

(Hon. Mr. Vogel.)

Life Assurance Companies.

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Title.

AN ACT relating to Life Assurance Companies.

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

Short Title.

1. The Short Title of this Act shall be “The Life Assurance Companies Act, 1872.” It shall come into operation on the day of , which date is herein referred to as “the commencement” of this Act.

Division of Act.

2. This Act is divided into parts as follows :—

PART I.—Conditions to be complied with by Life Assurance Companies.

PART II.—Protection of Life Assurance Policies.

Interpretation of terms.

3. In this Act—

The term “Company,” except when otherwise stated in this Act, means any person or persons or association corporate or unincorporate, not being established under any Act relating to Friendly Societies, who issue or are liable under policies of assurance upon human life within the Colony, or who grant annuities upon human life within the Colony, and shall include Companies established out of New Zealand as well as those established in New Zealand, and includes Mutual Associations as well as Proprietary.

The term “Chairman” means the person for the time being presiding over the Board of Directors of the Company.

The term “policy holder” means the person who for the time

being is the legal holder of a policy for securing the life assurance endowment annuity or other contract with the Company.

The term "policy" includes a contract for a policy for securing a life assurance endowment or annuity.

The term "financial year" means each period of twelve months at the end of which the balance of the accounts of the Company is struck, or if no such balance is struck, then each period of twelve months ending with the thirty-first day of December.

The term "Court" means the Supreme Court of New Zealand.

The term "Registrar" means the Registrar of Joint Stock Companies, under "The Joint Stock Companies Act, 1860," or any assistant Registrar who may be acting in the Province County City Town or Place.

The term "Local Company" means a Company established within New Zealand.

The term "foreign Company" means a Company established out of the Colony.

The term "Australia" includes Tasmania and New Zealand.

The term "Public Trustee" means the Public Trustee for the time being appointed under "The Public Trust Office Act, 1872."

PART I.

CONDITIONS TO BE COMPLIED WITH BY LIFE ASSURANCE COMPANIES.

4. Every Company established after the commencement of this Act within the Colony, and every Company established or to be established out of the Colony, which shall, after the commencement of this Act, begin to carry on the business of life assurance within the Colony, shall and is hereby required to deposit with the Public Trustee securities to the value of twenty thousand pounds, such securities to be mortgages of real estate in New Zealand, on which the money advanced does not exceed one-half the value of the land, or bonds, debentures, or other securities issued by any of the Governments of any of the Colonies in Australia, under any Act of the Legislatures of Australia respectively.

And every Company, whether established within or out of New Zealand, and which, before the passing of this Act, had commenced to carry on or had carried on business in New Zealand, if it be intended to continue or if it continue to carry on such business in New Zealand, shall and is hereby required, to deposit within six months from the commencement of this Act, with such Public Trustee as aforesaid, securities to the value of twenty thousand pounds, of such kinds as aforesaid.

And any Company may from time to time, as it thinks fit, deposit with such Public Trustee as aforesaid securities of such kinds as aforesaid, or any other securities, to any amount the Company thinks fit besides and beyond securities to the value of the said sum of twenty thousand pounds hereby required to be deposited.

And whether such deposit as aforesaid be compulsory or voluntary, the Company may receive the income therefrom.

5. Any Company may, on giving due notice to the Public Trustee, withdraw from his custody any securities so deposited, on depositing with him securities of an equal value, and in the case of compulsory deposit of such kinds as aforesaid, and any substituted securities shall for all purposes be treated as securities originally deposited.

6. The Colonial Treasurer shall in any case, whether of original or substituted deposit, be the sole judge of the value thereof for the

Deposit.
33 & 34 Vict. c. 61,
s. 3.

Existing Companies
before continuing
business must
deposit, &c.

Deposits may be
withdrawn and
others substituted.

Colonial Treasurer
to decide as to value.

purposes of such deposit, and his decision shall be final and conclusive on the Company.

Securities to be held
in trust for policy
holders in New
Zealand.

7. The Public Trustee shall, subject to the provisions of this Act, hold all such securities so deposited in trust for policy holders being such in respect of policies or other contracts issued granted or entered into in the Colony by the Company making such deposit, whether such policies or contracts have been issued granted or entered into before or after the commencement of this Act.

Provided however that such securities shall not be subject to such trust with respect to policies or contracts which have been made before the commencement of this Act, unless they be registered under this Act within twelve months after the commencement of this Act; and such securities shall not be subject to such trust with respect to policies or contracts made after the commencement of this Act, unless they be registered, in manner provided by this Act, within six months after the making thereof, and unless in both cases the policies or contracts be upon such register at the time when it is sought to have the benefit of the said trust in respect thereof.

Upon any such policy or contract being liquidated or being cancelled or annulled otherwise than by the insolvency or winding-up of the company, or being taken off the register at the request of the policy-holder, such securities shall stand discharged from any trust in respect thereof, but until all obligations of the Company in respect of such registered policies or contracts are cancelled or annulled, except as aforesaid, or liquidated, such securities shall not be liable to be attached levied upon or be otherwise subject to any debts of or claims against the Company whether such Company be foreign or local.

Policies may be
registered.

8. Every policy holder who is such in respect of a policy or other contract made issued granted or entered into in New Zealand by a Company who shall have made a deposit of securities under this Act, may, if the policy or contract has been made before the commencement of this Act, register such policy or contract with the Public Trustee within twelve months after the commencement of this Act but not after, and if made after the commencement of this Act, then within six months after the making thereof.

And a policy or contract shall for the purposes of this section be deemed to be made upon the Company or its agent receiving payment of the first premium or other consideration, whether a policy shall immediately thereupon be made or issued or not.

Fee on registration.

9. There shall be paid to the Public Trustee by the policy holder, a fee of five shillings on the registration thereof.

Mode of registration.

10. Such registration shall be made in such manner as shall be prescribed by rules to be made from time to time by the Governor.

Agents may be
appointed for receipt
of policies for regis-
tration.

11. The Public Trustee may from time to time appoint such and so many persons, and in such place in New Zealand as he thinks fit, to receive from policy holders their policies or contracts, for transmission to the Public Trustee for registration; and upon receipt of any such policies or contracts, such person so appointed shall forthwith transmit the same to the Public Trustee for registration.

Policy when can-
celled or liquidated
to be struck off
register.

12. Whenever any policy or other contract registered under this Act is cancelled annulled or liquidated, the same shall be struck off from the register.

Policies may be
taken off register.

13. Upon the application of any policy holder being such in respect of a registered policy or other contract, the same may be struck off from the register, and thereupon the deposited securities shall not longer be held in trust for such policy or contract.

Public Trustee to
make periodical
report, showing as to

14. The Public Trustee shall annually, half yearly, or at shorter periods as shall be prescribed, prepare a report of each Company

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which shall have made any deposit of securities, whether voluntarily or compulsorily, showing the nature and value of the securities deposited, and the present value, as estimated by him, of all policies or other contracts for which such securities are for the time being held in trust.

each Company the value of securities deposited, and the present value of policies charged thereon.

15. In order to enable the Public Trustee to make the report hereby directed to be made and published by him, every foreign and local Company who shall have made any such deposit as aforesaid, either voluntarily or compulsorily, shall make to the Public Trustee such statements and returns as shall be prescribed by the Governor, verified by oath or declaration of such officers as shall be prescribed, and such returns and statements shall be made yearly, half yearly, or at such periods, as shall be prescribed by the Governor.

Companies to make verified returns, &c., to Public Trustee.

16. The Governor may from time to time make rules prescribing what returns and statements shall be made to the Public Trustee by local or foreign companies who shall have made deposits of securities voluntarily or compulsorily under this Act with such Public Trustee, and at what periods and in what form the same shall be made, and in what manner and by what officers the same shall be verified; and for requiring the Directors, Actuaries, Agents and Officers of such Companies to answer such inquiries as under such Regulation the Public Trustee may put to them and require to be answered, and for enforcing penalties for the breach or non-observance of such Regulations, not exceeding for each offence the sum of fifty pounds.

Governor empowered to make rules as to required returns, &c.

17. All penalties imposed by such Regulations may be recovered summarily at the suit only of the Public Trustee or any person authorized by him.

Penalties for breach of regulations to be recovered by Public Trustee.

18. The Registrar shall not hereafter issue a certificate of incorporation to a local Company unless such compulsory deposit as aforesaid shall have been made.

Certificate of incorporation not to be given to local Companies till deposit made.

19. Any Company which may have made a voluntary deposit of securities under this Act may, on the following conditions being complied with, withdraw from such deposit any or all the securities so deposited:—

Withdrawal of voluntary deposits.

- (1.) On the expiration of a notice in writing, which shall be given to the Public Trustee by the Company at least six months before the intended withdrawal. And
- (2.) On satisfying the Public Trustee that after the proposed withdrawal has been made the remainder of the securities left on deposit would be equal in value, as estimated by the Public Trustee, to the amount of the moneys insured or contracted to be paid by the Company in or by the policies on the register at the time when such withdrawal is intended to be made.

The Public Trustee shall cause every notice so given as aforesaid, and also his decision with regard to every proposed withdrawal, to be published at the cost of the Company in such manner as he thinks fit.

20. Any Company which may have made a compulsory deposit of securities under this Act may, on ceasing to carry on the business of life assurance in New Zealand, and on the following conditions being complied with or performed, withdraw from such deposit any or all of the securities so deposited:—

Withdrawal of compulsory deposits.

- (1.) On the expiration of a notice in writing which shall be given to the Public Trustee by the Company at least six months before the intended withdrawal. And
- (2.) On satisfying the Public Trustee that, from the time of giving such notice until the date of the intended withdrawal, the Company has not, except as to policies or contracts made before the giving of such notice, carried on the business of life assurance in New Zealand. And
- (3.) On satisfying the Public Trustee that after the pro-

posed withdrawal has been made, the remainder of the securities left on deposit would be equal in value, as estimated by the said Trustee, to the amount of the moneys insured or contracted to be paid by the Company in or by the policies on the register at the time when such withdrawal is intended to be made.

The Public Trustee shall cause every notice so given as in this section provided, and also his decision with regard to every such proposed withdrawal, to be published at the cost of the Company, as he may think fit.

After notice given of withdrawal of compulsory deposit, Company not to carry on business.

21. No Company having given any such notice as in the preceding section provided shall thereafter recommence to carry on the business of assurance in New Zealand unless it shall first make the compulsory deposit provided for in the fourth section of this Act, as in the case of a Company beginning to carry on such business after the commencement of this Act; but such new deposit shall be treated as a separate deposit from any securities remaining deposited under the two preceding sections of this Act: Provided that the receipt of premiums or other moneys in respect of policies made before such notice and the discharge of liabilities thereon, and the doing of other acts relating to such policies shall not be deemed to be a carrying on of business within the meaning of this section.

Life funds separate.

22. In the case of a local Company or foreign Company established after the commencement of this Act, transacting other business besides that of life assurance, a separate account shall be kept of all receipts in respect of the life assurance and annuity contracts of the Company, and the said receipts shall be carried to and form a separate fund, to be called the Life Assurance Fund, of the Company, and such fund shall be as absolutely the security of the life policy and annuity holders as though it belonged to a Company carrying on no other business than that of life assurance, and shall not be liable for any contracts of the Company for which it would not have been liable had the business of the Company been only that of life assurance; and in respect to all existing Companies, the exemption of the Life Assurance Fund from liability for other obligations than to its life policy holders shall have reference only to the contracts entered into after the commencement of this Act, unless by the constitution of the Company such exemption already exists: Provided always that this section shall not apply to any contracts made by any Company existing at the commencement of this Act, by the terms of whose deed of settlement the whole of the profits of all the business are paid exclusively to the life policy holders, and on the face of which contracts the liability of the assured distinctly appears.

Statements to be made by Companies.

23. From and after the commencement of this Act every local Company and every foreign Company shall, at the expiration of each financial year of such Company, prepare a statement of its revenue account for such year, and of its balance sheet at the close of such year, in the forms respectively contained in the First and Second Schedules to this Act.

Statements by Company doing other than life business.
Ib. s. 6.

24. Every local Company and every foreign Company which, concurrently with the granting of policies of assurance or annuities on human life, transacts any other kind of assurance or other business shall at the expiration of each such financial year as aforesaid prepare statements of its revenue account for such year, and of its balance sheet at the close of such year, in the forms respectively contained in the Third and Fourth Schedules of this Act.

Actuarial report and abstract.
Ib. s. 7.

25. Every local Company and every foreign Company shall, once in every five years if established after the commencement of this Act, and once every ten years if established before the commencement of this Act, or at such shorter intervals as may be prescribed by the

instrument constituting the Company, or by its regulations or by-laws, cause an investigation to be made into its financial condition by an Actuary, and shall cause an abstract of the report of such Actuary to be made in the form prescribed in the Fifth Schedule to this Act.

Public Trustees may report to Colonial Treasurer on the merits of such observations as he thinks fit, and may return to Actuary.

26. Every local Company and every foreign Company shall, on or before the thirty-first day of December, one thousand eight hundred and seventy-three, and thereafter within nine months after the date of each such investigation as aforesaid into its financial condition, prepare a statement of its life assurance and annuity business, in the form contained in the Sixth Schedule to this Act; each of such statements to be made up as at the date of the last investigation, whether such investigation be made previously or subsequently to the commencement of this Act: Provided as follows:—

Statement of life and annuity business. 33 & 34 Vict. c. 61 s. 8.

- (1.) If the next financial investigation, after the commencement of this Act, of any Company, fall during the year one thousand eight hundred and seventy-four, the said statement of such Company shall be prepared within nine months after the date of such investigation, instead of on or before the thirty-first day of December, one thousand eight hundred and seventy-three.
- (2.) If such investigation be made annually by any Company, such Company may prepare such statement at any time so that it be made at least once in every three years.

The expression "date of each such investigation" in this section shall mean the date to which the accounts of each Company are made up for the purposes of each such investigation.

27. The Colonial Treasurer, upon the application of or with the consent of a Company, may alter the forms contained in the Schedules to this Act, for the purpose of adapting them to the circumstances of such Company, or of better carrying into effect the objects of this part of this Act.

Forms may be altered. Ib. s. 9.

28. Every statement or abstract hereinbefore required to be made shall be signed by the Chairman and two Directors of the Company, and by the principal officer managing the life assurance business in New Zealand, and if the Company has a Managing Director in New Zealand, by such Managing Director, and shall be printed, and the original so signed as aforesaid, together with three printed copies thereof, shall be deposited with the Colonial Treasurer within nine months of the dates respectively hereinbefore prescribed as the dates at which the same are to be prepared.

Statements, &c., to be signed printed and deposited with the Colonial Treasurer. Ib. s. 10.

And every annual statement so deposited after the next investigation shall be accompanied by three printed copies of the abstract required to be made by section twenty-five.

29. One of each of the printed copies of every statement or abstract so deposited as aforesaid shall be transmitted by the Colonial Treasurer to the Public Trustee for examination and report, either alone or together with an Actuary from time to time appointed by the Colonial Treasurer for the purpose; and the Public Trustee, or if an Actuary be appointed then the Public Trustee and such Actuary, shall make such report to the Colonial Treasurer on such statement or abstract as he or they may think fit, and the Colonial Treasurer may publish every such report in the *New Zealand Gazette*.

Statements and abstracts to be examined by Public Trustee, and his report to be published.

30. A printed copy of the last-deposited statement abstract or other document by this Part of this Act required to be printed shall be forwarded by the Company, by post or otherwise, on application, to every shareholder and policy holder of the Company.

Copy of statement to be given to shareholders, &c. Ib. s. 11.

31. Every Company not registered under "The Joint Stock Companies Act, 1860," shall keep a register of shareholders in like

List of shareholders. Ib. s. 12.

form and contain like particulars in the manner provided by the seventeenth section of "The Joint Stock Companies Act, 1860," and shall furnish, on application, to every shareholder and policy holder of the Company, a copy of such book on payment of a sum not exceeding one shilling for every hundred words required to be copied for such purpose.

Deed of settlement to be printed.
Ib. s. 13.

32. Every Company not registered as aforesaid shall cause a sufficient number of copies of its deed of settlement or other the Act charter or instrument constituting and regulating the mode of business of such Company to be printed, and shall furnish, on application, to every shareholder and policy holder of the Company, a copy of such deed of settlement on payment of a sum not exceeding two shillings and sixpence.

Documents may be transferred to Registry of Joint Stock Companies by order of Colonial Treasurer.
Ib. s. 16.

33. Any printed or other documents required by this part of this Act to be kept by the Colonial Treasurer may, on payment of such fees as the Colonial Treasurer may direct, be inspected by any person, who may also, on payment of such fees as shall be directed, obtain copies thereof.

Documents to be received in evidence.
Ib. s. 17.

34. Every statement abstract or other document deposited with the Colonial Treasurer shall be receivable in evidence, and every document purporting to be certified by the Colonial Treasurer to be such deposited document, and every document purporting to be similarly certified to be a copy of such deposited document, shall, if produced out of the custody of the Colonial Treasurer, be deemed to be such deposited document as aforesaid or a copy thereof, and shall be received in evidence as if it were the original document, unless some variation between it and the original document shall be proved.

Penalty for non-compliance with Act.
33 & 34 Vict. c. 61
s. 18.

35. Every Company which makes default in complying with any of the requirements of this Part of this Act where no other penalties are expressly provided shall be liable to a penalty not exceeding fifty pounds for every day during which the default continues; and in the case of a foreign Company, the General Agent shall be liable to such penalty as well as the Company; and in the case of a Company registered under "The Joint Stock Companies Act, 1860," if default continue for a period of three months after notice of default by the Colonial Treasurer, which notice shall be published in one or more newspapers as the Colonial Treasurer may direct, and after such publication, the Court may order the winding up of such Company in accordance with "The Joint Stock Companies Act, 1860," upon the application of one or more policy holders or shareholders.

Penalty for falsifying statements, &c.
Ib. s. 19.

36. If any statement abstract or other document required by this part of this Act is false in any particular to the knowledge of any person who signs or deposits the same, such person shall be liable, on conviction thereof on indictment, to fine and imprisonment, or on summary conviction thereof to a penalty not exceeding fifty pounds.

Other circumstances under which Company may be wound up by the Court.
Ib. s. 21.

37. Any Company registered under "The Joint Stock Companies Act, 1860," may be wound up by the Court, in accordance with "The Joint Stock Companies Act, 1860," on the application of one or more policy holders or shareholders, upon its being proved to the satisfaction of the Court that the actual funds of the Company are not of a net cash value equal to its liabilities, counting (as such) the net value of its policies according to the "combined experience" or "actuaries" rate of mortality, with interest at four per centum per annum; but the Court shall not give a hearing to the petition until security for costs, for such amount as the Judge shall think reasonable, shall be given, and until a *prima facie* case shall also be established to the satisfaction of the Judge; and in the case of a proprietary Company having an uncalled capital of an amount sufficient, with the future premiums receivable by the Company, to make up the actual invested assets equal to the amount of the estimated liabilities, the Court shall suspend

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further proceedings on the petition for a reasonable time (in the discretion of the Court), to enable the uncalled capital or a sufficient part thereof to be called up; and if, at the end of the original or any extended time for which the proceedings shall have been suspended, such an amount shall not have been realized by means of calls as with the already invested assets to be equal to the liabilities, an order shall be made on the petition as if the Company had been proved insolvent.

38. The Court in the case of a Company registered as aforesaid which has been proved to be insolvent as aforesaid may, if it thinks fit, reduce the amount of the contracts of the Company upon such terms and subject to such conditions as the Court thinks just, in place of making a winding-up order. Power of Court to reduce contracts. Ib. s. 22.

39. Any notice which is by this part of this Act required to be sent to any policy holder may be addressed and sent to the person to whom notices respecting such policy are usually sent; and any notice so addressed and sent shall be deemed and taken to be notice to the holder of such policy. Notices under this Act to policy holders. Ib. s. 23.

40. The Colonial Treasurer shall lay annually before both Houses of the General Assembly the statements and abstracts of reports deposited with him under this Part of this Act during the preceding year. Statements, &c., to be laid before General Assembly. Ib. s. 24.

FOREIGN COMPANIES.

41. The provisions of this Act relating to foreign Companies numbered from forty-two to forty-six, both inclusive, shall not come into operation until the day of

42. Every foreign Company after the coming into operation of this section shall, before doing business in this Colony, in writing, appoint a person resident therein as General Agent, upon whom all lawful processes against the Company may be served with like effect as if the Company existed in this Colony; and the said writing or power of attorney shall stipulate and agree, on the part of the Company making the same, that any lawful process against said Company which is served on the said General Agent shall be of the same legal force and validity as if served on said Company. Agent to be appointed.

A copy of the writing, duly certified and authenticated, shall be filed in the office of the Colonial Treasurer, and copies certified by him shall be sufficient evidence.

The said agency shall be continued while any liability remains outstanding against the Company in this Colony, and the power shall not be revoked until the same power is given to another and a like copy filed as aforesaid. Service of any process notice or otherwise upon the said Agent shall be deemed sufficient service upon the principal.

43. In every policy or other contract issued by any foreign Company to persons resident within the Colony, it shall be expressly stated that the Company will abide by the decision of the Court. Policy to contain certain statements.

44. The General Agent shall, before any contract for any insurance annuity or endowment is made by such Company, give a bond to the Colonial Treasurer, with one or more sureties to be approved by him, in the sum of five hundred pounds, with condition that he will accept service of all lawful processes against the Company in the manner provided in this Part of this Act, and pay all penalties recovered under this Act against him or the Company. Agents to give bond.

Every Agent of a foreign Company doing business in this Colony shall, before any business is done by him for the said Company, give a bond to the Colonial Treasurer, with one or more sureties approved by him, in the sum of two hundred and fifty pounds, with conditions that he will comply with the requirements of this Act so far as they apply to such Agent.

45. No person shall act either as general or other agent of a Penalty for non-

compliance.

foreign Company until he has complied with all the requirements of this Act, and every person so acting without such compliance, or who knowingly procures payment or any obligation for the payment of any premium for insurance or endowment or for sale of an annuity by fraudulent representations, shall be liable to a penalty not exceeding two hundred and fifty pounds for each offence.

When contracts valid.

46. Every contract of insurance or for an endowment or annuity made by any foreign Company without complying with the provisions of this Part of this Act, contained in the sections numbered from forty-two to forty-six, both inclusive, shall be valid and binding on the Company, but the agent making the contract shall be liable to the penalty provided in section forty-five of this Act; and any such Company which neglects to appoint and keep appointed a General Agent, agreeably to the provisions of this Act, shall not recover any premium or other payment on any contract of insurance or for endowment or an annuity with a person resident in New Zealand.

GENERAL.

Companies may be prohibited from transacting business in certain cases.

47. Every local Company and every foreign Company, which makes default in complying with the provisions of this Part of this Act contained in sections numbered from four to forty, both inclusive, shall not only be liable to the penalties set forth in the thirty-fifth section, but may also, if it be made to appear to the Colonial Treasurer that such default has continued for a period of three months, by the Colonial Treasurer be prohibited from transacting business within the Colony either absolutely or for a time as the Colonial Treasurer may think fit. Such absolute or temporary prohibition shall be published in one or more newspapers as the Colonial Treasurer may direct, and if any such Company, or any person as agent for any such Company, or otherwise for or on behalf of any such Company, shall after such absolute prohibition or during any such temporary prohibition receive any applications for any life insurance, or accept any premium for any life insurance or endowment, or any money for the sale of an annuity, or otherwise carry on the business of life insurance within New Zealand, such Company and person shall respectively be liable to a penalty of two hundred and fifty pounds for each and every act done in breach of this provision.

Penalties how to be recovered.
Ib. s. 20.

48. Every penalty imposed by this part of this Act shall unless otherwise provided be recovered only in a summary way, in the manner prescribed by "The Justices of the Peace Act, 1866."

PART II.

PROTECTION OF POLICIES OF LIFE ASSURANCE.

Protection of policies and contracts from the operation of Bankruptcy Acts and from execution.

49. The property and interest of every person who hereafter effects any policy or contract for an assurance *bonâ fide* upon the life of himself, or for any future endowment for the wife or any child of such person, or for an annuity for the wife or any child of such person, and the property and interest of the personal representatives of such wife or child in such policy or contract, or in the moneys payable thereunder, or in respect thereof, shall be exempt from any law now or hereafter in force relating to bankruptcy or insolvency, and shall not be seized or levied upon by or under the process of any Court whatever:

Provided that a policy or contract for a payment to be made on death or otherwise or for endowment shall not be so protected until such policy or contract has endured for at least two years, after which period such protection shall be afforded to the extent of two hundred pounds of assurance or endowment, and after an endurance of five years to the extent of five hundred pounds, and after an endurance of seven years to the extent of one thousand pounds, and after an endurance of ten years to the extent of two thousand pounds; and in every such case the contributions made towards the same shall be also protected:

Provided also that no contract for an annuity, nor the contributions made towards the same, shall be protected until the payment made on behalf of such annuity has extended over a period of at least six years, or unless it has been purchased at a date at least six years prior to the commencement of the annuity and that such annuity shall not exceed the sum of one hundred pounds, per annum :

Provided further that the protection hereby afforded shall in the case of an annuity accrue only to the benefit of the actual annuitant, and only to such part as shall be payable after such annuitant attains the age of fifty years ; and in the case of an endowment, for the benefit only of the nominee ; and in the case of a life assurance, for the benefit only of the personal representative of the assured ; and in no case for any assignee of the assured.

50. Married women may effect policies or contracts for life assurance endowments or annuities, and such policies or contracts, if expressed to be made for their separate use, may be disposed of by them by will, and shall not be subject to the debts or control of their husbands, nor shall it be necessary for such a married woman to obtain the consent or concurrence of her husband to the disposition thereof by will or otherwise. And for the purposes of any such contract she shall be deemed to be a *feme sole*, and any money secured or to be paid to her shall be paid or accounted for to her as if she were an unmarried woman :

Married women may contract as if sole, and dispose of interest in contracts by will.

Provided that a policy or contract for a payment to be made on death or otherwise or for a life assurance or endowment held by any married woman shall not be protected against the debts of her husband unless it has endured for two years, and then only to the extent of two hundred pounds, and if for five years to the extent of five hundred pounds, and if for seven years to the extent of one thousand pounds, and if for ten years to the extent of two thousand pounds :

Provided also that an annuity shall not be so protected unless the payments made on account thereof have been made at annual or more frequent intervals during a period of at least six years, or unless purchased more than six years prior to the commencement of the annuity, and that such annuity shall not exceed the sum of one hundred and four pounds per annum.

51. A policy of insurance, to an amount not exceeding two thousand pounds, effected by any person on his own life and for the whole term thereof for the benefit of his wife, or of his wife and children, or of his wife and some or one of his children, or of his children only or some or one of them, shall enure and be deemed a trust for the benefit of his wife, for her separate use, and of his children or any of them, according to the interest so expressed, and shall so long as any object of the trust remains be free from the claims of any creditor or creditors whomsoever, and be exempt from any law now or hereafter in force relating to bankruptcy or insolvency :

Insurance for benefit of wife and children.

Provided that the premium on any such policy of insurance shall be payable during the whole of the husband's life, or during any period thereof not being less than seven years, by equal annual half-yearly or quarterly payments, as may be agreed upon.

Such policy of insurance may be effected either in the name of the person whose life is insured or in the name of his wife or of any other person (with the assent of such other person) as trustee.

Mode of effecting insurance for benefit of wife and children.

The amount secured by such policy, where the insurance is effected for the benefit of more than one, may, if not apportioned in the policy, be apportioned by the husband, by any deed or instrument in writing under his hand, or by his last will and testament, as he may deem proper.

52. When no apportionment is made in any policy as aforesaid, If insurance not

apportioned, parties interested to share equally.

or by deed instrument in writing or will as aforesaid, all parties interested in the said insurance shall be held to share equally in the same; and when it is stated in such policy that the insurance is for the benefit of the wife or wife and children generally, or of the children generally, without specifying her or their names, then the word "wife" shall be held to mean the wife (if any) of the person whose life is insured living at the time of his death, and the word "children" shall be held to mean all the children of the person whose life is insured living at the time of his death, whether by any other marriage or not, and the moneys payable to infants may be made payable to Public Trustee.

Money payable to infants may be made payable to Public Trustee.

53. If it be expressed in any policy made under the sections of this Act, that any money payable to or for the benefit of any child or children may be paid to the Public Trustee in the event of such child or children being under age when such moneys become payable by the Company, then such moneys may, in the event of any such child being an infant at the time when such moneys become payable by the Company under such policy, be paid to the Public Trustee in trust for such child, and the Public Trustee may apply the same as he thinks fit to or for the benefit of such child, and the receipt of such Public Trustee shall be a sufficient discharge to the Company.

MISCELLANEOUS.

Exception.

54. Nothing in this Act contained shall be construed to affect "The New Zealand Government and Insurance Annuities Acts, 1869 and 1870," or any Commissioner or other person acting under the authorities vested in him by the said Acts.

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SCHEDULES.

FIRST SCHEDULE.

REVENUE ACCOUNT of the , for the year ending .

18 . (Date.)	£ s. d.	18 . (Date.)	£ s. d.
Amount of funds at the beginning of the year ...		Claims under policies (after deduction of sums reassured)	
Premiums... ..		Surrenders... ..	
Consideration for annuities granted		Annuities... ..	
Interest and dividends ...		Commission	
Other receipts (accounts to be specified)		Expenses of management ...	
		Dividends and bonuses to shareholders (if any)	
		Other payments (accounts to be specified)	
		Amount of funds at the end of the year, as per Second Schedule	
	£		£

Note 1.—Companies having separate accounts for Annuities, to return the particulars of their Annuity business in a separate statement.

Note 2.—Items in this and in the accounts in the Third and Fifth Schedules should be the net amounts, after deduction of the amounts paid and received in respect of reassurances.

SECOND SCHEDULE.

BALANCE SHEETS of the , on the 18 .

LIABILITIES.		£ s. d.	ASSETS.		£ s. d.
Shareholders' capital paid up (if any)			Mortgages on property within the United Kingdom		
Assurance Fund			Mortgages on property out of the United Kingdom		
Annuity Fund (if any)			Loans on the Company's policies ...		
Other Funds if any to be specified			Investments :		
Total funds, as per First Schedule	£		In New Zealand Government securities		
Claims admitted but not paid*			In British Government securities ...		
Other sums owing by the Company* (accounts to be specified)			In Indian and Colonial Government securities		
			In Foreign Government securities ...		
			In Railway and other debentures and debenture stocks		
			In Railway shares (preference and ordinary)		
			In house property		
			In other investments (to be specified)		
			Loans upon personal security		
			Agents' balances		
			Outstanding premiums		
			Outstanding interest		
			Cash :		
			On deposit £		
			In hand and on current account		
			Other assets (to be specified) ...		
	£			£	

* These items are included in the corresponding items in the First Schedule.

THIRD SCHEDULE.

REVENUE ACCOUNTS of the , for the Year ending , 18 .

(No. 1.) LIFE ASSURANCE ACCOUNT.

(Date.)	£ s. d.	(Date.)	£ s. d.
Amount of Life Assurance Fund at the beginning of the year...		Claims under life policies (after deduction of sums re-assured)	
Premiums after deduction of re-assurance premiums ...		Surrenders	
Consideration for annuities granted		Annuities	
Interest and dividends		Commission... ..	
Other receipts (accounts to be specified)		Expenses of management ...	
		Other payments (accounts to be specified)	
		Amount of Life Assurance Fund at the end of the year as per Fourth Schedule	
	£		£

Note.—Companies having separate accounts for annuities, to return the particulars of their annuity business in a separate statement.

(No. 2.) FIRE ACCOUNT.

(Date.)	Amount of Fire Assurance Fund at the beginning of the year...	£ s. d.	(Date.)	Losses by fire after deduction of re-assurances	£ s. d.
	Premiums received after deduction of re-assurances			Expenses of management	
	Other receipts to be specified			Commission	
				Other payments to be specified	
				Amount of Fire Assurance Fund at the end of the year as per Fourth Schedule	
		£			£

Note.—When Marine or any other branch of business is carried on, the income and expenditure thereof to be in like manner stated in a separate account.

(No. 3.) PROFIT AND LOSS ACCOUNT.

(Date.)	Balance of last year's account	£ s. d.	(Date.)	Dividends and bonuses to shareholders	£ s. d.
	Interest and dividends not carried to other accounts			Expenses not charged to other accounts	
	Profit realized (accounts to be specified)			Loss realized (accounts to be specified)	
	Other receipts			Other payments	
		£		Balance as per Fourth Schedule	£

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

FOURTH SCHEDULE.

BALANCE SHEET of the , on the , 18

LIABILITIES.		£ s. d.	ASSETS.		£ s. d.
Shareholders' capital	...		Mortgages on property within the United Kingdom	...	
General Reserve Fund (if any)	...		Mortgages on property out of the United Kingdom	...	
Life Assurance Fund*	...		Loans on the Company's policies	...	
Annuity Fund (if any)*	...		Investments:—		
Fire Fund	...		In New Zealand Govt. securities		
Marine Fund	...		British Government do.	...	
Profit and loss (if any)	...		Indian and Colonial do.	...	
Other funds, if any, to be specified	...		Foreign do.	...	
		£ s. d.	Railway and other debentures and debenture stocks	...	
Claims under life policies admitted but not yet paid	...		Railway shares (preference and ordinary)	...	
Outstanding fire losses	...		House property	...	
Do. marine do.	...		Other investments (to be specified)	...	
Other sums owing by the Company (accounts to be specified)	...		Loans upon personal security	...	
			Agents' balances	...	
			Outstanding premiums	...	
			Do. interest	...	
			Cash:—		
			On deposit	... £	
			In hand and on current account	...	
			Other assets (to be specified)	...	
		£			£

* If the Life Assurance Fund is, in accordance with section 4 of this Act, a separate trust fund for the sole security of the Life policy holders, a separate balance sheet for the Life branch may be given in the form contained in Schedule 2. In other respects the Company is to observe the above form. See also note to Second Schedule.

FIFTH SCHEDULE.

STATEMENT RESPECTING THE VALUATION OF THE LIABILITIES UNDER LIFE POLICIES AND ANNUITIES OF THE , TO BE MADE BY THE ACTUARY.

(The answers should be numbered to accord with the numbers of the corresponding questions.)

1. The date up to which the valuation is made.
2. The principles upon which the valuation and distribution of profits among the policy holders are made, and whether these principles were determined by the instrument constituting the Company, or by its regulations or by-laws, or otherwise.
3. The table or tables of mortality used in the valuation.
4. The rate or rates of interest assumed in the calculations.
5. The proportion of the annual premium income (if any) reserved as a provision for future expenses and profits. (If none, state how this provision is made.)

The term "extra premium" in this Act shall be taken to mean the charge for any risk not provided for in the minimum contract premium. If policies are issued in or for any country at rates of premium deduced from tables other than the European mortality tables adopted by the Company, separate Schedules similar in form to the above must be furnished.

(Form referred to under heading No. 7 in Fifth Schedule.)
Valuation Balance Sheet of _____, as at _____, 18 ____.

Dr.	£	Cr.	£
To net liability under Assurance and Annuity transactions (as per summary statement provided in Schedule 5)...		By Life Assurance and Annuity Funds (as per balance sheet under Schedule 2 or 4) ...	
To surplus (if any) ...		By deficiency (if any) ...	
	£		£

SIXTH SCHEDULE.

STATEMENT OF THE LIFE ASSURANCE AND ANNUITY BUSINESS OF THE _____, ON THE _____; 18 ____.

(The answers should be numbered to accord with the numbers of the corresponding questions. Statements of reassurances, corresponding to the statements in respect of assurances under headings 2, 3, 4, 5, and 6, are to be given.)

1. The published table or tables of premiums for assurances for the whole term of life which are in use at the date above mentioned.

2. The total amount assured on lives for the whole term of life which are in existence at the date above mentioned, distinguishing the portions assured with and without profits, stating separately the total reversionary bonuses, and specifying the sums assured for each year of life from the youngest to the oldest ages.

3. The amount of premiums receivable annually for each year of life, after deducting the abatements made by the application of bonuses in respect of the respective assurances mentioned under heading No. 2, distinguishing ordinary from extra premiums.

4. The total amount assured under classes of assurance business other than for the whole term of life, distinguishing the sums assured under each class, and stating separately the amount assured with and without profits, and the total amount of reversionary bonuses.

5. The amount of premiums receivable annually in respect of each such special class of assurances mentioned under heading No. 4, distinguishing ordinary from extra premiums.

6. The total amount of premiums which has been received from the commencement upon all policies under each special class mentioned under heading No. 4 which are in force at the date above mentioned.

7. The total amount of immediate annuities on lives, distinguishing the amounts for each year of life.

8. The amount of all annuities other than those specified under heading No. 7, distinguishing the amount of annuities payable under each class, the amount of premiums annually receivable, and the amount of consideration money received in respect of each such class, and the total amount of premiums received from the commencement upon all deferred annuities.

9. The average rate of interest at which the Life Assurance Fund of the Company was invested at the close of each year during the period since the last investigation.

10. A table of minimum values, if any, allowed for the surrender of policies for the whole term of life, and for endowments and endowment assurances, or a statement of the method pursued in calculating such surrender values, with instances of its application to policies of different standing and taken out at various interval ages, from the youngest to the oldest.

Separate statements to be furnished for business at other than European rates, together with a statement of the manner in which policies on unhealthy lives are dealt with.