

AS REPORTED FROM THE JOINT STATUTES REVISION COMMITTEE,  
29TH OCTOBER, 1903.]

Hon. Mr. Pitt.

LIFE ASSURANCE POLICIES ACTS AMENDMENT.

ANALYSIS.

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A BILL INTITULED

AN ACT to amend "The Life Assurance Policies Act, 1884." Title.

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

1. The Short Title of this Act is "The Life Assurance Policies Acts Amendment Act, 1903;" and it shall form part of and be read together with "The Life Assurance Policies Act, 1884" (hereinafter referred to as "the principal Act"). Short Title.

Struck out.

2. Unless the context requires a different construction, "the said Act" means "The Life Assurance Policies Act, 1884." Interpretation.

3. For the purpose of effecting a policy on his own life, and surrendering it, and giving discharges for the policy-moneys, and of dealing with and disposing by will or otherwise of a policy or any interest therein, and for the purposes of the said Act, a person of the age of fifteen years or over that age shall be competent to do, execute, suffer, and perform all acts, deeds, matters, and things as if such person were over the age of twenty-one; and so far as concerns the company issuing the policy, and so far as concerns any person claiming under an instrument made *bona fide* and for valuable consideration, it shall, except the company or person claiming as aforesaid has at the time of the transaction and in the course thereof an actual personal knowledge to the contrary affecting him with fraud, be conclusively presumed that every person purporting to effect or deal with any policy is over the age of fifteen years.

Age for effecting and dealing with policy.

4. No moneys payable under the terms of any policy shall be available for the payment of the debts of any policyholder dying after the passing of this Act, and leaving a will, or the payment of any legacies payable under the terms of his will, unless in and by his will

Policy-moneys not liable for debts or legacies.

*Struck out.*

such policyholder shall by express words specially referring to such policy-moneys have declared that the same shall be so available. No general bequest of a policyholder's personal estate upon trust for payment of debts or legacies, and no general direction for the payment of debts or legacies out of any fund of which under any such will any such moneys are made to form part, shall in the absence of such declaration be deemed to make any such moneys available for payments of debts or legacies, and section thirty-three of the said Act is hereby amended by repealing the words "or for debts or legacies under a will unless specially directed by such will," in the eleventh and twelfth lines of such section. Nothing herein contained shall be deemed to protect any policy in excess of the amount provided in section thirty-four of the said Act.

Registration of dealings with company issuing policy.

5. (1.) Registration of assignments and mortgages to the company issuing any policy shall not in any case be necessary. Such assignments and mortgages shall take effect in the same manner as if they were registered from the dates thereof respectively.

(2.) In any case in which any company which shall have issued any policy shall have advanced any money on the security of any mortgage of any such policy, or taken any mortgage or other security over any such policy, and any assignment, mortgage, or other dealing to or in favour of any person other than the said company shall be presented for registration, the secretary of such company shall be entitled to require as a condition precedent to the registration of such assignment, mortgage, or dealing that all persons claiming any interest thereunder shall execute an acknowledgment, indorsed on such assignment, mortgage, or other dealing, of the existence of such advance, mortgage, or security by or to such company, and of the amount due thereon at the time of such acknowledgment.

Protection in bankruptcy.

6. Subsections six and seven of section thirty-four of the said Act are hereby amended by repealing the words "three years" wherever such words occur in the said subsections, and substituting the words "one year" therefor.

Reversion of assigned policy under £200.

7. In any case in which any policy insuring a sum not exceeding two hundred pounds has been assigned by the person assured to his wife, and the wife shall have predeceased her husband without having left a will disposing of such policy, such policy, with all bonus additions thereto, shall pass to and become vested in the person insured, subject to all outstanding interests affecting the same, without the obtaining of letters of administration to the estate of the deceased wife.

Issue of certified copies.

8. (1.) Whenever any certified copy of any policy issued under section twenty-eight of the said Act shall be lost or destroyed the provisions of the said section shall apply to such certified copy in the same manner as if it had been the original policy, and further certified copies to take the place of the original and have the effect provided by the said section twenty-eight may be issued from time to time.

(2.) The word "received" in the third line of the said section is hereby repealed, and the word "required" substituted therefor.

## New clauses.

5 A. (1.) A minor of or over the age of fifteen years may do, execute, suffer, and perform all acts, deeds, matters, and things necessary or proper for the purpose of effecting a policy on his own life, and may, subject to the approval of the Public Trustee, sur-  
10 render such policy, give discharges for the policy-moneys, and dispose by will or otherwise of such policy or any interest therein, or deal with the same in any manner authorised by the principal Act, as fully and effectually as if he were of full age.

Minor of fifteen may effect and deal with policy.

(In lieu of clause 3.)

10 (2.) So far as concerns the company issuing any policy, and so far as concerns any person claiming under any disposition of a policy made *bona fide* and for valuable consideration, it shall be conclusively presumed that the person who effected or disposed of the same was, at the time when he so effected the same or so disposed thereof, of or  
15 over the age of fifteen years :

20 Provided that this presumption shall not apply where the company issuing the policy, or the person claiming as aforesaid, had, at the time of such issue or disposition as aforesaid, actual personal knowledge that the person purporting to effect or dispose of the policy was under the age above mentioned.

B. (1.) A mortgage of a policy to the company issuing the policy need not be registered, but shall take effect from the date thereof in the same manner as if it were registered.

When registration of mortgage unnecessary.

(In lieu of clause 5.)

25 (2.) Where the company issuing any policy has advanced money on the security of the policy, or has taken a mortgage thereover, and afterwards an instrument affecting such policy made to or in favour of any person other than the company is presented for registration, the secretary of the company shall be entitled to require  
30 as a condition precedent to registration that all persons claiming any interest under the instrument shall execute an acknowledgment, to be indorsed on such instrument, of the existence of such advance or mortgage by or to the company, and of the amount due to the company in respect thereof at the time of such acknowledgment.

35 (3.) Section six of the principal Act shall not apply to assignments or mortgages to the company issuing the policy.

(4.) Section thirteen of the principal Act is hereby amended by repealing all words after the words "person leaving the same."

40 C. (1.) Where a certified copy of any policy has been issued under section twenty-eight of the principal Act, and such copy is afterwards lost or destroyed, then another certified copy may in like manner be issued to take the place of the original policy, and so on as often as may be necessary.

Issue of certified copies.

(In lieu of clause 8.)

45 (2.) The said section twenty-eight is hereby amended by repealing the word "received," and substituting in lieu thereof the word "required."

50 D. (1.) Where a policyholder dies leaving a will, the policy-moneys shall not be applied in payment of his debts or of any legacies payable under his will unless in and by his will he has by express words specially referring to such moneys declared that the same shall be so applied.

Policy-moneys not liable for debts or legacies.

(In lieu of clause 4.)

(2.) Neither a general bequest of a policyholder's personal estate upon trust for payment of debts or legacies, nor a general direction

for the payment of debts or legacies out of any fund of which under any such will the policy-moneys are made to form part, shall be deemed to render any such moneys available for payment of debts or legacies.

(3.) Section thirty-three of the principal Act is hereby amended 5  
by repealing the words "or for debts or legacies under a will unless specially directed by such will."

(4.) The protection granted by this section shall extend only to an amount of assurance of two thousand pounds, together with the accrued or allotted profits thereon. 10

*E.* Where a policy assuring a sum not exceeding two hundred pounds has been assigned by the person assured to his wife, and the wife predeceases him without having disposed of such policy by will, such policy, together with any bonus additions thereto, shall, subject to all outstanding interests therein, revert by force of this Act to 15  
the person assured.

Reversion of  
assigned policy in  
certain case.  
(In lieu of clause 7.)