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*This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.*

*House of Representatives,  
18th September, 1902.*

*Hon. Sir J. G. Ward.*

## ACCIDENT INSURANCE COMPANIES.

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### A BILL INTITULED

AN ACT to amend the Law relating to Accident Insurance Companies. Title.

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

1. The Short Title of this Act is "The Accident Insurance Short Title.  
Companies Act, 1902."

10 2. In this Act, if not inconsistent with the context,— Interpretation.  
"Accident" means accident resulting in loss of life or in  
bodily injury :

15 "Accident insurance" includes the following, whether the  
contract be one of primary insurance or of reinsurance,  
and whether the premium payable be a sum certain, or  
consists of sums uncertain or variable in time, number,  
or amount,—

(a.) Insurance against accident, disease, disability,  
or any change of physical or mental condition ;

20 (b.) Insurance or indemnity against employers'  
liability, whether under statutory law or common law ;

(c.) Insurance or indemnity against charges under  
section eighteen of "The Workers' Compensation for  
Accidents Act, 1900," taking precedence of encum-  
brances, mortgages, or charges lawfully existing ; and

25 (d.) Generally any contract in the nature of any of  
the foregoing whereby the benefit under the contract  
accrues payable on or after the occurrence of some con-  
tingent event :

“Company” means any person or association, whether incorporated or otherwise, not being established under any Act relating to friendly societies who issues or is liable under accident-insurance policies, and includes companies now established in or out of New Zealand, and includes also mutual associations as well as proprietary.

Company to prepare annual statement.

3. From and after the commencement of this Act every company shall at the expiration of each of its financial years prepare a statement of its revenue account for such year, and of its balance-sheet at the close of such year, in such one of the forms numbered (1) and (2) in the Schedule hereto as is applicable.

Separate account of New Zealand business.

4. (1.) Every company shall keep a separate account of its accident-insurance business transacted in New Zealand, and shall, in addition to the annual statement of its whole business required under section *three* hereof, prepare separate statements of the said accident-insurance business transacted in New Zealand in the form numbered (1) in the Schedule hereto.

(2.) Where a company transacts any other class of insurance business besides accident-insurance, the statement to be deposited as provided in this section shall include an explanation of the manner in which the expenditure common to the business as a whole has been apportioned amongst the different classes of business.

Printed statement to be deposited with Colonial Treasurer.

5. Every statement hereinbefore required to be made shall be signed by the principal officer of the company managing the accident-insurance business in New Zealand, and shall be printed, and the original so signed, together with three printed copies thereof, shall be deposited with the Colonial Treasurer.

Time within which statement to be deposited.

6. Every statement made by a company relating exclusively to business transacted in New Zealand shall be deposited with the Colonial Treasurer within four months of the close of the company's financial year, and every statement relating to the total business of a company shall be deposited within nine months of the close of such financial year.

Further information to be given if required.

7. The Colonial Treasurer is hereby empowered to ask for such additional explanation of any item in the statement deposited as he deems necessary for the purposes of this Act.

Copy of statement to be sent to shareholders and policyholders.

8. A printed copy of every deposited statement required by this Act shall be forwarded by the company by post or otherwise to any shareholder or policyholder of the company who may apply for the same.

Statements to be laid before Parliament.  
Penalty in default.

9. The Colonial Treasurer shall lay annually before Parliament copies of all statements deposited with him.

10. (1.) If any company makes default in duly complying with the requirements of this Act, or with any request the Colonial Treasurer may make under section *seven* hereof, and continues in default for seven days after notice by the Colonial Treasurer, then in every such case the company and also its attorney, general agent, or other agent, shall be severally liable to a penalty not exceeding *fifty* pounds for every day during which such default continues after such notice.

(2.) If any such default as aforesaid is continued for a period of three months the Colonial Treasurer may, by notice in the *Gazette*,

prohibit the defaulting company from carrying on business in New Zealand either absolutely or for such time as he thinks fit.

(3.) If any company, or any person as attorney, general agent, or other agent of such company, or otherwise for or on behalf of such company, after the publication of such notice as last aforesaid, receives any application for insurance, or accepts any premium for insurance, or otherwise carries on the business of such company within New Zealand, then, in addition to and irrespective of the penalty hereinbefore provided, such company and person shall be severally liable to a penalty of *one hundred* pounds for each and every act done in breach of this provision.

Penalty for signing false statement.

11. Every person who signs or deposits any statement required by this Act, knowing the same to be false in any particular, is liable to a penalty not exceeding *fifty* pounds.

12. All penalties imposed by this Act are recoverable in a summary way.

Penalties recoverable summarily.

13. The powers of the Commissioner under "The Government Accident Insurance Act, 1899," shall include, and be deemed to have at all times included, power to enter into contracts of accident insurance as defined by this Act.

Commissioner's powers.

14. Accident-insurance policies shall be exempt from stamp duty, and the exemption shall apply to every such policy heretofore issued and not stamped.

Policies free of stamp duty.

SCHEDULE.

Schedule.

(1.) STATEMENT AND BALANCE-SHEET OF ACCIDENT INSURANCE COMPANY.

<i>Revenue Account of the</i>		<i>for the Year ending</i>	
£	s. d.	£	s. d.
Amount of accident funds at beginning of the year .. .. .		Claims after deducting reinsurances ..	
Premiums received after deduction of re-insurance premiums .. .. .		Interest .. .. .	
Interest, dividends, and rents .. .. .		Commission .. .. .	
Other receipts [ <i>Accounts to be specified</i> ] .. .. .		Salaries .. .. .	
		Expenses of management .. .. .	
		Dividends and bonuses to shareholders ..	
		Other payments [ <i>Accounts to be specified</i> ] ..	
		Appropriated to reserve for unearned premiums .. .. .	
		Amount of accident funds at end of year ..	
£		£	

*Balance-sheet on the*

<i>Liabilities.</i>		<i>Assets.</i>	
£	s. d.	£	s. d.
Shareholders' capital paid up (if any) ..		Mortgages on property within New Zealand .. .. .	
Accident funds (as per Revenue Account) ..		Mortgages on property outside New Zealand .. .. .	
Reserve for unearned premiums .. .. .		Other investments [ <i>Securities to be specified</i> ] .. .. .	
Claims outstanding .. .. .		Loans on personal security .. .. .	
Other sums owing by the company [ <i>Accounts to be specified</i> ] .. .. .		Agents' balances .. .. .	
		Outstanding premiums .. .. .	
		Outstanding interest .. .. .	
		Interest accrued but not due .. .. .	
		Cash—	
		On deposit .. .. .	
		In hand and on current account .. .. .	
		Other assets [ <i>To be specified</i> ] .. .. .	
£		£	

(2.) STATEMENT AND BALANCE-SHEET OF COMPANY CARRYING ON OTHER BUSINESS  
BESIDES ACCIDENT INSURANCE.Revenue Accounts of the for the Year ending  
Accident Insurance Account.

£ s. d.	£ s. d.
Amount of accident funds at beginning of year .. .. .	Claims after deducting reinsurances .. .. .
Premiums received after deduction of re-insurance premiums .. .. .	Interest .. .. .
Interest, dividends, and rents .. .. .	Commission .. .. .
Other receipts [ <i>Accounts to be specified</i> ] .. .. .	Salaries .. .. .
	Expenses of management .. .. .
	Dividends and bonuses to shareholders .. .. .
	Other payments [ <i>Accounts to be specified</i> ] .. .. .
	Appropriated to reserve for unearned premiums .. .. .
	Amount of accident funds at end of year .. .. .
£	£

## Fire Account.

£ s. d.	£ s. d.
Amount of fire-insurance funds at the beginning of the year .. .. .	Losses by fire after deduction of reinsurances .. .. .
Premiums received after deduction of reinsurances .. .. .	Commission .. .. .
Interest, dividends, and rents .. .. .	Expenses of management .. .. .
Other receipts [ <i>To be specified</i> ] .. .. .	Other payments [ <i>To be specified</i> ] .. .. .
	Appropriated to reserve for unearned premiums .. .. .
	Amount of Fire Insurance Fund at the end of the year .. .. .
£	£

NOTE.—When marine, plate-glass, fidelity guarantee, or any other branch of insurance is carried on, the income and expenditure thereof to be in like manner stated in a separate account.

## Profit and Loss Account.

£ s. d.	£ s. d.
Balance of last year's account .. .. .	Dividends and bonuses to shareholders .. .. .
Interest and dividends not carried to other accounts .. .. .	Expenses not charged to other accounts .. .. .
Profits realised [ <i>Accounts to be specified</i> ] .. .. .	Loss realised [ <i>Accounts to be specified</i> ] .. .. .
Other receipts .. .. .	Other payments [ <i>To be specified</i> ] .. .. .
	Balance .. .. .
£	£

NOTE.—This account is not required if the items have been incorporated in the other accounts of this statement.

## Balance-sheet on the

Liabilities.	£ s. d.	Assets.	£ s. d.
Shareholders' capital .. .. .		Mortgages on property within New Zealand .. .. .	
General Reserve Fund (if any) .. .. .		Mortgages on property outside New Zealand .. .. .	
Accident Insurance Fund (as per Revenue Account) .. .. .		Other investments [ <i>Securities to be specified</i> ] .. .. .	
Life Insurance Fund .. .. .		Loans on personal security .. .. .	
Fire Insurance Fund .. .. .		Agents' balances .. .. .	
Marine Insurance Fund .. .. .		Outstanding premiums .. .. .	
Fidelity Guarantee Fund .. .. .		Outstanding interest .. .. .	
Reserves for unearned premiums [ <i>To be specified</i> ] .. .. .		Interest accrued but not due .. .. .	
Profit and loss (if any) .. .. .		Cash—	
Other funds (if any) [ <i>To be specified</i> ] .. .. .		On deposit .. .. .	
Outstanding claims under accident policies .. .. .		In hand and on current account .. .. .	
Outstanding life-insurance claims .. .. .		Other assets [ <i>To be specified</i> ] .. .. .	
Outstanding fire losses .. .. .			
Outstanding marine losses .. .. .			
Other sums owing by the company [ <i>Accounts to be specified</i> ] .. .. .			
£	£		