business of the State Fire Insurance Office, and in each instance out of such

moneys in the State Fire Insurance Account as are appropriated for the purpose by Parliament,—

- (a.) Purchase or take on lease in his official style and capacity any land, with or without buildings :
- (b.) Erect, alter, or add to buildings on land acquired by purchase or lease under this section.

40. With the like consent the General Manager may from time to time sell, or lease for any term not exceeding forty-two years, any land or buildings acquired under the last preceding section which are found not to be needed for the transaction of such business as aforesaid.

Power to sell or lease same if not needed.
1903, No. 49, sec. 43

41. The State Fire Insurance Office is hereby declared to be a public office within the meaning of Part IX of "The Public Revenues Act, 1908."

Office declared to be a public office.
Ibid, sec. 44

Application of Profits.

42. Subject to the provisions of sections twenty-seven and twenty-nine of this Act, the net surplus profits of the State Fire Insurance Office for the period ending the thirty-first day of December, one thousand nine hundred and eight, and for each triennial period thereafter, shall be applied in manner following, that is to say :—

Surplus profits to be used for Reserve Fund and payment of bonuses.
Ibid, sec. 45

- (a.) As to one-half thereof, in making a Reserve Fund, which, with all accumulations of interest thereon, shall be applied, held, and invested by the General Manager under the provisions hereinbefore contained ; and
- (b.) As to the other half thereof, in dividing amongst and paying to such persons as at the close of such period are actual insurers in the State Fire Insurance Office bonuses, bearing in the case of each such person the same proportion to the total sum to be divided as the total amount paid by him in premiums during that period bears to the total amount of premiums received during the same period from all such persons.

43. The periodical division and payment of bonuses shall, without further appropriation than this Act, be made as soon after the close of the period as is practicable, and in such manner as is prescribed by regulations.

When division and payment to be made.
Ibid, sec. 46

44. For the purposes of each periodical application of net surplus profits the following provisions shall apply :—

Statement to be submitted to Minister and laid before Governor in Council before division.
Ibid, sec. 47

- (a.) As soon as practicable after the close of each period the General Manager shall prepare and submit to the Minister a report and statement of accounts made up to the close of such period, and approved by the Board and the Audit Office, showing—

- (i.) The net surplus profits for the period, after making full and detailed provision for sinking funds, reserve fund, unearned premiums, depreciation of properties and securities, bad and doubtful debts, and all other deductions and contingencies for which, in the opinion of the Board or the Audit Office, provision should be made ;

- (ii.) The proportion of net surplus profits respectively available for reserve fund and for bonuses ;

- (iii.) The total amount of premiums paid during the period; and
- (iv.) Such other particulars as are prescribed by regulations.
- (b.) The Minister shall forthwith lay such report and statement before the Governor in Council.
- (c.) Subject to such modifications (if any) as are directed by the Governor in Council within twenty-eight days after such report and statement are so laid before him, the net surplus profits as therein appearing shall be applied in manner therein specified.

Regulations.

Regulations.
1903, No. 49, sec. 48

45. (1.) The Governor may from time to time, by Order in Council gazetted, make regulations for all or any of the following purposes, that is to say:—

- (a.) The conduct of the business of the State Fire Insurance Office;
- (b.) Prescribing the powers, functions, and duties of the Board;
- (c.) Prescribing the functions and duties of all persons employed under this Act, and the forms, amount, and nature of the securities to be furnished by them;
- (d.) Exempting any person employed under this Act from the examinations prescribed or conditions imposed by any law for the time being in force affecting or regulating the Civil Service;
- (e.) Establishing a Mutual Guarantee and Benefit Fund, to be contributed to and shared in by the members of the permanent staff, and prescribing the conditions and extent to which such fund may be supplemented out of the State Fire Insurance Account;
- (f.) The custody and control of the moneys in the State Fire Insurance Account, and the payment of moneys to and the withdrawal of moneys from that account, the mode of keeping and rendering that account, and any other account or balance-sheet in connection with the State Fire Insurance Office;
- (g.) The receipt and payment of moneys under this Act;
- (h.) Determining what moneys under this Act shall be invested, and in what securities, and with what margin of value;
- (i.) Fixing the maximum amount to be invested on mortgage from any one borrower, and the maximum amount to be advanced on any one security;
- (j.) Prescribing what books and accounts shall be kept, and in what form;
- (k.) Determining the principle and method to be adopted in valuing fire risks, and in accepting, rejecting, or cancelling such risks;
- (l.) Classifying buildings and other risks for the purposes of insurance or reinsurance;
- (m.) Defining the conditions subject to which insurance or reinsurance may be effected;

- (n.) Prescribing the events on the happening whereof insurances or reinsurances shall be deemed to be void ;
- (o.) Fixing the maximum risk to be taken, and the minimum margin of value to be required ;
- (p.) Prescribing the forms of policies and claims, proofs of loss, and all other documents issued under this Act or used in connection with the business of the State Fire Insurance Office ;
- (q.) Prescribing whatever is deemed expedient with respect to the mode of granting insurance under this Act in the case of builders' risks, and other insurances for short specified periods, and the terms and conditions thereof ;
- (r.) Protecting the interests of mortgagees, assignees, and others in respect of property insured under this Act ;
- (s.) Determining the mode in which shall be done anything by this Act expressed to be prescribed ;
- (t.) Imposing a fine not exceeding ten pounds for the breach of any such regulation ; and generally for
- (u.) Any other purpose that the Governor deems expedient for the efficient administration of this Act, or for which, in his opinion, regulations are contemplated or required by this Act.

(2.) Such regulations shall be laid before Parliament within ten days after they are gazetted if Parliament is sitting, or if not, then within ten days after the commencement of the next ensuing session thereof.

SCHEDULES.

FIRST SCHEDULE.

ENACTMENTS CONSOLIDATED.

1903, No. 49.—“The State Fire Insurance Act, 1903.”

SECOND SCHEDULE.

REVENUE ACCOUNT of the State Fire Insurance Office for the Year ended 31st December, 19

Section 35.
1903 No. 49,
Schedule.

	£ s. d.		£ s. d.
Amount of Fire Insurance funds at the beginning of the year ..		Losses by fire (after deduction of re-insurances) ..	
Premiums, after deduction of re-insurances ..		Appropriated to Sinking Fund ..	
Other receipts (Details to be specified)		Appropriated to Reserve Fund ..	
		Appropriated to reserve for unearned premiums ..	
		Interest on capital raised, guaranteed by Government ..	
		Commission ..	
		Salaries ..	
		Expenses of management (Details to be specified) ..	
		Other payments (Details to be specified) ..	
		Amount of Fire Insurance funds at end of the year ..	
	£		£

