

MUTUAL INSURANCE BILL

EXPLANATORY NOTE

THIS BILL consolidates and amends the Mutual Fire Insurance Act 1908. It extends the scope of the existing legislation by extending the class of persons who may become members of mutual insurance associations, and extending the powers of associations to provide for the insurance requirements of members over a wider field than at present.

Clauses 1 and 2 relate to the Short Title and interpretation of the Bill. Attention is directed specially to the definitions of the terms "farm", "fully detached building", and "isolated property", which are material in connection with the clauses specifying the persons who may become members of associations, and the classes of property which may be insured.

Clause 3 specifies the persons who are eligible for membership of an association. These include particularly owners and occupiers of farms and isolated property and certain organizations which are linked with the activities of the farming community.

Clause 4 specifies the procedure to be followed where application is made to the Governor-General for authority to form a new association.

Clause 5 provides that the Governor-General in Council may issue a warrant authorizing the formation of a new association.

Clause 6 makes provision for the holding of the first general meeting of a new association.

Clause 7 specifies the resolution which must be passed and the steps which must be taken so as to complete the incorporation of a new association.

Clause 8 enables any association to change its name and place of business.

Clause 9 provides for the keeping of a register of members and specifies the persons who are to be members of an association.

Clause 10 provides that members of an association may resign therefrom, but makes it necessary for them to obtain the consent of the Board of Managers of the association before they do so. They forfeit their membership if for a period of six months they have no current insurance with the association.

Clause 11 specifies the circumstances in which an association may hold land, and empowers the Board of an association to sell, mortgage, grant leases of, or let land held by the association.

Clause 12 provides that an association may, at any time while it holds current premium notes from its members amounting to at least £20,000, insure isolated property belonging to any member of the association against loss or damage by fire, lightning, or explosion.

Clause 13 provides that the Governor-General may, by Order in Council, make regulations enabling an association to grant its members other kinds of insurance except life insurance.

Clause 14 provides that, if the Minister has published in the *Gazette* a notice that he is satisfied that an association has a reasonable margin of solvency, and if that notice has not been revoked, the association may grant to its members insurance covers in respect of property notwithstanding that it is not isolated property. In determining whether an association has a reasonable margin of solvency the Minister is to have regard to—

- (a) The amount by which its realizable assets (other than goodwill and money due by its members) exceeds the total of its liabilities, other than contingent or prospective liabilities in respect of events that have not yet happened; and
- (b) The total amount due under current premium notes which the association holds from its members.

An association is to be deemed to have a reasonable margin of solvency for the purposes of this clause if, in the opinion of the Minister, whose decision is to be final, the total of the said amounts is not less than £75,000 and neither of these amounts is less than £25,000.

Clause 15 provides that where an association has made certain specified deposits totalling £50,000 under the Insurance Companies' Deposits Act 1953, and satisfies other conditions set out in the clause and designed to show that it has a reasonable margin of solvency, the association shall have unrestricted power to grant to its members insurance covers of all kinds except life insurance. Before an association undertakes third party risk insurance under Part V of the Transport Act 1949 it must make the further deposit of £10,000 required under the Insurance Companies' Deposits Act 1953 from companies which carry on that class of business.

Clause 16 empowers an association to continue insurance covers in certain circumstances even though the insurance is not otherwise authorized under the stricter provisions of this Bill. Under the existing legislation an association may insure any farm or isolated property, but there is no definition of the term "isolated property". In certain cases an association has in good faith regarded as isolated for insurance purposes property which will not come within the definition of the term "isolated property" in *clause 2*. If such a cover has been granted before 30 June 1954 in reliance on the existing legislation, *clause 16* will enable the cover to be renewed, either for the same amount or a different amount.

Clause 17 authorizes trustees to insure with mutual insurance associations in cases where the trust property is within the contemplation of the legislation.

Clause 18 provides that an association is not to grant insurance cover to a member unless it holds a premium note signed by the member. The amount secured by the premium note is to be fixed by the Board of the association, and the minimum amount may vary between £20 in the case of an association in the first stage of development and £5 in the case of an association which is fully established and comes within *clause 15*.

Clause 19 deals with the making of calls on premium notes.

Clause 20 makes provision for the forfeiture of policies where calls are unpaid.

Clause 21 provides that a premium note is normally to become void and to be returnable to the giver six months after the expiration of the policy or contract of insurance to which it relates.

Clause 22 provides that a member to whom insurance cover is granted shall be required to pay a cash premium as well as to give a premium note.

Clause 23 deals with the form and effect of policies of insurance issued by an association.

Clause 24 specifies the rules which apply where the ownership of insured property changes.

Clause 25 enables an association to reinsure the risks which it has insured, and to grant reinsurance of risks to other associations.

Clauses 26 to 29 deal with general meetings of associations, the notices to be given in connection therewith, the proceedings thereat, and the voting rights of members.

Clauses 30 to 32 relate to Boards of Directors of associations and their proceedings and powers.

Clause 33 deals with the safe custody and use of the seal of the association.

Clauses 34 to 38 relate to the liabilities of an association and its members, the reserve fund which an association must form, the borrowing of money by associations, and the accounts of associations and the audit thereof.

Clause 39 requires every association to furnish an annual statement of its business to the Public Trustee, and to answer inquiries made by the Public Trustee regarding its transactions and financial position.

Clause 40 makes the manager and secretary of an association each liable for a fine not exceeding £20 if, at any time while he is the holder of the office,—

- (a) A statement of the business of the association in any financial year is not prepared and forwarded to the Public Trustee as required by *clause 39* of the Bill; or
- (b) Prompt and explicit answer is not made in reply to any inquiries made by the Public Trustee under *clause 39* of the Bill; or
- (c) Any person who is not eligible for membership of the association under *clause 3* of the Bill is admitted as a member of the association after the commencement of the Bill; or
- (d) The association grants, after the commencement of the Bill, any insurance cover which it is not for the time being authorized to grant.

Clause 41 requires the Public Trustee to publish in the *Gazette* each year a synopsis of the business of each association.

Clause 42 makes provision for payment by an association of the Public Trustee's costs and remuneration in respect of work done in connection with the affairs of the association.

Clause 43 applies the provisions of Part VI of the Companies Act 1933 in connection with the winding up of associations.

Clause 44 confers wide power to make regulations for the purpose of giving effect to the provisions of the Bill. Any such regulations may apply to all associations or to any specified association or associations.

Clause 45 makes provision for consequential repeals, amendments, and savings.



Hon. Mr Hanan

MUTUAL INSURANCE

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A BILL INTITULED

Title.	AN ACT to consolidate and amend certain enactments of the General Assembly relating to mutual insurance associations.	
	BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:	5
Short Title.	1. This Act may be cited as the Mutual Insurance Act 1955.	
Interpretation.	2. In this Act, unless the context otherwise requires,—	10
	“Agriculture” means the cultivation of the soil for the production of food products and other useful products of the soil; and includes the use of land for horticultural or pastoral purposes, or for the keeping of pigs, bees, or poultry:	15
	“Association” means one of the mutual insurance associations specified in the <i>First</i> Schedule to this Act, or a mutual insurance association incorporated under this Act:	20
	“Board”, in relation to any association, means the Board of Directors of that association:	
	“Farm” means an area of not less than five acres of land which is in the occupation of one person or of more than one person jointly or as tenants in common and is used exclusively or principally for the purposes of agriculture:	25
	“Financial year” means a period of twelve months ending with the thirty-first day of March:	
	“Fully detached building” means—	30
	(a) A building the exterior walls of which are constructed principally of brick, concrete, stone, or other fire resistant material, and which is situated at a distance of not less than ten feet from the nearest other building not owned by the same owner; or	35
	(b) Any other building situated at a distance of not less than thirty feet from the nearest other building not owned by the same owner:	40

5 “Isolated property” means property which is situated on a farm or which is a fully detached building not situated in a city or borough or which is usually kept in a fully detached building not situated in a city or borough; and includes the buildings, machinery, and plant of any co-operative dairy company registered as such under the Co-operative Dairy Companies Act 1949: 1949, No. 22

10 “Life insurance” includes endowment and annuity contracts:

15 “Member”, in relation to any association, means a person whose name is for the time being entered in the association’s register of members in accordance with section *nine* of this Act:

“Minister” means the Minister in Charge of the Public Trust Office:

20 “Personal accident insurance” means insurance of a member of an association in respect of any accident which may happen to him, or any disease, disability, or change of physical or mental condition which he may contract or suffer:

25 “Premium note” means an undertaking in the form set out in the *Second* Schedule to this Act:

30 “Registrar” means the Registrar of Companies; and, in relation to any association or proposed association, includes the Assistant Registrar of Companies for the district within which the principal place of business of the association is or will be situated:

35 “Subscriber”, in relation to any association or proposed association, means a person who has subscribed the declaration specified in paragraph (a) of subsection *one* of section *four* of this Act in connection with the formation of the association.

Constitution of Associations

40 3. (1) The persons eligible for membership of an association shall comprise:

(a) Any owner or occupier of any farm:

(b) Any owner or occupier of any isolated property:

(c) Any co-operative dairy company registered as such under the Co-operative Dairy Companies Act 1949:

Qualification for membership of association. 1908, No. 125, s. 2 (Reprint of Statutes, Vol. IV, p. 22)

(d) Any employee of any such co-operative dairy company:

(e) Any body corporate or other organization the principal object of which is to foster the social or economic welfare of persons living on farms or outside the boundaries of cities and boroughs. 5

(2) For the purposes of this section the principal object of a body corporate or organization means the principal business or activity for the time being carried on by the body corporate or organization, notwithstanding that it may have authority to carry on any other activity or business. 10

(3) Subject to the provisions of section *ten* of this Act, a person who has duly become a member of an association, whether before or after the commencement of this Act, may continue to be a member thereof notwithstanding that he has subsequently ceased to be eligible for membership thereof under the provisions of this section. 15

(4) Unless express provision is made to the contrary in the memorandum of association or articles of association of any co-operative dairy company registered as such under the Co-operative Dairy Companies Act 1949, it shall have power to become a member of an association and to give any premium note which may be required in order to obtain any insurance cover from the association. 20

1949, No. 22

Application to
form new
association.
1908, No. 125,
s. 2

4. (1) An application to the Governor-General for the grant of a warrant for the formation of an association may be made in any case where— 30

(a) Two hundred or more persons who are eligible for membership of the association have subscribed their names to a declaration which—

(i) Declares that they have bound themselves to form an association for the purpose of mutual insurance against fire or lightning or explosion, and to effect insurance against those risks with the proposed association amounting to not less than the sum specified as regards each subscriber and not less than two hundred thousand pounds in the aggregate; and 35 40

(ii) States the proposed name of the association (of which name the words " Mutual Insurance Association " shall form part), the city, borough, or town district where its principal place of business will be situated, and the name of the interim secretary of the association; and

(b) That declaration has been filed with the Registrar, and a copy thereof has been served on the Public Trustee; and

(c) At the time of the filing of the last mentioned declaration or subsequently, there has been filed with the Registrar a statutory declaration by a solicitor of the Supreme Court engaged in the formation of the association, or by the said interim secretary, that he believes that all of the subscribers are eligible for membership of the proposed association, and that all of the requirements of this section have been complied with.

(2) The declaration by the subscribers may also state the number and names of the subscribers selected as the first directors of the association.

(3) Any such application to the Governor-General may be made by the said interim secretary, or by some person authorized in writing to make the application by at least ten of the subscribers.

5. (1) Upon any such application being duly made to him as aforesaid, the Governor-General in Council may, notwithstanding anything contained in the Companies Act 1933 or any other Act, grant a warrant authorizing the subscribers to constitute themselves, together with such others as may thereafter join with them, an association under the provisions contained in this Act.

Governor-General may issue warrant authorizing formation of new association. 1908, No. 125, s. 2 1933, No. 29

(2) The warrant shall state the proposed name of the association and the city, borough, or town district where its principal place of business will be situated.

6. (1) As soon as may be convenient after the warrant is obtained, the said interim secretary or any other person who may be authorized in writing so to do by not less than ten of the subscribers may call a first general meeting of the association.

First general meeting. 1908, No. 125, s. 3

(2) The meeting shall be held at some convenient place within the city, borough, or town district where the principal place of business of the association is to be situated.

(3) At least ten days' notice of the meeting (exclusive of the day on which the notice is given, but inclusive of the day for which notice is given) shall be given by notice posted to each subscriber at his last known place of abode or business, or by advertisement in a newspaper circulating in the district in which the business of the association is to be conducted.

Incorporation
of association.
1908, No. 125,
s. 4

7. (1) If at that meeting a resolution is passed by a majority of those of the subscribers who attend the meeting that the association be incorporated under the name mentioned in the said warrant and have its principal place of business in the city, borough, or town district mentioned in the said warrant, then, upon the filing with the Registrar of a copy of the resolution purporting to be certified by the chairman of the meeting or by the said interim secretary, and upon payment of a fee of twenty-two pounds, the subscribers, together with such other persons as may from time to time become members of the association, shall be a body corporate by and under the said name and having perpetual succession and a common seal.

(2) The Registrar may issue a certificate that the association is incorporated as from a date mentioned in the certificate, and any certificate so issued shall be conclusive evidence that the association has been duly incorporated as from the said date under the provisions of this Act.

Change of name
and place of
business.

8. (1) An association may, by special resolution and with the written approval of the Registrar, change its name, or the city, borough, or town district where its principal place of business is to be situated:

Provided that, where the name of the association is changed, the words "Mutual Insurance Association" shall form part of the new name.

(2) A resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of such members as, being entitled so to do, vote at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

(3) The association shall forthwith give notice of the passing of any such resolution to the Registrar and shall pay a fee of two pounds for the registration thereof. The Registrar shall note the effect of the resolution on the register and on the certificate of incorporation of the association, or shall issue a new certificate of incorporation. The Registrar shall also publish in the *Gazette*, at the expense of the association, a notice of the change of its name, or of the city, borough, or town district where its principal place of business is to be situated.

(4) A change of name shall not affect any rights or obligations of the association, or render defective any legal proceedings by or against the association, and any legal proceedings that might have been continued or commenced by or against it by its former name may be continued or commenced by or against it by its new name.

9. (1) The subscribers shall be deemed to have agreed to become members of the association, and on its incorporation shall, if then eligible for membership thereof, be entered as members in its register of members.

Membership.
1908, No. 125,
s. 6

(2) The association may admit as a member thereof any person who is eligible for membership and agrees to become a member, and the person shall be a member upon his name being entered in the association's register of members.

(3) The association shall keep the said register of members in one or more books or in the form of cards, and shall enter therein the name, address, and description of each member and the date on which his name was entered in the register. The register shall also show the date on which any former member ceased to be a member of the association.

(4) The register of members shall be sufficient evidence in the absence of proof to the contrary of any matters by this Act directed or authorized to be inserted therein.

10. (1) Any member of the association may, with the consent of the Board, resign therefrom upon such terms as the Board may require.

Resignations.
1908, No. 125,
s. 28

(2) If for a period of six months there shall be no current contract of insurance between the association and a member thereof, then the member shall cease to be a member of the association at the end of that period but

without releasing the association from any liability to which it may then be subject and without releasing the former member from liability for the amount of any calls made on him before he ceased to be a member of the association and for any premiums or other money due by him to the association. 5

Power of
association
to hold land.
1908, No. 125,
s. 55

11. (1) An association shall have power to hold land if—

- (a) The association has or proposes to establish thereon an office for the transaction of its business; or 10
- (b) The association has let or leased or proposes to let or lease the land to an employee of the association for use as the employee's home; or
- (c) The land has been mortgaged in good faith to the association and is subsequently transferred to the association by the mortgagor, or purchased by the association on a sale thereof by the Registrar of the Supreme Court; or 15
- (d) The land is transferred to the association in or towards satisfaction of a debt contracted in the course of its dealings before the transfer has been arranged or is purchased at a sale upon a judgment obtained for any such debt. 20

(2) The Board, on behalf of the association, may from time to time sell, mortgage, grant leases of, or let any such land. 25

Insurance by Associations

Power of
association to
insure property
of members
against fire,
lightning, and
explosion.
1908, No. 125,
ss. 31, 34
1943, No. 9,
s. 16

12. (1) An association may, at any time while the total amount due under current premium notes held by it and signed by members of the association is at least twenty thousand pounds, insure isolated property belonging to any member of the association or in which any member of the association has an insurable interest against loss or damage by fire, lightning, or explosion, or any of those risks. 30 35

(2) An association shall not enter into any contract of insurance at any time while the total amount due under current premium notes held by it and signed by members of the association is less than twenty thousand pounds. 40

13. The Governor-General may from time to time, by Order in Council, make regulations for the extension, subject to such conditions and restrictions as he thinks fit, of the powers of an association to grant to its members such other kinds of insurance (except life insurance) as shall be specified in the regulations.

Extension of powers of associations. 1913, No. 39, s. 2
1948, No. 77, s. 32

14. (1) If the Minister has published in the *Gazette* a notice that he is satisfied that the association therein specified has a reasonable margin of solvency within the meaning of this section, and if that notice has not been revoked, the association may grant to its members insurance covers in respect of any property owned by them notwithstanding that the property is not isolated property:

Further extension of powers of strong associations.

15 Provided that nothing in this subsection shall authorize an association to grant an insurance cover of a kind which it would not otherwise be empowered to grant.

(2) Any such notice may at any time be revoked by the Minister by a further notice in the *Gazette*, if in his opinion the association no longer has a reasonable margin of solvency, or for any other reason which seems to him sufficient.

(3) In determining whether an association has a reasonable margin of solvency within the meaning of this section, the Minister shall have regard to—

(a) The amount by which its realizable assets (other than goodwill and money due by its members) exceeds the total of its liabilities, other than contingent or prospective liabilities in respect of events that have not yet happened; and

(b) The total amount due under current premium notes which the association holds from its members.

(4) An association shall be deemed to have a reasonable margin of solvency within the meaning of this section if, in the opinion of the Minister, whose decision shall be final and binding on all persons, the total of the amounts specified in subsection *three* of this section is not less than seventy-five thousand pounds, and neither of those amounts is less than twenty-five thousand pounds.

Additional
powers when
deposits made
under Insurance
Companies'
Deposits Act
1953.
1953, No. 50

15. (1) If an association has deposits with the Public Trustee under the Insurance Companies' Deposits Act 1953 amounting to twenty-two thousand five hundred pounds in respect of the kind of insurance business described in the First Schedule to that Act as class one, 5
and to twenty-two thousand five hundred pounds in respect of the kind of insurance business therein described as class two, and amounting to five thousand pounds in respect of the kinds of insurance business therein described as class four, and if the Minister has published in the 10
Gazette a notice that he is satisfied that the association has realizable assets (including such deposits but not including goodwill or money due by its members) the value of which exceeds the total amount of its liabilities (other than contingent or prospective liabilities in respect 15
of events that have not yet happened) by not less than fifty thousand pounds and that the association holds current premium notes from its members under which a total amount of not less than twenty-five thousand 20
pounds is due, and if that notice has not been revoked, then the association shall have power to grant to its members insurance covers of all kinds except life insurance:

1953, No. 50

Provided that the association shall not undertake the kind of insurance business, described in the First Schedule 25
to the Insurance Companies' Deposits Act 1953 as class three unless it has made a further deposit with the Public Trustee under that Act amounting to ten thousand pounds.

(2) The insurance covers which may be granted 30
under the power conferred by this section may relate to isolated property or other property or to risks not connected with property.

1953, No. 50

(3) Notwithstanding anything to the contrary in the Insurance Companies' Deposits Act 1953— 35

(a) An association may make any such deposit with the Public Trustee:

(b) The Public Trustee shall accept any such deposit if it is offered to him:

(c) All the provisions of that Act, so far as they are 40
applicable and with the necessary modifications, shall apply to any deposits made under this subsection.

(4) Any such notice may at any time be revoked by the Minister by a further notice in the *Gazette* if in his opinion the circumstances are no longer such that publication of such a notice in respect of the association would be justified or for any other reason which seems to him sufficient; and thereupon no further insurances shall be granted by the association in reliance on the provisions of this section.

(5) The decision of the Minister to publish or revoke, or to refuse to publish or revoke, any such notice shall be final and binding on all persons.

16. Where, before the thirtieth day of June, nineteen hundred and fifty-four, an association has granted an insurance cover to a member in the belief that it was law authorized so to do, the cover may be renewed or a new cover (whether for the same amount or not) of the same kind may be granted over the same property while it is owned by that member, notwithstanding that the granting of the cover would otherwise exceed the powers of the association.

Renewal of existing covers.

17. (1) If a person in his capacity as trustee is the owner or occupier of a farm or the owner of any isolated property, it shall be lawful for him to enter into a contract with an association for an insurance cover in respect of any property held by him in his capacity as trustee, or in respect of any risk which he may incur in his capacity as trustee, and to execute any premium note in respect thereof to the same extent in all respects as if the trustee were the beneficial owner of the property insured.

Insurance of trustees.
1934, No. 9,
s. 2

(2) Every trustee who, in accordance with the foregoing provisions of this section, enters into any contract of insurance with an association shall, while the contract remains in force, be deemed to be a member of that association. Where a trustee has entered into contracts of insurance as aforesaid in respect of property belonging to different estates, his voting powers as a member of the association shall be determined separately in respect of each estate.

(3) No trustee shall be personally liable under any premium note given by him for the purposes of any contract of insurance to which this section refers.

(4) For the purposes of this section the term "trustee" includes an executor or administrator.

Premium note.
1908, No. 125,
s. 32

18. (1) Except as provided in subsection *five* of this section, no insurance cover shall be granted by an association to a member unless the association holds a premium note signed by the member.

(2) The amount of the premium note so required shall be as determined by the Board either generally or in any special case: 5

Provided that, except as provided in subsections *three* and *four* of this section, the amount of the premium note in respect of each insurance cover granted by an association shall not be less than five times the amount of the cash premium payable in respect thereof for the first year of insurance or for the term of the policy if it is not more than a year; and the premium note, or the total of the current premium notes, required from each member to whom any insurance cover has been granted by an association shall be for not less than twenty pounds. 10 15

(3) If a notice under section *fourteen* of this Act has been published in respect of any association and has not been revoked, the Board may determine that the amount of the premium note required from each member to whom an insurance cover is granted shall be such sum as is from time to time fixed by the Board (not being less than ten pounds) and that only one such premium note need be current in respect of each such member, notwithstanding that more than one insurance cover may be granted to him. 20 25

(4) While an association is authorized to exercise the extended powers mentioned in section *fifteen* of this Act, the Board may determine that the amount of the premium note required from each member to whom an insurance cover is granted shall be such sum as is from time to time fixed by the Board (not being less than five pounds) and that only one such premium note need be current in respect of each such member, notwithstanding that more than one insurance cover may be granted to him. 30 35

(5) If any company or other body corporate or organization which is a member of an association desires to obtain an insurance cover from the association but has no power to give the necessary premium note, then the Board may accept a premium note signed by a member 40

or members of the company, body corporate, or organization instead of a premium note from it; and for that purpose the necessary alterations shall be made in the form of the premium note as set out in the *Second*
 5 Schedule to this Act.

19. (1) For the purposes of meeting the losses and other expenditure of the association, whether already incurred or anticipated, or for the purposes of forming or augmenting the association's reserve fund, the Board
 10 may from time to time make calls upon members in respect of any money unpaid on their premium notes.

Calls on premium notes. 1908, No. 125, ss. 41, 42, 45, 46, 47

(2) Subject to the provisions of subsection *two* of section *thirty-five* of this Act, any such call may relate
 15 either to the whole of the amounts unpaid under the premium notes or to a specified proportion of the amounts of the premium notes.

(3) The amount of any such call shall be payable within thirty days after notice thereof has been posted to the person liable at his postal address as last known
 20 to the association.

(4) If the amount of any such call is not paid within that period of thirty days, the association may sue for and recover the amount in any Court of competent jurisdiction, together with costs and with interest upon
 25 the sum payable at the rate of five per cent per annum as from the expiration of that period of thirty days.

(5) In any proceedings for the recovery of the amount of any such call as aforesaid, a certificate by the association's secretary showing what call has been made,
 30 the amount thereby due to the association on any premium note specified in the certificate, and the date of posting of notice of the call to the person liable under the premium note as aforesaid shall, in the absence of proof to the contrary, be taken and received in any
 35 Court as sufficient evidence of the matters so certified.

20. (1) If the amount of any such call is not paid within thirty days after notice thereof has been posted to the person liable as aforesaid, the Board may cause a further notice to be posted to him as aforesaid stating
 40 that, in the event of non-payment of the amount of the call on or before a day specified in the further notice (not being earlier than the expiration of fourteen days from the date of the posting of that notice), the policy or contract of insurance mentioned in that notice will be
 45 null and void.

Forfeiture of policies. 1908, No. 125, s. 43

(2) A copy of the further notice shall be posted by the association to any other person who may be interested in the policy or contract of insurance, whether as mortgagee or otherwise.

(3) If payment of the amount is not made on or before the said day specified in the notice, the policy or contract of insurance shall, unless the Board otherwise directs, become null and void as regards all claims in respect of losses or events happening after that day. 5

(4) No person shall be released from liability for the amount of any call made upon him by reason of any such policy or contract of insurance becoming null and void under the provisions of this section. 10

Premium note to become void within specified time after policy expires. 1908, No. 125, ss. 37, 48

21. (1) Six months after any policy or contract of insurance shall have expired or been cancelled or forfeited any premium note given in respect thereof shall become void and shall, on application therefor, be returned to the person liable thereunder: 15

Provided that:

(a) If the person liable under the premium note still has any policy or contract of insurance with the association, the premium note shall continue in force and the association may retain it unless the association holds some other sufficient premium note from that person: 20

(b) Nothing in this subsection shall release any person from liability for the amount of any call already made upon him. 25

(2) If an association holds a premium note from a member for a greater amount than is for the time being required, the Board may in its discretion authorize the return of that premium note to that member upon receiving from him such other premium note (if any) as may be required. 30

Cash premiums. 1908, No. 125, s. 22

22. (1) Every member to whom any policy of insurance is granted or with whom any contract of insurance is made by the association shall pay such cash premium or cash premiums as may be required therefor in accordance with any tariff of rates for insurance from time to time adopted by the Board or in accordance with any agreement between the member and the association. 35 40

(2) The said cash premium or cash premiums shall be payable by the member in addition to the amount of any calls under any premium note signed by him.

Policies.
1908, No. 125,
s. 36

5 23. (1) All policies of insurance issued by the association shall be sealed with the seal of the association and shall be signed by such one or more persons (being directors or employees of the association) as may from time to time be appointed for the purpose by the Board.

10 (2) Any policy bearing the seal of the association shall be valid in favour of any person acting in good faith, notwithstanding that any person who may have signed it may not have been appointed or authorized by the Board to do so.

15 (3) Any misrepresentation contained in the application or proposal therefor, or any false statement respecting the title or ownership of the applicant or his circumstances, or the concealment of any encumbrance on the insured property or on the land on which it may be situate, or the failure during the currency of the policy
20 to notify the association of any change in the title, ownership, or encumbrance of the insured property and to obtain written consent thereto, shall render the policy void; and no claim for loss shall be enforceable thereunder unless the Board in its discretion sees fit to waive
25 the defect.

24. (1) Upon alienation or partial alienation of the insured property or of any interest therein, the association may determine the insurance cover.

Change of
ownership of
insured
property.
1908, No. 125,
s. 38

30 (2) If the member insured retains any interest (other than an interest as mortgagee) in the insured property, or if any other person who has acquired the insured property or any interest therein is eligible for membership of the association, the association may, with the express or implied consent of the person entitled to the benefit of
35 the insurance cover, agree that it shall remain in force and shall extend to cover any person entitled wholly or partly to the insured property or any interest therein as well as the person previously insured to the extent of such interest (if any) as he may retain.

40 (3) If the insurance cover is allowed to remain in force, the association may retain the premium note of the member originally insured or may take from the

person who has become owner of the insured property a premium note for such amount as would have been required if a new policy had then been granted to that person instead of the policy being transferred, and thereupon the person originally insured by the policy shall become entitled to the return of his premium note and the premium note shall become void at the same time and upon the same conditions as if the insurance cover had been determined at the time of the alienation of the insured property. 5
10

(4) Where the assignee is a mortgagee, the association may permit the policy to remain in force, and to be transferred to him by way of additional security, without requiring any premium note from the assignee, and without his becoming in any manner personally liable for premiums or otherwise; but in such case the premium note and liability of the mortgagor in respect thereof shall continue and be in no way affected. 15

Reinsurance.
1908, No. 125,
s. 27

25. (1) The association may make arrangements with any insurance company or underwriters or with the State Fire Insurance General Manager or with another association for the reinsurance of risks under policies or contracts of insurance granted by the association to its members. 20

(2) The association may also make arrangements with another association to grant reinsurances of risks under policies or contracts of insurance granted by the other association to its members. 25

(3) Any such arrangement may be made subject to such conditions, whether with respect to the payment of premiums or otherwise, as may be agreed upon. 30

General Meetings

General
meetings.
1908, No. 125,
s. 27

26. (1) The association shall in each financial year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the association and that of the next. 35

(2) The annual general meeting shall be held at such time and place as the Board appoints.

(3) All general meetings other than annual general meetings shall be called extraordinary general meetings.

5 (4) The Board may, whenever it thinks fit, convene an extraordinary general meeting; and shall convene an extraordinary general meeting if required to do so by twenty-five members of the association.

10 27. (1) At least fourteen days' notice of each general meeting (exclusive of the day on which the notice is given, but inclusive of the day for which notice is given) shall be given to the members of the association, and shall specify the place, the day, and the hour of the meeting, and (in any case where special business is to
15 come before the meeting) the general nature of that business.

Notice of
general
meetings.
1908, No. 125,
s. 9

(2) Such notice may be given either—

(a) By being posted to each member at his last known place of abode or business; or

20 (b) By being published in at least one newspaper or farming journal circulating in the district in which the business of the association is conducted.

25 (3) The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any member of the association when notices are posted as aforesaid shall not invalidate the proceedings at any meeting.

28. (1) All business shall be deemed special that is—

30 (a) Transacted at an annual general meeting, with the exception of declaring a rebate, the consideration of the accounts, balance sheets, and the reports of the Board and auditors, the election of directors in the place of those retiring, the fixing of the remuneration of directors, and the appointment of and the fixing of the remuneration of auditors; or

Proceedings
at general
meetings.

35 (b) Transacted at an extraordinary general meeting.

(2) No business shall be transacted at any general meeting unless a quorum of members is present at the
40 time when the meeting proceeds to business.

(3) Except as provided in subsection *four* of this section, at any general meeting ten members present in person shall form a quorum.

(4) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; but in any other case it shall stand adjourned to the same day of the next week at the same time and place, or such other day and at such other time and place as the Board may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

(5) The chairman, if any, of the Board shall preside at every general meeting of the association. In the event of the chairman not being present, the deputy chairman or some other director elected by those present shall preside at the meeting.

(6) At any general meeting a resolution put to the vote of the meeting shall be decided on the voices, or on a show of hands if requested by one member, unless a poll is (before or on the declaration of the result of the show of hands) demanded—

(a) By the chairman; or

(b) By at least two members present in person.

(7) Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried or lost, and an entry to that effect in the book containing the minutes of proceedings at general meetings of members, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

(8) The chairman shall have a deliberative vote and, in the case of an equality of votes whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall also have a casting vote.

29. (1) Every member present at a general meeting shall have one vote, except as provided in subsection *two* of section *seventeen* of this Act as regards trustees, and in subsection *eight* of section *twenty-eight* of this Act as regards the chairman of a meeting.

(2) No member shall be entitled to vote at any general meeting unless all money presently payable by him to the association has been paid.

5 (3) Any company, body corporate, or other organization which is a member of the association or entitled to vote at a meeting may, pursuant to a resolution of its directors or other governing body, give written authority to such person as it thinks fit to act as its representative at any meeting of the association, and the person so
10 authorized shall on production of his written authority be entitled to exercise the same powers on behalf of the company, body corporate, or other organization which he represents as it could exercise if it were an individual member of the association present at the meeting.

15 (4) A member whose estate is under administration pursuant to the provisions of the Mental Health Act 1911 may vote by the committee or other person having authority to administer his estate.

See Reprint
of Statutes,
Vol. V, p. 743

20 (5) A member in respect of whose estate or any part thereof a protection order has been made under the Aged and Infirm Persons Protection Act 1912 may vote by the manager of his estate or of the part thereof, unless the Supreme Court shall have otherwise ordered.

See Reprint
of Statutes,
Vol. II, p. 887

Board of Directors

25 30. (1) The Board of Directors shall consist of not fewer than six nor more than twelve members of the association.

The Board
of Directors.
1908, No. 125,
ss. 5, 14, 15, 18

30 (2) If the number and names of the first directors are not stated in the declaration filed with the Registrar in accordance with section *four* of this Act, these shall be determined at the first general meeting held in accordance with section *six* of this Act.

35 (3) No person shall be qualified to become a director at any time after the holding of the said first general meeting unless he is a member of the association and has property insured against fire with the association to the amount of five hundred pounds at least.

40 (4) At the first annual general meeting of the association all the directors shall retire from office, and at the annual general meeting in every subsequent year

one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.

(5) The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. 5

(6) A retiring director shall be eligible for re-election.

(7) The association, at the meeting at which a director retires in manner aforesaid, may fill the vacated office by electing a member thereto, and in default the retiring director shall, if offering himself for re-election, be deemed to have been re-elected unless at the meeting it is resolved not to fill the vacated office. 10 15

(8) The association may from time to time by ordinary resolution increase or reduce the number of directors within the limits specified in subsection *one* of this section, and may also determine in what rotation the increased or reduced number is to go out of office. 20

(9) The Board shall have power at any time, and from time to time, to appoint any member to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with this section. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election, but shall not be taken into account in determining the directors who are to retire by rotation at that meeting. 25 30

(10) The office of director shall be vacated if the director,—

(a) Ceases to be a member of the association or to have property insured against fire with the association to the amount of five hundred pounds at least; or 35

(b) Without the consent of the association in general meeting, holds any other office of profit under the association; or 40

(c) Becomes bankrupt or makes any arrangement or composition with his creditors generally; or

(d) Becomes a mentally defective person within the meaning of the Mental Health Act 1911, or becomes a protected person under the Aged and Infirm Persons Protection Act 1912; or

(e) Resigns his office by notice in writing to the association; or

(f) Is directly or indirectly interested in any contract (other than of insurance) with the association; or

(g) Absents himself from three consecutive regular meetings of the Board without leave being granted by resolution recorded in the minutes.

(11) A director shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted.

(12) The remuneration of the directors shall from time to time be determined by the association in general meeting. That remuneration shall be deemed to accrue from day to day. The directors shall also be paid all travelling, hotel, and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of the Board or general meetings of the association or in connection with the business of the association.

(13) The Board may appoint advisory directors under the following conditions:

(a) They shall be members of the association:

(b) They shall continue in office until the appointment is terminated by the Board:

(c) They shall attend meetings of the Board by invitation only:

(d) They shall have no voting powers at meetings:

(e) They shall receive such fee for their services as may be determined by the Board.

31. (1) The business of the association shall be managed by the Board, which may pay all expenses incurred in promoting and incorporating the association, and may exercise all such powers of the association as are not by this Act required to be exercised by the

See Reprint of Statutes, Vol. V, p. 743 Ibid., Vol. II, p. 887

Powers and duties of the Board. 1908, No. 125, ss. 21, 22, 24, 26

association in general meeting, subject nevertheless to such regulations as may be made by the association in general meeting; but no regulation made by the association in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. 5

(2) The Board may from time to time and at any time by power of attorney appoint any company, firm, or person or body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the association for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under this Act) and for such period and subject to such conditions as it thinks fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorize any such attorney to delegate all or any of the powers, authorities, and discretions vested in him. 10 15 20

(3) All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the association, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board from time to time by resolution determines. 25

(4) The Board shall cause minutes to be made in the books provided for the purpose—

- (a) Of all appointments of executive officers made by the Board: 30
- (b) Of the names of the directors present at each meeting of the Board, and of any committee of the directors:
- (c) Of all resolutions and proceedings at all meetings of the association, and of the Board, and of any committee of directors. 35

(5) Subject to such regulations as may be made by the association in general meeting, the Board shall have the following powers in particular, but without limiting the powers elsewhere in this Act conferred on it: 40

- (a) To appoint and dismiss executive officers and agents of the association and arrange and subsidize schemes of superannuation for employed officers:

- (b) To purchase or acquire or take on lease property or premises required for the fulfilment of the objects of the association and to sell or grant leases of any property held by the association:
- 5 (c) To arrange for the issue of policies of insurance for terms not exceeding five years in duration, upon such conditions as the Board considers fit and for the renewal of such policies whether by the issue of renewal receipts or of new
- 10 policies:
- (d) To enter into agreements with any insurance company or underwriters or with the State Fire Insurance General Manager or with another association for one party to the agreement
- 15 to act as agent for the other for such purposes and to such extent as may be specified in the agreement:
- (e) To adopt a tariff of rates for insurance and vary the tariff from time to time and to grant rebates in respect of cash premiums:
- 20 (f) To subscribe to any public, general, or useful object:
- (g) To do all such things as are incidental or conducive to the attainment of the objects and the
- 25 exercise of the powers of the association.

32. (1) The Board may meet for the despatch of business, adjourn, and otherwise regulate its meetings as it may decide. Questions arising at any meeting shall be decided by a majority of votes. The chairman shall

30 have a deliberative vote and, in the case of an equality of votes, the chairman shall also have a casting vote. The chairman may, and the secretary on the requisition of three directors shall, at any time summon a meeting of the Board. It shall not be necessary to give notice of a

35 meeting of the Board to any directors for the time being absent from New Zealand.

(2) The quorum necessary for the transaction of the business of the Board may be fixed by it, and unless so fixed shall be four.

40 (3) The Board may elect a chairman of its meetings and determine the period for which he is to hold office; but, if no such chairman is elected, or if at any meeting

Proceedings of
the Board.
1908, No. 125,
ss. 16, 20, 23

the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

(4) All acts done by any meeting of the Board or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any director or person acting as aforesaid or that the directors were or any of them was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director. 5

(5) A resolution in writing, signed by all the directors for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. 10

The seal.

33. The Board shall provide for the safe custody of the seal, which shall only be used by the authority of the directors, and every instrument (not being a policy) to which the seal is affixed shall be signed by a director and shall be countersigned by the secretary or by a second director or by some other person appointed by the Board for the purpose. 15 20

Financial Provisions

25

Liabilities
of association
and members.
1908, No. 125,
ss. 50, 51

34. (1) All the property and assets of the association, including amounts due under premium notes, shall be available to meet the liabilities of the association whether arising under policies or contracts of insurance or otherwise. 30

(2) No member of the association shall be liable in respect of any loss covered by any policy or contract of insurance or other claim or demand against the association otherwise than upon and to the extent of the amount unpaid upon his premium note. 35

Reserve fund.
1908, No. 125,
ss. 29, 52

35. (1) The association shall form a reserve fund and shall transfer to that fund the profits (if any) resulting from the association's business operations in each financial year after paying or providing for the ordinary expenses and losses of the association. 40

(2) In order to form or augment the reserve fund, the Board may make a call upon the amounts due under premium notes:

5 Provided that only one such call may be made in any financial year and no such call shall relate to more than one quarter of the total amount due under all premium notes at the time of the making of the call.

10 (3) If and in so far as in any financial year the liabilities and expenses of the association cannot be paid or provided for out of the ordinary revenue of the association or of any money borrowed or of the proceeds of any calls made upon members in respect of the amount remaining unpaid upon their premium notes, those liabilities and expenses shall be paid or provided for out of 15 the reserve fund.

(4) Money forming part of the reserve fund may be invested in any securities authorized by or under the Trustee Act 1908 or any other Act for the investment of trust funds, or may remain in a bank on fixed deposit 20 or in a current account.

25 36. (1) The association may borrow money for such period and upon such conditions as may be agreed upon, and may give security for any money so borrowed over the whole or any part of its assets, including premium notes.

(2) Money shall not be so borrowed except for the purpose of paying ascertained liabilities under policies or contracts of insurance and the ordinary expenses incidental to the running of the association's business 30 or for the purpose of purchasing land or of erecting or altering or improving a building, being land or a building on or in which the association intends to have an office for the transaction of its business; and the amount for the time being owing by an association in respect of money 35 borrowed by it for purposes other than purchasing any such land or erecting or altering or improving any such building shall not exceed half of the amount remaining unpaid upon the premium notes of the association:

40 Provided that no person from whom the association proposes to borrow money shall be concerned to see that the provisions of this subsection are complied with, and the rights of any person lending money to the association

See Reprint of Statutes, Vol. VIII, p. 873
Borrowing of money. 1908, No. 125, s. 30

without actual notice of any infringement of those provisions shall be determined without regard to those provisions.

Accounts.
1908, No. 125,
s. 56

37. (1) The Board shall cause proper books of account to be kept in which shall be kept full, true, and complete accounts of the affairs and transactions of the association. 5

(2) The books of account shall be kept at the principal place of business of the association, or at such other place or places as the Board thinks fit, and shall always be open to the inspection of any director. 10

(3) The Board shall as soon as possible after the end of each financial year cause to be prepared and to be laid before the association in general meeting a profit and loss account for that year, a balance sheet as at the end of that year, and a report of the activities of the association for that year. 15

(4) A copy of every such profit and loss account, balance sheet, and report which is to be laid before the association in general meeting, together with a copy of the auditor's report, shall be sent to each member if the Board so resolves, but otherwise shall be presented to each member attending the general meeting and shall be supplied to any other member upon request made before or within three months after the date of the general meeting. 20 25

Audit.

38. (1) The association shall at each annual general meeting appoint an auditor or auditors to hold office until the next annual general meeting.

1933, No. 29

(2) The provisions of sections one hundred and thirty-nine to one hundred and forty-one of the Companies Act 1933 shall apply to each association as if it were a public company formed and registered under that Act. 30

Annual
statement, and
inquiries by
Public Trustee.
1908, No. 125,
ss. 56, 57 (1)

39. (1) The manager or secretary of the association shall annually, within three months after the end of each financial year, prepare and forward to the Public Trustee a statement of the business of the association in that financial year and the financial position of the association at the close of that financial year. 35 40

(2) Every such statement shall be in such form as may be prescribed by the Governor-General by Order in Council, or if not so prescribed then as the Public Trustee may require and shall be certified by the association's auditor. Any Order in Council or direction by the

Public Trustee under this section may provide that the statement shall include separate figures and information relating to employers' liability insurance business, or personal accident insurance business, or any other kind of insurance business carried on by the association.

(3) The association shall further, when required, make prompt and explicit answer in reply to any inquiries in relation to its transactions and financial position which may be made by the Public Trustee.

10 40. (1) The manager and secretary of any association shall each commit an offence against this section if, at any time while he is the holder of that office,—

Offences.
1908, No. 125,
s. 57 (2)

15 (a) A statement of the business of the association in any financial year is not prepared and forwarded to the Public Trustee as required by section *thirty-nine* of this Act; or

(b) Prompt and explicit answer is not made in reply to any inquiries made by the Public Trustee under section *thirty-nine* of this Act; or

20 (c) Any person who is not eligible for membership of the association under section *three* of this Act is admitted as a member of the association after the commencement of this Act; or

25 (d) The association grants after the commencement of this Act any insurance cover which it is not for the time being authorized to grant.

(2) Every person who commits an offence against this section shall be liable on summary conviction to a fine not exceeding twenty pounds.

30 *Miscellaneous*

41. The Public Trustee shall publish in the *Gazette*, on or as soon as possible after the first day of July in each year, a synopsis of the business of each association doing business in New Zealand.

Synopsis of
business of
associations.
1908, No. 125,
s. 58

35 42. (1) Any costs incurred by the Public Trustee in giving effect to the provisions of sections *forty* and *forty-one* of this Act, and reasonable remuneration for his services in doing so, shall be defrayed by the association concerned.

Costs incurred
by Public
Trustee and his
remuneration.
1908, No. 125,
s. 59

40 (2) The amount of the remuneration payable to the Public Trustee under this section shall be as may be agreed upon between the Public Trustee and the association, or (failing agreement) as shall be fixed by the Minister either generally or in any particular case.

Winding up.
1908, No. 125,
s. 60
1933, No. 29

Regulations.

43. Part VI of the Companies Act 1933, which provides for the winding up of companies, shall apply to associations as if they were companies formed and registered under that Act.

44. (1) The Governor-General may from time to time, by Order in Council, make all such regulations as may in his opinion be necessary or expedient for giving full effect to the provisions of this Act and for the due administration thereof. 5

(2) Without limiting the general power to make regulations conferred by subsection *one* of this section, regulations may be made under that subsection for all or any of the following purposes: 10

(a) Providing for the establishment of special divisions of an association to deal with particular classes of insurance business: 15

(b) Providing that all premiums and other money received on account of a special division shall be deposited in or credited to a separate account: 20

(c) Prescribing the matters in respect of which payments may be made from any separate account: 20

(d) Authorizing the creation of a separate reserve fund in respect of any such special division: 25

(e) Providing that the assets of a special division (including any reserve fund in respect thereof) shall not be available except for the purpose of the business of that division: 25

(f) Authorizing payments or advances from the association's general reserve fund if the assets of a special division are not sufficient to provide for all lawful claims and expenses payable by the association in respect of that division. 30

(3) Any regulations made under this Act may apply generally in respect of all associations or may apply only to any specified association or associations, or may apply to all associations except any specified association or associations. 35

(4) All regulations made under this Act shall be laid before Parliament within twenty-eight days after the date of the making thereof if Parliament is then in session, and, if not, shall be laid before Parliament within twenty-eight days after the date of the commencement of the next ensuing session. 40 45

45. (1) The enactments specified in the *Third* Schedule to this Act are hereby repealed.

Repeals,
amendments,
and savings.
1953, No. 50

(2) The First Schedule to the Insurance Companies' Deposits Act 1953 is hereby amended by inserting in clause three, before the words "A deposit", the words "Subject to the provisions of the Mutual Insurance Act 1955".

(3) Every reference in the Insurance Companies' Deposits Act 1953 and in any other enactment or document to a mutual fire insurance association shall be read as a reference to a mutual insurance association.

1953, No. 50

(4) Without limiting the provisions of the Acts Interpretation Act 1924, it is hereby declared that the repeal of any provision by this Act shall not affect any document made or any thing whatsoever done under the provision so repealed or under any corresponding former provision, and every such document or thing, so far as it is subsisting or in force at the time of the repeal and could have been made or done under this Act shall continue and have effect as if it had been made or done under the corresponding provision of this Act and as if that provision had been in force when the document was made or the thing was done.

See Reprint
of Statutes,
Vol. VIII,
p. 568

Schedules.

SCHEDULES

Section 2

FIRST SCHEDULE**EXISTING ASSOCIATIONS**

The Taranaki Farmers' Mutual Fire Insurance Association.
 The Wellington Farmers' Union Mutual Fire Insurance Association.
 The Otago Farmers' Union Mutual Fire Insurance Association.

Sections 2,
18 (5)**SECOND SCHEDULE****PREMIUM NOTE**

I HEREBY undertake to pay to the Mutual Insurance Association, if and in so far as I may be called upon so to do before this note becomes void in accordance with the provisions of the Mutual Insurance Act 1955, the sum of . I understand that, in addition to making myself liable for such calls as may be made upon me under this note, I shall have to pay cash premiums for any insurance covers granted to me by the Association.

Signature:.....

Address:.....

Date:.....19.....

Section 45 (1)

THIRD SCHEDULE**ENACTMENTS REPEALED**

- 1908, No. 125—
 The Mutual Fire Insurance Act 1908. (Reprint of Statutes, Vol. IV, p. 22.)
 1913, No. 39—
 The Mutual Fire Insurance Amendment Act 1913. (Reprint of Statutes, Vol. IV, p. 35.)
 1925, No. 29—
 The Mutual Fire Insurance Amendment Act 1925. (Reprint of Statutes, Vol. IV, p. 36.)
 1934, No. 9—
 The Mutual Fire Insurance Amendment Act 1934.
 1943, No. 9—
 The Finance Act (No. 2) 1943: Section 16.
 1948, No. 77—
 The Statutes Amendment Act 1948: Section 32.