

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

House of Representatives,
4th November, 1912.

Hon. Mr. Fisher.

STATE FIRE INSURANCE AMENDMENT.

ANALYSIS.

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| <p>Title.
1. Short Title.</p> | <p>2. Application of surplus profits. Repeals.
3. Power to pay off borrowed capital.</p> |
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A BILL INTITULED

AN ACT to amend the State Fire Insurance Act, 1908. Title.

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

5 follows :—

1. This Act may be cited as the State Fire Insurance Amend- Short Title.
ment Act, 1912, and shall form part of and be read together with the State Fire Insurance Act, 1908 (hereinafter referred to as the principal Act).

10 2. (1.) Subject to the provisions of sections twenty-seven and twenty-nine of the principal Act, the net surplus profits of the State Fire Insurance Office as on the thirty-first day of December, nineteen hundred and *twelve*, and for each year ending on the thirty- Application of
surplus profits.
first day of December thereafter shall be applied in making a Reserve
15 Fund which with all accumulations of interest thereon shall be applied, held, and invested by the General Manager under the provisions of the principal Act :

20 Provided that when and as often as the Board considers that the Reserve Fund exceeds a sum sufficient to meet all the actual and contingent liabilities of the State Fire Insurance Office it shall direct that the amount of the excess, or such part thereof as it thinks fit, shall be applied to the payment of bonuses to actual insurers in the State Fire Insurance Office.

25 (2.) Such bonuses shall be for the period of three years ending on the thirty-first day of December immediately prior to the date of the Board's direction, and shall be allocated in such manner as may be prescribed by regulations, and shall be payable without further appropriation than this Act :

30 Provided that no person shall be entitled to a bonus in respect of any policy if during the three years immediately preceding the date of the Board's direction he has made a claim under that policy.

Repeals.

(3.) This section is in substitution for sections forty-two, forty-three, and forty-four of the principal Act, and those sections are hereby accordingly repealed.

(4.) This section shall be deemed to have been in operation as from the coming into operation of the principal Act. 5

(5.) Section twenty-seven of the principal Act is hereby amended by omitting the words "of the respective periods mentioned in section forty-two hereof," and substituting the words "financial year."

(6.) Section twenty-nine of the principal Act is hereby amended by omitting the words "mentioned in section forty-two hereof." 10

Power to pay off borrowed capital.

3. Notwithstanding anything in sections twenty-seven, twenty-eight, or twenty-nine of the principal Act, the General Manager shall, if and when so directed by the Board, pay over to the Public Trustee to the credit of the State Fire Insurance Sinking Fund Account such sum as is sufficient to redeem at maturity the securities mentioned 15 in the said section twenty-seven.