

1929-30.

THE PARLIAMENT OF THE COMMONWEALTH.

HOUSE OF REPRESENTATIVES.

Read 1° 15th July, 1930.

(Brought from the Senate.)

A BILL

FOR

AN ACT

Relating to Life Insurance.

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

PART I.—PRELIMINARY.

5 1. This Act may be cited as the *Life Insurance Act* 1930. Short title.

2. This Act, except section one hundred and thirty-eight which shall come into operation on the passing of this Act, shall commence on a date to be fixed by Proclamation. Commencement.

3. This Act is divided into Parts, as follows :— Parts.

10 Part I.—Preliminary.

Part II.—Provisions relating to Companies.

Division 1.—Registration.

Division 2.—Winding-up.

Division 3.—Transfer and Amalgamation.

Part III.—Provisions for Security of Insured Persons.

Division 1.—Deposits by Companies.

Division 2.—Statutory Funds.

Division 3.—Statements, Returns and Investigations. 5

Division 4.—Policies.

Division 5.—Protection of Policies.

Division 6.—Payment of Policy Moneys.

Division 7.—Register of Policies.

Division 8.—Assignments of Policies. 10

Division 9.—Mortgages of Policies.

Division 10.—Audit.

Part IV.—Insurances on the Lives of Children.

Part V.—Miscellaneous.

Definitions.

4.—(1.) In this Act, unless the contrary intention appears— 15

“Actuary” means a Fellow or Associate of The Institute of Actuaries of Great Britain and Ireland or a Fellow or Associate of The Faculty of Actuaries of Scotland, and includes a Fellow or Associate of the Institute of Actuaries of Australia when that Institute has been approved by the Governor-General; 20

“Approved securities” means—

(a) Government securities of the Commonwealth or of any State or of the United Kingdom or of any other part of the King’s Dominions; 25

(b) Municipal securities which have been approved by the Treasurer;

(c) Debentures or stock of any corporation (whether public or private), formed or constituted in the Commonwealth, which have been approved by the Treasurer; 30

(d) Fixed deposits in any bank, carrying on business in the Commonwealth, which has been approved by the Treasurer;

(e) Bank guarantees or undertakings which are in the prescribed form and which have been approved by the Treasurer; 35

(f) Unencumbered titles to freehold lands in the Commonwealth and first mortgages of freehold lands in which the sum secured does not exceed two-thirds of the improved value of the lands; and 40

(g) Any other prescribed securities;

“Assignment” means an assignment of a policy otherwise than by way of mortgage but does not include a surrender of a policy to the company liable under the policy;

“Chairman”

- “Chairman” means the person for the time being presiding over the Board of Directors or other governing body of a company ;
- “Collecting book” includes any book or document held by a collector in which payments of premiums are recorded ;
- 5 “Collector” includes every person, howsoever remunerated, who, by himself or by any deputy or substitute, makes house to house visits for the purpose of receiving premiums payable on policies of insurance on human life, or holds any interest in a collecting book, and includes such a deputy or
- 10 substitute ;
- “Company” means a company or association (corporate or unincorporate) which carries on or proposes to carry on insurance business in the Commonwealth, but does not include a registered friendly society or trade union ;
- 15 “Financial year” means each period of twelve months at the end of which the balance of the accounts of the company in question is struck, or, if such a balance is not struck annually, then each period of twelve months ending on the thirty-first day of December ;
- 20 “Foreign company” means any company which is incorporated, or the head office of which is, outside the Commonwealth ;
- “Industrial insurance business” means that class of insurance business which consists in the issue of, or the undertaking of liability under, industrial policies and any business in relation
- 25 thereto, but does not include any scheme or arrangement whereby staff superannuation benefits are provided by an employer or his employees or by an employer and his employees, through his or their organization ;
- “Industrial policy” means a life policy upon which the contributions or premiums payable by the insured are by the terms of the policy made payable at intervals of less than two months, and are contracted to be received, or any one or more of which have actually been received, by
- 30 means of collectors ;
- “Insurance business” means life insurance business and industrial insurance business ;
- “Life insurance business” means the issue of, or the undertaking of liability under, life policies and any business in relation thereto but does not include industrial insurance business or
- 40 any scheme or arrangement whereby staff superannuation benefits are provided by an employer or his employees or by an employer and his employees, through his or their organization ;
- “Life policy” means a policy insuring payment of money on death (not being death by accident or specified sickness only) or the happening of any contingency dependent on the termination or continuance of human life, and includes an instrument evidencing a contract which is subject to
- 45 payment of premiums for a term dependent on the
 termination

termination or continuance of human life and an instrument securing the grant of an annuity upon human life, but does not include (except in the definition of "Industrial policy" in this section) an industrial policy ;

"Mortgage", as applied to a policy, means an instrument given as security over a policy for the payment, either certainly or contingently, of a sum of money, with or without interest thereon, or for the performance of any condition or agreement, but does not include a mortgage of a policy to the company liable under the policy ;

"Owner", in relation to any policy, means the person who for the time being is the legal holder of the policy or secures the contract with the insurance company ;

"Policy" means a policy of insurance in any class of insurance business ;

"Premium" includes contribution ;

"Premium receipt book" includes any book or document held by the owner of a policy in which acknowledgments of receipts of premiums payable in respect of the policy are entered ;

"Rules", in relation to a company, includes the articles of association of the company ;

"Secretary" means—

(a) in the case of a foreign company—the person registered or proposed for registration as the representative of the company in the Commonwealth or in any State or Territory ; and

(b) in the case of a company formed within the limits of the Commonwealth—the principal officer of the company for the time being in a State or any other person whom the company appoints as secretary and of whose appointment the company notifies the Registrar ;

"The Treasurer" means the Treasurer of the Commonwealth ;

"Territory" means any Territory of the Commonwealth, and includes any Territory held under a Mandate, to which the Governor-General, by Proclamation, declares that this Act shall extend ;

"The Court" means the High Court or the Supreme Court of the State or Territory in which the subject matter in question arises ;

"The Registrar" means the Registrar of Life Insurance appointed under this Act.

(2.) For the purposes of this Act, industrial insurance business and life insurance business shall each be deemed to be a class of insurance business.

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5. The following State Acts shall, subject to this Act, cease to apply in relation to insurance business, other than State insurance within the limits of the State concerned, namely :—

Certain State Acts to cease to apply to insurance business.

New South Wales—

- 5 *Life, Fire, and Marine Insurance Act*, 1902, No. 49 ;
 • *Life, Fire, and Marine Insurance (Amendment) Act*, 1917, No. 23.

Victoria—

Companies Act 1915 (6 Geo. V., No. 2631) Part III.

Queensland—

- 10 *The Life Assurance Companies Act* of 1901, No. 20 ;
 The Insurance Act of 1916 ;
 The Insurance Act of 1923.

South Australia—

- 15 *Life Assurance Companies Act*, 1882, No. 277 ;
 The Policies Protection Act, 1887, No. 417 ;
 The Life Assurance Companies Act Amendment Act 1899,
 No. 725.

Western Australia—

- 20 *The Life Assurance Companies Act*, 1889, No. 12 ;
 Life Assurance Companies Amendment Act, 1905, No. 12.

Tasmania—

- 25 *The Life Assurance Companies Act*, 1874, No. 6 ;
 The Life Assurance Companies Amendment Act, 1885, No. 21 ;
 The Life Assurance Companies Amendment Act, 1889, No. 18 ;
 The Life Assurance Companies Amendment Act, 1906, No. 16 ;
 The Life Assurance Companies Amendment Act, 1915, No. 60.

6.—(1.) The Governor-General may appoint a fit and proper person who is an actuary to be Registrar of Life Insurance.

Registrar of Life Insurance.

(2.) It shall be the duty of the Registrar—

- 30 (a) subject to the control of the Minister, to administer the provisions of this Act ;
 (b) to secure the due observance by every company of the provisions of this Act ; and
 (c) to perform such other duties as are prescribed.

35 7.—(1.) The Governor-General may appoint such other officers as are necessary for the purposes of this Act.

Staff.

- 40 (2.) In connexion with matters relating to the solvency, transfer or amalgamation of companies, the Minister may, on the recommendation of the Registrar, obtain such actuarial or other expert advice as he considers necessary.

8.—(1.) The Registrar shall furnish annually to the Minister, for presentation to the Parliament, a report on the working of this Act.

Annual report.

(2.) The

(2.) The Minister shall cause a copy of the report of the Registrar to be laid before each House of the Parliament within thirty days after receipt thereof, if the Parliament is then sitting, and if not, within thirty days after the next meeting of the Parliament.

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PART II.—PROVISIONS RELATING TO COMPANIES.

Division 1.—Registration.

Persons other than company not to carry on business. Conditions to be complied with by insurance companies.

9. No person other than a company shall carry on insurance business.

10. Subject to this Act, a company shall not carry on insurance business in the Commonwealth or in any Territory, unless—

(a) it has been registered by the Registrar ; and

(b) it holds a licence from the Registrar authorizing it to carry on insurance business in the Commonwealth.

Penalty : Two thousand pounds, and, in addition, Five hundred pounds per day for each day on which business is unlawfully carried on. 15

Registration of companies carrying on business at commencement of Act.

11. Every company carrying on insurance business in the Commonwealth at the commencement of this Act shall, within a period of three months after the commencement of this Act, make application in accordance with the next succeeding section to the Registrar for registration and licence and shall upon such application be entitled to registration and to receive a licence accordingly: 20

Provided that nothing in this section shall be deemed to relieve any company so registered from liability to comply with the provisions of this Act or from the provisions thereof relating to cancellation of licences. 25

Application for registration.

12.—(1.) Any company may make application to the Registrar for registration and for a licence under this Act.

(2.) The application shall be in writing, signed by a director and by the secretary of the company, and shall contain or be accompanied by the following information :— 30

(a) the situation of the head office of the company ;

(b) the names of the directors, the general manager or secretary, the auditors, the solicitors and the bankers of the company ;

(c) the name and qualifications of the actuary (if any) of the company, and a statement as to whether or not his services are continuously retained by the company ; 35

(d) the countries in which insurance business is carried on by the company ; and

(e) the classes of business undertaken or to be undertaken by the company. 40

(3.) The application shall be accompanied by the following documents —

(a) a copy of the Act, charter, deed of settlement, memorandum of association, or other document by which the company is constituted, 45

(b) a copy

- (b) a copy of the articles of association, by-laws, or rules of the company ;
- (c) statements in accordance with the First and Second Schedules to this Act ;
- 5 (d) statements in accordance with Forms J and K in the Fourth Schedule to this Act ;
- (e) a statement, in the case of a company not being a mutual company, showing the nominal, subscribed and paid-up capital of the company ; and a list showing the names and addresses of the shareholders and the number of shares held by each shareholder ; and
- 10 (f) a statement showing the rate of interest at which the mean funds, if any, of the company were invested during the last preceding year.

15 13.—(1.) The Registrar may cause such inquiries to be made as he thinks fit in regard to any company which has applied for registration, and may refuse to register any company not carrying on insurance business in the Commonwealth at the commencement of this Act if he finds that the company—

Refusal to register.

- 20 (a) has not complied with any one or more of the matters to be complied with on its behalf to entitle it to registration ;
- (b) is unable to meet its obligations ;
- (c) has been guilty of corrupt practices in connexion with the acquisition or conduct of business ; or
- 25 (d) has been guilty of malversation of its funds.

(2.) An appeal shall lie to the Court from any finding of the Registrar under this section, provided that the appeal is instituted within the time and in the manner prescribed.

- 30 (3.) In determining whether a company is able to meet its obligations, the Registrar and the Court shall take into consideration its contingent and prospective liabilities and assets.

14. Notwithstanding anything contained in this Act a company shall not be entitled to registration under this Act under any name which in the opinion of the Registrar is likely to mislead.

Registrar may refuse registration in certain cases.

- 35 15. Any company refused registration by the Registrar under the provisions of section fourteen of this Act may, within the time and in the manner prescribed, appeal to the Court against the refusal of registration.

Appeal against Registrar's refusal to register.

- 40 16.—(1.) Upon being satisfied that a company is entitled to registration, and that, in the case of a company not carrying on insurance business in the Commonwealth at the commencement of this Act, the company has deposited with the Treasurer money or approved securities to the amount required by this Act, the Registrar shall register the company and shall issue to the company—

Certificate of registration and licence.

- 45 (a) a certificate that the company has been registered in accordance with this Act ; and
- (b) a licence authorizing the company, subject to this Act, to carry on insurance business in the Commonwealth.

(2.) A licence

(2.) A licence shall include one class of insurance business only, but separate licences in respect of different classes of insurance may be issued to any one company.

(3.) The certificate of registration shall be *prima facie* evidence that the company specified therein has been registered in pursuance of this Act. 5

Formation of
new companies.

17.—(1.) No person shall publish in respect of a company proposed to be formed after the commencement of this Act a prospectus or shall invite subscriptions for shares unless full particulars of the basis upon which the company is proposed to be formed have been submitted to and approved by the Registrar. 10

(2.) Any person acting as promoter of such a company who accepts any office of profit in the company or any payment or pecuniary advantage other than as provided in the prospectus of the company shall be guilty of an offence. 15

Foreign
company to
appoint
representative.

18. A foreign company shall not be entitled to registration unless it has appointed some person who is a resident of the Commonwealth to be its representative in the Commonwealth in all matters between itself and the Registrar, and has lodged with the Registrar a notice in writing of the name and address of the representative. 20

Company to
have an office
in each State
in which it
carries on
business.

19.—(1.) Every company shall have a registered office in each State or Territory in which it carries on insurance business, and shall have a representative in charge of each such office.

(2.) Notice in writing of the situation of the registered office and of the name of the representative in charge thereof shall be lodged with the Registrar for registration. 25

(3.) Whenever any change takes place in the situation of the registered office or in the name of the representative, a notice in writing of the change shall be lodged with the Registrar.

(4.) Process in any legal proceedings in any Court against the company may be served by leaving it at the registered office of the company in the State or Territory in which the process was issued. 30

Division 2.—Winding-up.

Cancellation of
licence.

20.—(1.) If it appears to the Registrar that a company— 35

(a) is unable to meet its obligations;

(b) has failed to comply with any material provision of this Act;

(c) has been guilty of corrupt practices in connexion with the acquisition or conduct of business; or

(d) has been guilty of malversation of its funds, 40

he may summon the company to show cause why its licence should not be cancelled on that ground.

(2.) If, after hearing the company, the Registrar finds that any of the grounds for cancellation alleged in the summons are established, he may decide that the licence granted to the company shall be cancelled. 45

(3.) The

(3.) The decision of the Registrar to cancel a licence shall not be given effect to until the time for an appeal against the finding of the Registrar has expired, or while any appeal against the finding is pending.

5 (4.) An appeal shall lie to the Court from the finding of the Registrar that any of the grounds for cancellation is established, and the appeal may be instituted by notice of appeal filed in the Court and served on the Registrar at any time within thirty days after the finding appealed against was given, or, in the case of a
10 foreign company, such further time, not exceeding sixty days, as is allowed by the Court.

(5.) A company shall not undertake any new insurance business after its licence has been cancelled.

15 (6.) In determining whether a company is able to meet its obligations, the Registrar and the Court shall take into consideration its contingent and prospective liabilities and assets, and the liabilities of the company shall be valued in accordance with the provisions of this Act relating to the valuation of the liabilities of companies in liquidation.

20 (7.) Where notice of appeal from the finding of the Registrar under sub-section (2) of this section is not filed within the time allowed for an appeal, or where the finding of the Registrar is upheld on appeal, the Registrar shall cancel the licence of the company.

25 (8.) A notification of the cancellation of any licence under this Act shall be published by the Registrar in the *Gazette*, and any notification so published shall be *prima facie* evidence that the licence has been cancelled.

30 21.—(1.) If the Registrar cancels the licence of any company, the Court shall, on the application of the Registrar, order that the company be wound-up, or, in the case of a foreign company, that the company cease to carry on business in the Commonwealth : Winding-up orders.

35 Provided that, in the case of a company which has been proved to be unable to meet its obligations, the Court may, if it thinks fit, in place of making a winding-up order, reduce the amounts of the contracts of the company upon such terms and subject to such conditions as the Court thinks just. Cr. 9 Ed. 7
c. 49, s. 18.

40 (2.) When an order has been made under this section, the Court may give such directions as appear to the Court to be necessary in regard to the winding-up of the affairs of a company incorporated within the Commonwealth or the steps to be taken to ensure the satisfaction of the liabilities within the Commonwealth of a foreign company, as the case may be.

45 (3.) Unless the Court otherwise directs, the winding-up of the affairs of a company incorporated within the Commonwealth shall be carried out in accordance with the law in force in the State or Territory in which the head office of the company is situated.

*Division 3.—Transfer and Amalgamation.*Transfer or
amalgamation.

22.—(1.) No life insurance or industrial insurance undertaking shall be transferred to, or amalgamated with, any other insurance undertaking except in accordance with a scheme prepared in accordance with this section and submitted to and confirmed by the Court in accordance with the provisions of this Act. 5

(2.) The scheme shall set out the agreement or deed under which the transfer or amalgamation is proposed to be effected, and shall contain such further provisions as are necessary for giving effect to the scheme. 10

Submission,
confirmation
and effect of
schemes.

23.—(1.) Before an application is made for confirmation by the Court of any scheme for transfer or amalgamation—

(a) a copy of the scheme shall be deposited with the Registrar, together with copies of the actuarial and other reports (if any) upon which the scheme is founded ; 15

(b) notice of the intention to make the application shall, within one month after the copy of the scheme has been deposited with the Registrar, be published in the *Gazette* and in newspapers circulating in each and every city and town in which the policies have been issued, and, for a period of fifteen days after the publication of the notice, the scheme shall be open to the inspection of any policy owners or shareholders thereby affected at the offices of every company concerned ; 20

(c) the Registrar shall, if so directed by the Court, cause a report on the scheme to be made by an independent actuary, and shall cause copies of the report to be sent to the companies concerned ; 25

(d) any directions which may be given by the Court, upon application made in that behalf, with respect to any proposed scheme, as to the publication of advertisements of schemes, the giving of notices to shareholders, or to policy owners or other creditors of the companies concerned, or as to the holding of meetings of any company affected, shall be complied with ; 30

(e) copies of the scheme and of every report received by the Registrar in accordance with the provisions of this sub-section shall, unless the Court, upon application made in that behalf, otherwise directs, be transmitted by the companies concerned, at least fifteen days before application is made for confirmation of the scheme, to every policy owner of any class affected by the scheme. 35

(2.) Application to the Court for the confirmation of the scheme may be made by or on behalf of any company concerned, and an application to the Court with respect to any matter connected with a scheme or proposed scheme may be made at any time before confirmation by the Court by any person whom the Court thinks likely to be affected thereby or by or on behalf of the Registrar. 40

(3.) Any

(3.) Any person whom the Court thinks likely to be affected shall be entitled to be heard on any application made to the Court under this section.

5 (4.) The Court may confirm the scheme submitted to it in accordance with the provisions of this Act, either unconditionally, or subject to such modifications as the Court thinks fit.

10 (5.) A scheme confirmed by the Court in accordance with the provisions of this Act shall be binding on all persons, and shall have effect notwithstanding anything in the memorandum or articles of association of any company, and the directors of any company affected by the scheme shall cause a copy thereof to be filed with the Registrar of Companies in every State or Territory in which the company carries on business.

15 (6.) All expenses incurred by the Registrar in connexion with the obtaining of any actuary's report on the scheme shall be defrayed by the companies concerned, and any sum due in respect of such expenses may be recovered by the Registrar summarily as a civil debt.

20 24. Where the insurance business carried on by a company is transferred to or amalgamated with the insurance business of another company, the company to which the business is transferred, or the company carrying on the amalgamated insurance business, as the case may be, shall, within ten days after the date of the completion of the transfer or amalgamation, deposit with the
25 Registrar—

Returns to be made in case of transfers or amalgamations.

(a) certified copies of statements of the assets and liabilities of every company concerned in the transfer or amalgamation, together with a statement of the nature and terms of the transfer or amalgamation ;
30 (b) certified copies of the scheme, agreement or deed upon which the transfer or amalgamation was effected and a copy of the order of the Court confirming the scheme ;
(c) certified copies of the actuarial or other reports upon which the scheme, agreement or deed was founded ; and
35 (d) a declaration, signed by the chairman and by the principal officer of the company, that to the best of their belief every payment made or to be made to any person whatsoever on account of the transfer or amalgamation is therein fully set forth, and no other payment beyond those
40 set forth has been or is to be made in money, policies, bonds, valuable securities or property of any description, by or with the knowledge of any parties to the transfer or amalgamation.

45 25. When a company has ceased to issue, or undertake liability under, life policies or industrial policies, it shall, unless and until the Registrar is satisfied that reasonable provision has been made for its continuing liability in respect of the insurances previously effected, be deemed to carry on insurance business for the purposes of this Act.

Company ceasing to issue policies.

13 & 14 Geo. 5, c. 5, s. 1 (3).

PART III.—PROVISIONS FOR SECURITY OF INSURED PERSONS.

Division 1.—Deposits by Companies.

Deposits by
existing
companies.

26.—(1.) Subject to the next succeeding sub-section, a company carrying on insurance business in the Commonwealth at the commencement of this Act shall, within six months after such commencement, deposit with the Treasurer money or approved securities to the value of Twenty thousand pounds. 5

(2.) Where the net liability of a company as ascertained at the last valuation is less than Twenty thousand pounds, the company shall deposit with the Treasurer money or approved securities equal in value to its net liability, but in no case of a value less than Two thousand pounds. 10

(3.) Where the deposit made by a company under the last preceding sub-section is of a value less than Twenty thousand pounds, the company shall in each year thereafter deposit with the Treasurer money or approved securities or both to the value of Two thousand pounds or the amount of the increase in the actuarial liabilities of the company but in no case less than Two thousand pounds, until the amount deposited reaches Twenty thousand pounds. 15

(4.) The Treasurer shall not accept a deposit or any sum on account of a deposit except on a warrant of the Registrar, but the Registrar shall not refuse any application for a warrant unless he is of opinion that it is inexpedient that the company by whom or on whose behalf the application is made should be authorized to carry on insurance business, and in the case of such refusal the applicant may appeal to the Court and the decision of the Court shall be final and conclusive. 25

Provisions
as to sums
deposited.

27.—(1.) Every sum of money deposited by a company in accordance with the requirements of this Act shall be invested by the Treasurer in such of the prescribed securities as the company selects. 30

(2.) All deposits by a company in accordance with the requirements of this Act shall be deemed to form part of the assets of the company, and all interest accruing due on the deposits or the securities in which they are for the time being invested shall be paid to the company. 35

(3.) In the event of the winding-up of any company incorporated outside the Commonwealth which has made any deposit under this Act, the Court may, notwithstanding anything in this Act, order the deposit or any part thereof to be transferred by the Treasurer to any liquidator outside the Commonwealth on such terms and conditions, if any, as the Court directs; and application for an order under this sub-section may be made to the Court by or on behalf of the liquidator or by or on behalf of any person who satisfies the Court that he represents a majority of the policy owners resident within the Commonwealth. 40 45

(4.) In

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(4.) In this section, the expression "winding-up" includes any method of dissolution or proceedings analogous to the winding-up of a company, and the expression "liquidator" includes any person occupying the position of a liquidator.

5 **28.** A foreign company not carrying on insurance business in the Commonwealth at the commencement of this Act shall, if it desires to carry on that business in the Commonwealth, deposit with the Treasurer, in respect of each class of insurance business proposed to be carried on by the company, money or approved securities or
10 both to the value of Twenty thousand pounds :

Deposit in case of foreign company.

Provided that in the case of a foreign company incorporated or having its head office outside the British Empire the deposit under this section shall be Twenty-five thousand pounds in respect of each class of insurance business proposed to be carried on by that company in
15 the Commonwealth.

29.—(1.) A company formed within the limits of the Commonwealth (whether before or after the commencement of this Act) but not carrying on insurance business in the Commonwealth at such commencement shall, if it desires to carry on insurance business in
20 the Commonwealth, deposit with the Treasurer money or approved securities or both to the value of Two thousand pounds.

Deposit in case of new companies.

(2.) The company shall thereafter deposit annually with the Treasurer money or approved securities or both to the value of Two
25 thousand pounds.

30. Every company which makes any deposit with the Treasurer in pursuance of this Act shall obtain from the Secretary to the Treasury or other proper officer a certificate in writing of the deposit made and a receipt therefor and shall lodge the certificate with the
30 Registrar.

Certificate of deposits to be lodged with Registrar.

31. The Secretary to the Treasury shall furnish to the Registrar annually, or at such shorter periods as are prescribed, a statement showing the nature and extent of deposits made by any company in pursuance of this Act and particulars of the securities
35 (if any) forming the whole or part of the deposit.

Particulars of deposits.

32.—(1.) If the Registrar is satisfied that by reason of depreciation in the value of securities or other cause the value of money and approved securities deposited by a company with the Treasurer falls short of the value required by this Act, he may, by notice in
40 writing, require the company to deposit with the Treasurer money or approved securities or both to a value deemed by him to be sufficient to bring the amount of the deposit to the value required by this Act.

Increase of deposit where securities have depreciated.

(2.) A notice under this section shall not be issued until after the
45 Registrar has given an opportunity to the company to be heard in connexion with the matter.

(3.) If

(3.) If any company fails to comply with any notice given under this section within a reasonable time after receipt of the notice, the failure shall be a good ground for cancelling the licence to the company.

(4.) A company may appeal to the Court against any requirement of the Registrar under this section. 5

Transfer of deposits.

33. Any company may, in lieu of the whole or any part of the moneys or approved securities required by this Act to be deposited with the Treasurer, transfer to the Treasurer approved securities of an equivalent value deposited at the time of the passing of this Act in accordance with the provisions of any State law. 10

Deposits to be security to policy owners. Q. 1901, No. 20. s. 5 (3).

34. All moneys and securities for the time being deposited by a company with the Treasurer under this Act shall, subject to this Act, be and remain as a security for the payment of liability under its policies, and shall not be liable for any debts or contracts of the company other than to or with its policy owners, in respect of their policies, until payment in full of the value of such policies has been made. 15

Deposits available to satisfy judgments in respect of policies.

35.—(1.) The moneys and securities deposited with the Treasurer under this Act shall be available to satisfy any final judgment obtained in the Commonwealth by a policy owner against the company in respect of any policy, and the Treasurer may satisfy any such judgment out of such moneys or securities accordingly, and thereupon the deposit shall be deemed to be reduced by the amount of the payment so made. 20

(2.) In the event of a company being unable to meet its obligations and being wound-up, the money and securities deposited with the Treasurer under this Act shall, subject to any order made under sub-section (3.) of section twenty-seven of this Act, be held by the Treasurer to meet the liabilities of the company in the Commonwealth, and when these have been met to the extent authorized in the winding-up, any surplus shall be paid to the liquidator of the company. 25 30

Responsibility for lost securities. Q. 1901, No. 20. s. 6 (2).

36. If any money or securities deposited under this Act are, while so deposited, lost, stolen, destroyed or damaged, the injury occasioned to all persons interested therein shall be made good out of moneys to be appropriated by the Parliament for the purpose. 35

Value of securities. 1b s. 7.

37. In all matters relating to the value of securities deposited under this Act, the decision of the Registrar shall, subject to appeal to the Court, be binding and conclusive.

Substitution of deposits. 1b. s. 6 (3).

38.—(1.) A company may at any time substitute for any security deposited under this Act any equivalent approved security, and any security so substituted shall be subject to the same charge or liability as the security withdrawn. 40

(2.) Any

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(2.) Any company which makes any such substitution shall obtain from the Secretary to the Treasury or other proper officer a certificate in writing of the transfer so made, and shall lodge the certificate with the Registrar.

5 (3.) In the case of any company ceasing to carry on business in the Commonwealth, the Registrar may permit the withdrawal of the whole of the amount deposited under this Act or such portion thereof as he considers reasonable having regard to the liabilities of the company to policy owners in the Commonwealth.

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Division 2.—Statutory Funds.

39.—(1.) Every company carrying on life insurance business shall establish and maintain in respect of its life insurance business a statutory fund under the name of the "Life Insurance Statutory Fund". Statutory funds.

15 (2.) Every company carrying on industrial insurance business shall establish and maintain in respect of its industrial insurance business a statutory fund under the name of the "Industrial Insurance Statutory Fund".

20 (3.) The Registrar may on the application of a company permit the substitution of any name approved by the company for the name required by this section to be given to any statutory fund established in pursuance of this section, and where, in accordance with such permission, a name is so substituted, references in this Act to any such fund by the name required by this section shall be construed to include references to the fund by the name substituted.

25 40.—(1.) All receipts in respect of any class of insurance business in respect of which a statutory fund is required by this Act to be established and maintained by a company shall be carried to that fund and (subject to the payment and application of such sums as, having regard to the contracts entered into by the company, to the rights of policy owners, and to the instruments governing the constitution of the company, are properly payable or applicable as dividends, bonuses or otherwise as profits) the fund shall not, so long as the company continues to carry on business of that class, be available to meet any liabilities of the company other than those referable to the class of business in respect of which the fund was established, and shall not be directly or indirectly applied or charged for any purposes other than those of that class of business, and any charge in contravention of the provisions of this sub-section shall be void:

30 40 Provided that nothing in this sub-section shall be deemed to prevent the application of amounts standing to the credit of a statutory fund to the constitution of special reserves in respect of the class of business to which the statutory fund relates.

35 (2.) Subject to this Act and to the provisions of any memorandum or articles of association, deed of settlement or other instrument imposing restrictions upon the manner in which the assets of the company may be invested, the assets of every statutory fund maintained by a company may be invested in such investments as the company thinks fit.

(3.) Unless

(3.) Unless in this Act otherwise expressly provided, the assets of any statutory fund shall not, without the sanction of the Court, be invested directly or indirectly in any share or interest in any insurance business whether carried on within the Commonwealth or elsewhere, except in so far as any assets are so invested at the commencement of this Act. 5

(4.) The income arising from the investments of any statutory fund shall be carried to that fund.

(5.) Every director of a company shall be under the same liability in the event of a contravention of the provisions of this section in respect of any statutory fund as if he had been a trustee for the execution of the provisions of this section in respect of that fund, and as if the policy owners of the class in question had been beneficiaries of such a trust. 10

Prohibition of charges on insurance funds. Cf. 13 & 14. Geo. 5, c. 8, s. 13.

41. A company shall not, after the commencement of this Act, issue any debentures or debenture stock, or raise any loan, charged or purporting to be charged on any assets of the company in which the life insurance fund or industrial insurance fund is invested, and any such charge shall be void : 15

Provided that this section shall not apply to a temporary bank overdraft or to any debenture, loan or charge the proceeds of which are invested in approved securities and are added to the amount of the assets so charged. 20

Provisions as to deposits where statutory funds required to be kept.

42. No money or securities for the time being deposited by a company in accordance with the requirements of this Act in respect of life insurance business or industrial insurance business shall, while any liabilities incurred by the company in respect of that class of business remain unsatisfied or not otherwise provided for, be available to meet any other liabilities incurred by the company, and the company may, if it thinks fit, treat any such sum as being part of the statutory fund. 25 30

Application of surplus assets of statutory funds in liquidation.

43.—(1.) In the winding-up of a company the value of the liabilities and the assets of the company in respect of every class of business in respect of which a statutory fund is maintained in accordance with the requirements of this Act shall be ascertained separately from the value of any other liabilities or any other assets of the company, and no such assets shall be applied to the discharge of any liabilities other than those in respect of the class of insurance business in respect of which the fund is maintained except in so far as those assets exceed the liabilities in respect of that class of business. 35 40

(2.) In the winding-up of a company in a case where any proportion of the profits of any life insurance business or industrial insurance business was before the commencement of the winding-up allocated to policy owners, if when the liabilities and assets of the company in respect of any such class of business have been ascertained, there is found to be a surplus of assets over 45

liabilities

liabilities (hereinafter referred to as a "*prima facie* surplus") there shall be added to the liabilities of the company in respect of that class of business an amount equal to such proportion of the *prima facie* surplus as is equivalent to the
 5 proportion of profits in that class of business allocated to policy owners during the ten years immediately preceding the commencement of the winding-up, and the assets of the company in respect of that class of business shall be deemed to exceed its liabilities in respect thereof only in so far as those assets exceed those liabilities
 10 after such addition :

Provided that if it appears to the Court that by reason of special circumstances it would be inequitable that the amount specified should be added to the liabilities of the company in respect of the class of business in question the amount to be added shall be such amount as
 15 the Court directs.

44. If in the course of the winding-up of a company the Court is satisfied that by reason of any contravention of the provisions of this Act the amount of any statutory fund has been diminished, every person who at the time of the contravention was a director,
 20 manager or liquidator, or an officer of the company, shall be deemed in respect of the contravention to have been guilty of misfeasance in relation to the company unless he proves that the contravention occurred without his consent or connivance and was not facilitated by any neglect on his part ; and the powers of the Court shall include
 25 power to assess the sum by which the amount of the statutory fund has been diminished by reason of the misfeasance, and to order any person guilty thereof to contribute to the statutory fund the whole or any part of that sum by way of compensation.

Liability of directors, &c., in respect of misfeasance in relation to statutory funds.

Division 3.—Statements, Returns and Investigations.

30 45. Every company shall, at the expiration of each financial year of the company, prepare, in respect of each class of insurance business—

Accounts and balance-sheet, Ct. 9 Ed. 7, c. 49, s. 4.

- (a) a revenue account for the year in accordance with the form set forth in the First Schedule to this Act ; and
 35 (b) a balance-sheet or balance-sheets in the form or forms in accordance with, and as required by, the Second Schedule to this Act.

46. Every company which carries on more than one class of insurance business shall furnish to the Registrar in accordance with
 40 the prescribed forms a complete set of returns relating to each class of insurance business of the company as if that business were the only class of insurance business carried on by the company :

Separate return as to industrial business.

Provided that, in the case of returns in accordance with the Second Schedule to this Act, a company may, if it thinks fit,
 45 furnish a combined return in respect of life insurance assets and industrial insurance assets.

Statement of
policies.
Q. 1901, s. 11.

47. Every company shall, at the expiration of each financial year, prepare, in addition to all other statements required by this Act, a statement in accordance with the form set forth in the Third Schedule to this Act.

Actuarial report
and abstract.
Cf. 9 Ed. 7,
c. 40, s. 5.

48. Every company shall, at intervals of not more than five years, or at such shorter intervals as are prescribed by the constitution or rules of the company, cause an investigation to be made at its own expense into its financial condition by an actuary and shall cause an abstract of the report of the actuary to be made in accordance with the form set forth in the Fourth Schedule to this Act which is applicable to the class of insurance business carried on by the company. 5
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Statement of
insurance
business.

Cf. ib. s. 6.

49.—(1.) Every company shall, on or before the thirty-first day of December One thousand nine hundred and thirty (or within such extended period as the Registrar allows) and thereafter within nine months after the date of each investigation into its financial condition, prepare a statement of its insurance business in accordance with the regulations set forth in the Fifth Schedule to this Act, each of such statements to be made up as at the date of the last investigation, whether such investigation was made previously or is made subsequently to the commencement of this Act : 15
20

Provided that—

(a) if the next financial investigation after the commencement of this Act of any company falls during the year One thousand nine hundred and thirty, the statement of the company shall be made up as at the date of that investigation ; or 25

(b) if the investigation is made annually by any company the company may prepare the statement at any time, provided that it is prepared at intervals of not more than five years. 30

(2.) In this section, the date of an investigation means the date to which the accounts of the company are made up for the purposes of the investigation.

Accounts,
abstracts and
statements to
be signed and
deposited.

Cf. ib. s. 7.

50.—(1.) Every account, abstract, statement and return, which a company is required by this Act to make, shall be printed and shall be signed by the chairman and by the secretary of the company. 35

(2.) All actuarial reports and valuation statements shall be signed and certified by the actuary.

(3.) Each original account, abstract, statement or return, signed as required by this section, and at least six printed copies thereof, shall be lodged with the Registrar within six months after the expiration of the financial year in the case of returns and statements required to be prepared or furnished under sections forty-five, forty-six and forty-seven of this Act and within nine months after the date of the investigation in the case of the abstract and statement required under sections forty-eight and forty-nine of this Act. 40
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(4.) If

(4.) If it appears to the Registrar that any return submitted to him by a company in accordance with the provisions of this section is in any particular incomplete, incorrect or misleading, or does not comply with the requirements of this Act, the Registrar may
 5 require such explanations as he considers necessary to be made by or on behalf of the company, and may, after considering any such explanations, decline to accept the return and give such directions as he thinks necessary for the variation thereof and of any other return affected thereby, and the company shall comply with
 10 any directions so given :

Provided that any company aggrieved by the rejection of a return or by any requirements or directions given by the Registrar under this sub-section may appeal to the Court, and the decision of the Court shall be final and conclusive.

15 (5.) Every revenue account and balance-sheet deposited with the Registrar in accordance with the requirements of this Act by an insurance company shall be accompanied by a copy of any report on the affairs of the company submitted to the shareholders or policy owners of the company in respect of the financial year to which the
 20 revenue account or balance-sheet relates.

51.—(1.) The following provisions shall apply in regard to valuations made in pursuance of this Act :—

Provisions as to
 valuations.
 Cf. 13 & 14 Geo.
 5, c. 8., s. 18.

(a) The valuation shall be made by an actuary ;

25 (b) The basis of valuation adopted shall be such as to place a proper value upon the liabilities, regard being had to the mortality experience among the class of persons whose lives have been insured in the company, to the average rate of interest from investments and to the expenses of management (including commission), and shall be such as to
 30 secure that no policy shall be treated as an asset ;

(c) Where the balance-sheet of a company includes amongst the assets thereof any sums representing expenses of organization or extension, or the purchase of business or good-will or any other intangible assets, and the amount of the
 35 assets, exclusive of such sums (after deducting debts due by the company other than debentures or loans), is less than the amount of the Life Insurance Statutory Fund or Industrial Insurance Statutory Fund (as the case may be) as shown in that balance-sheet, the amount of the fund
 40 shown shall be reduced by the amount of the deficiency :

Provided that this paragraph shall apply, subject to such relaxations of the stringency of its provisions as the Registrar thinks just, in the case of—

45 (i) a company in the balance-sheet of which last issued before the passing of this Act any such sums were included to an amount not less than that so shown in the current balance-sheet—for a period of seven years after the passing of this Act ; or

(ii) a

- (ii) a company which, after the date as at which the balance-sheet last issued before the passing of this Act was made up, has under an amalgamation or transfer of engagements become liable for the engagements of any other company and has in consideration thereof accepted assets which include such sums, or has in connexion therewith incurred expenditure by way of purchase of business or good-will to an amount not less than that so shown in the current balance-sheet—for a period of seven years after the thirty-first day of December next following the date of amalgamation or transfer of engagements ; 5 10
- (d) Where, prior to the commencement of this Act, debentures have been issued or loans raised which are charged on any of the assets of the company in which the Life Insurance Statutory Fund or Industrial Insurance Statutory Fund is invested, there shall be inserted in the valuation balance-sheet a note giving the particulars of the charge and stating that the result shown by the valuation is subject to the liability under the charge ; 15 20
- (e) The Registrar, if satisfied on any valuation that any of the foregoing provisions of this section have not been complied with, or that the Life Insurance Statutory Fund or Industrial Insurance Statutory Fund, as stated in the valuation balance-sheet, is greater than the value of the assets available for the liabilities of that fund, due regard being had to the other liabilities of the company and to the foregoing provisions of this section, may reject the valuation balance-sheet, and may direct the company to make such alteration therein as is necessary to secure compliance with those provisions : 25 30
 Provided that the company may appeal to the Court against any decision of the Registrar under this paragraph ; and 35
- (f) The Registrar may direct any company to furnish, in accordance with the Seventeenth Schedule to this Act, such further particulars and explanations as he considers necessary to satisfy himself that the valuation complies with the provisions of this section. 40
- (2.) The first valuation under this Act shall be made as at a date not later than the thirty-first day of December One thousand nine hundred and thirty-four.
- (3.) If in the case of any company a valuation, whether made before or after the passing of this Act, discloses a deficiency, the Registrar may, if after investigation he is satisfied that the company should cease to carry on business, present a petition to the Court for the winding-up of the company : 45

Provided

Provided that the Registrar shall not, during the first five years after the commencement of this Act, take action under this sub-section if he is satisfied that substantial measures are being taken to improve the financial condition of the company.

- 5 52. The Registrar may make to a company any comments or queries he thinks desirable in relation to any of the items contained in any account, abstract or statement deposited by the company with him. Registrar may make comments and queries on abstracts and statements.
- 10 53. The Registrar shall include in the report made by him under section eight of this Act, the accounts, abstracts, statements or returns deposited by any company with him under section fifty of this Act, or abstracts therefrom, and any comments or queries made by him thereon, and any answers furnished by the company to any such comments or queries. Registrar may publish abstracts and statements.
- 15 54. A printed copy of the last deposited account, abstract, statement or return shall, on the application of any shareholder or policy owner of the company, be forwarded to him by the company free of charge. Copies to be furnished.
Cf. 9 Eq. 7, c. 49., s. 8.
- 20 55.—(1.) Every company shall furnish to the Registrar such confidential statistical returns relating to the business of the company as are prescribed. Confidential returns.
- Penalty : One hundred pounds.
- 25 (2.) Confidential information furnished in pursuance of this section may be used for statistical purposes, but shall not be published or divulged further than is necessary for that purpose or in a form which would enable the information supplied by the company to be identified.
- 30 56.—(1.) Every company shall, if so required by the Registrar, produce to him, or to any person specified by him in writing, at all reasonable times, any books, accounts or documents of the company, and shall permit the Registrar or the person specified to inspect them and to take extracts from them and to examine on oath its officers, agents and servants in relation to its business, and for this purpose the Registrar or the person specified may administer Inspection or books, &c., by Registrar or authorized person.
- 35 oaths :
- Provided that a company may appeal to the Court against any requirement of the Registrar under this sub-section.
- 40 (2.) The Registrar shall not authorize any person to inspect any books, accounts or documents of a company in pursuance of this section unless the person has signed before him a declaration that he will only disclose the information obtained to the Registrar or when required so to do by the Court.
- (3.) Every such person who discloses any information contrary to his declaration shall be guilty of an offence.
- 45 Penalty : Imprisonment for one year.

(4.) After

Cf. 13 & 14
Geo. 5., c. 8,
s. 17.

(4.) After the inspections under sub-section (1.) of this section have been completed, the Registrar may issue such directions and take such steps as he thinks necessary or proper to deal with the situation disclosed therein, and in particular may present a petition to the Court for the winding-up of the company. 5

(5.) The Registrar may, if he considers it just, direct that all or any of the expenses of and incidental or preliminary to an inspection under this section shall be defrayed out of the funds of the company, or by the officers or former officers, or members or former members of the board of directors of the company, or any of them, in such proportions as the Registrar directs, and sums directed by him to be so paid shall be recoverable by him summarily as a civil debt : 10

Provided that any company or person directed to pay any part of such expenses may, within the time and in the manner prescribed, appeal against the direction to the Court. 15

Shareholders'
address book.
Cf. 9 Ed. 7,
c. 49, s. 10.

57. Every company which has shareholders shall keep a book containing the addresses of the shareholders of the company and shall, on the application of any shareholder or policy owner of the company and on the payment of the prescribed fee, furnish to him a copy of the book. 20

Particulars of
balance-sheet
may be required.

58. At the request of any owner of a policy in any company the Registrar may require the company to furnish particulars as to any item in the balance-sheet.

Division 4.—Policies.

25

Application of
Division.

59. The provisions of this Division shall not, unless the contrary intention appears, apply to policies issued before the commencement of this Act.

Proposal and
policy forms
to be submitted
for approval.

60.—(1.) Every printed form of proposal and form of policy ordinarily used by any company shall be submitted by the company to the Registrar. 30

(2.) The Registrar shall consider each form so submitted, and if he is not satisfied that the form is in compliance with this Act, and contains nothing likely to mislead a proponent or policy holder, he shall object to the form. 35

(3.) The Registrar shall not object to any form until he has given the company an opportunity of being heard by him on the matter.

(4.) The Registrar shall, in writing, notify the company of any objection taken by him to any form submitted.

(5.) A company dissatisfied with the decision of the Registrar may, within thirty days after notice of the Registrar's decision, appeal therefrom to the Court. 40

(6.) Every form of proposal shall contain an adequate description of the form of policy to which the proposal relates.

Forms objected
to shall not be
used.

61. A company shall not accept any proposal or issue any policy if the proposal or policy is in a form to which the Registrar has objected under the last preceding section and the objection has not been disallowed by the Court on appeal. 45

Penalty : Five hundred pounds.

62.—(1.) If

62.—(1.) If within twenty-one days after the delivery of an industrial policy by a company to the person to whom it is issued, he returns the policy to the company with an objection to any term or condition of the policy, the company shall forthwith refund any premium which has been paid in respect of the policy which shall thereupon be cancelled.

Objection to policies.

(2.) Where an industrial policy is sent by post by a company to the person to whom it is issued, it shall, unless the contrary is proved, be deemed to have been delivered to him at the time at which it would reach him in the ordinary course of post.

(3.) For the purposes of this section, a policy and an objection shall be deemed to have been returned to a company if addressed, prepaid, registered and posted for transmission as a registered letter.

63. Any alteration made in any policy without the consent in writing of the Registrar first had and obtained shall be void and of no effect.

Alterations in policies.

64. Failure on the part of a company to comply with any provision of this Act shall not in any way invalidate any policy issued by the company.

Offences by company not to invalidate policies.

65.—(1.) The owner of a policy issued in the Commonwealth after the commencement of this Act by a foreign company shall, notwithstanding anything in the policy to the contrary, be entitled to sue the company by which the policy was issued in respect of the policy in a Court of competent jurisdiction in any State or part of the Commonwealth.

Right of policy owners to sue foreign company.
13 & 14 Geo. 5, c. 8, s. 32.

(2.) No stipulation in the policy, or in any agreement relating to the policy, which deprives or purports to deprive the policy owner of the benefit of this section, shall have any force or effect.

66. Any agent who makes a contract of insurance on behalf of a foreign company which has not complied with the provisions of this Act shall be guilty of an offence.

Liability of agent of foreign company.
Ib. s. 39.

Penalty : Fifty pounds.

67.—(1.) If a policy is lost or destroyed, the company liable under the policy may, upon application by the policy owner and upon such evidence of loss or destruction as the company deems sufficient, issue to the policy owner a special policy.

Lost policy.

(2.) Every special policy shall be a copy, as nearly as can be ascertained, of the lost or destroyed policy, and shall provide the same benefits, shall contain copies of every indorsement thereon registered by the company and shall state the reason for the issue thereof.

(3.) Before issuing a special policy the company shall, if the amount insured exceeds One hundred pounds, give at least one month's notice of its intention so to do in the *Gazette*, and in at least one newspaper circulating in the neighbourhood where the policy owner resides.

(4.) The expenses of such advertisement and all other costs of the issue of a special policy shall be paid by the policy owner at the time of application.

(5.) the

(5.) The fact of the issue of a special policy, with the reason for such issue, shall be registered in a book provided by the company for that purpose.

(6.) Every special policy shall be valid and available for all purposes for which the lost or destroyed policy would have been valid and available, and after the issue thereof the lost or destroyed policy shall be absolutely null and void. 5

(7.) If the company fails to issue a special policy within six months after being requested in writing so to do by the policy owner, the Court may, upon application by summons made after due notice to the company, and upon such evidence as to the loss or destruction of the policy as the Court deems sufficient, order the company, upon such terms and within such time as the Court thinks fit. to issue a special policy. 10

(8.) In the event of the loss or destruction of a special policy, the provisions of this section shall apply as if the policy were an original policy issued by the company. 15

Name of person to benefit to be inserted in policy.

68. It shall not be lawful to issue any policy on the life of any person without inserting in the policy the name of the person interested therein or the name of the person for whose use, benefit or on whose account the policy is issued. 20

Minors.
Q. 1901, s. 20.

69.—(1.) A minor who has attained the age of sixteen years and upwards may effect a policy upon his own life.

(2.) Every such minor shall be as competent in all respects to be a policy owner, and to have and to exercise all the powers and privileges of a policy owner in relation to the policy, other than the right to assign the policy, as fully and effectually as if he were of full age. 25

Paid-up policy on discontinuance of premium payments.

70. A policy owner who desires to discontinue further premium payments on a life policy which has been in force for three years or upwards, or on an industrial policy which has been in force for five years or upwards shall, on application to the company, be entitled to receive a paid-up policy of such amount as would be purchasable with the surrender value of his policy at the due date of the next premium payable in respect thereof. 30

Policies not to lapse on non-payment of premiums.

71. In the event of any premium due on any life policy remaining unpaid for a longer period than one month, the company may charge compound interest thereon at a rate not exceeding the rate prescribed, and the policy shall, if it has been in force for three years or upwards, not lapse unless the amount owing to the company for advances, premiums, and interest exceeds the surrender value. For this purpose the surrender value of the policy shall be computed on the assumption that all premiums up to the time of computation have been duly paid. 35 40

Meaning of surrender value.

72. For the purposes of the last two preceding sections, the surrender value of a policy means an amount not less than seventy-five per centum of the reserve value of the policy, as defined in the Sixth Schedule to this Act : 45

Provided that the surrender value of a policy shall not in any case exceed the amount payable at death.

73. A forfeiture of an industrial policy issued by any company, on which more than twelve months' premiums have been paid, shall not be incurred by any person insured thereunder by reason of any default in payment of any contribution or premium until
5 after—

Industrial policy not to be forfeited except after certain notices.

Q. 1901, s. 25.
13 & 14 Geo.
5, c. 8, s. 23

- (a) notice stating the amount due or payable at the date of the notice, and informing him that in default of payment by him within a reasonable time, not being less than twenty-eight days from the date of service of the notice, and at a place specified in the notice, his policy will be forfeited, has been served upon him by or on behalf of the company, either personally or by being left at his usual or last-known place of abode or business, or by being sent by post addressed to him at his usual or last-known place of abode or business; and
10
15
(b) default has been made by him in paying his contribution or premium in accordance with that notice, together with any additional contribution or premium which has become due or payable up to the date of payment.

74.—(1.) Where for the purposes of this Act, other than for the purpose of the periodical valuation of liabilities, the value of a policy has to be ascertained, the value of the policy shall be calculated in accordance with the rules set out in the Sixth Schedule to this Act.

Value of policies.
Cf. ib.
s. 29.

(2.) The surrender value of such a policy shall be an amount not less than seventy-five per centum of the value of the policy so calculated:

Provided that the surrender value of a policy shall not in any case exceed the amount payable at death.

75.—(1.) Where the owner of an industrial policy agrees to accept a new policy in substitution therefor, the industrial insurance company shall pay to the owner of the policy the surrender value (to be ascertained in the manner provided in this Act) of the old policy or shall issue to him a free paid-up policy of equivalent value, unless the value of the substituted policy, calculated in accordance with the rules set out in the Sixth Schedule to this Act, at the date of the substitution, is equal to or exceeds such surrender value.

Substitution of industrial policies.
Cf. ib.
s. 25.

(2.) In any such case the company shall furnish to the owner of the policy, with the new policy and new premium receipt book, a statement setting forth the rights of the owner of the policy under this section, and containing an account certified by the secretary of the company, or other officer appointed for the purpose, showing the surrender value of the old policy and the value of the new policy.

(3.) Where a substituted policy is so issued and the value thereof is equal to or exceeds the surrender value of the old policy, then, for the purpose of determining whether the owner of the substituted policy is entitled to a free paid-up policy or surrender value under the provisions of this Act relating to forfeited policies, the substituted

policy

policy shall be deemed to have been issued at the date at which the old policy was issued, and premiums shall be deemed to have been paid on the substituted policy in respect of the period between that date and the date at which the substituted policy was actually issued.

Transfers from one company to another.

Cf. 13 & 14 Geo. 5, c. 8, s. 26.

76 —(1.) A person insured with a company shall not, except 5
in the case of an amalgamation or transfer of business under this Act, be transferred from the company in which he was so insured so as to become insured with any other company without his written consent, or, in the case of a minor, without the like consent of his parent or other guardian, and any company and any collector or other officer of any company concerned in such a transfer shall, if the provisions of this section are not complied with, be deemed to have contravened the provisions of this Act. 10

(2.) The consent of the person insured shall be in the prescribed form and shall have annexed thereto a document in the prescribed form to be furnished by the company to which the transfer is to be made setting out the terms of and rights under the existing policy, and the terms of and rights under the policy to which the insured will become entitled on transfer and the consideration (if any) which has been or is to be paid for the transfer and the person to whom such consideration has been or will be paid. 15 20

(3.) The company to which the insured is sought to be transferred shall furnish to the person by whom the consent is signed a copy of the consent and of the document annexed thereto, and shall, within seven days from the date when the consent is signed, give to the company from which the insured is sought to be transferred notice of the proposed transfer containing full particulars of the name and address of the insured and the number of his policy, together with the written consent of the insured and the document annexed thereto. 25 30

(4.) As from the date of the notice, the company from which the person is sought to be transferred shall cease to be under any liability with respect to the policy in question and shall not be required to serve any notice of forfeiture of the policy in accordance with the provisions of this Act. 35

Onus of proof of mis-statement in proposal.

77.—(1.) Where a company claims, in respect of a policy which has remained in force for not less than three years from the date of the payment of the first premium, and has become a claim, that any non-fraudulent omission or mis-statement was made in the proposal upon which the policy was issued, which, if disclosed, would have affected the issue of the policy or the terms upon which it was issued, the onus of proving that such an omission or mis-statement was so made shall be on the company. 40

(2.) Where a company proves that such an omission or mis-statement was so made and that the omission would have affected the amount of the premium, the sum insured and the bonuses (if any) declared shall be adjusted in such a manner as to correspond with the premium paid. 45

78. Notwithstanding

78. Notwithstanding anything contained in this Act where the sum insured under any policy issued without medical examination does not exceed One hundred pounds the policy shall not be invalidated by any non-fraudulent omission or mis-statement made in the proposal upon which the policy was issued.

Policies under £100 not invalid except for fraud

79. A policy which has been in force for a period not less than thirteen months shall not be void or voidable on the ground that the insured has suffered capital punishment.

Capital punishment not to affect policy.

80.—(1.) A policy shall not be void or voidable on the ground that the insured committed suicide unless he did so within thirteen months after the date on which the first premium was paid.

Effect of suicide.

(2.) Where a policy has been assigned *bona fide* for value, the company issuing the policy shall be liable to pay to the assignee the amount thereof or the amount advanced by him thereon, whichever amount is the smaller, notwithstanding that the insured committed suicide within thirteen months after the date on which the first premium was paid.

81. A proposal form shall be framed so as to require a person making a proposal for a policy to supply such particulars in regard to his age as will enable the company to test the reliability of the statement as to age, and it shall be the duty of the person making the proposal to supply such particulars to the best of his knowledge and belief.

Particulars as to age of proponent.

82.—(1.) If a company declines to accept any proof of age tendered by or in respect of a policy, whether issued before or after the commencement of this Act, the policy owner or his legal representative may apply to the Court on motion for an order directing the company to accept the proof tendered.

Procedure where company declines to accept proof of age.

(2.) On any such application, the Court may make such order therein as it thinks just.

(3.) If a notice of motion is filed in the Court, the Court may grant an *ex parte* order restraining the company from taking any action thereon pending the determination of the motion.

(4.) In the event of the age shown by the proofs being different from that on which the policy was based, the sum insured and the bonuses (if any) declared shall be adjusted in such a manner as to correspond with the premium paid.

(5.) Every order under this section shall be binding on the company and shall be complied with on its part.

83.—(1.) A company shall, in respect of any life policy issued by it after the commencement of this Act, give to the policy owner, at the time of the receipt of the first premium, a printed notice stating that proof of age is essential prior to the payment of the sum insured and shall, until proof of age is admitted by the company, give a similar notice to him upon the payment of each subsequent premium.

Notice regarding proof of age.

(2.) In

(2.) In the case of an industrial policy issued after the commencement of this Act, the company issuing the policy shall print, in a conspicuous place in the premium receipt book, a notice stating that proof of age is essential prior to payment of the sum insured.

Order to
compel
company to
accept proof
of death.

84. Where a company declines to accept any proof of death tendered, the person claiming under the policy may apply to the Court, on motion, for an order directing the company to accept the proof of death tendered, and the Court may make such order thereon as it thinks just. 5

Division 5.—Protection of Policies. 10

Interest of
insured
protected in
certain cases.
Q. 1901, s. 18.

85.—(1.) The property and interest of any person in a policy effected upon his own life shall not be liable to be applied or made available in payment of his debts by any judgment, order or process of any Court, and shall not, in the event of his bankruptcy or any assignment made by him for the benefit of his creditors, pass to the trustee, receiver or assignee of his estate: 15

Provided that, if it is proved that the policy was effected and the premiums were paid with intent to defraud the creditors of the insured, they shall be entitled to receive, out of the moneys payable under the policy, a sum equal to the premiums paid in respect of the policy, with compound interest thereon at the rate of Five pounds per centum per annum convertible yearly. 20

(2.) In the case of an insured person dying after the commencement of this Act, the moneys payable upon his death under or in respect of a policy effected upon his life shall not be liable to be applied or made available in payment of his debts by any judgment, order or process of any Court, or by retainer by an executor or administrator, or in any other manner whatsoever, except by virtue of a contract or charge made by the insured in his lifetime, or by virtue of an express direction contained in his will or other testamentary instrument executed by him that the moneys arising from the policy shall be so applied. 25 30

(3.) A direction to pay debts, or a charge of debts upon the whole or any part of the testator's estate, or a trust for the payment of debts, shall not be deemed to be such an express direction. 35

Insurance by
married
women.
Ct. 45-6 Vict.,
c. 75, s. 11.
Q. 1901, s. 19.

86.—(1.) A married woman may effect a policy upon her own life or upon the life of her husband, for her separate use, and the policy and all benefits thereof shall enure accordingly. 35

(2.) The protection of the last preceding section shall extend to any such policy *bona fide* effected by a married woman. 40

(3.) A policy effected by any man upon his own life, and expressed to be for the benefit of his wife, or of his children, or of his wife and children, or any of them, or by any woman upon her own life, and expressed to be for the benefit of her husband, or of her children, or of her husband and children, or any of them, shall create a trust in favour of the objects therein named, and the moneys payable under any such policy shall not, so long as any object of the trust remains unperformed, form part of the estate of the insured, or be subject to his or her debts: 45
Provided

Provided that, if it is proved that the policy was effected and the premiums were paid with intent to defraud the creditors of the insured, they shall be entitled to receive, out of the moneys payable under the policy, a sum equal to the premiums paid in respect of the policy, with compound interest thereon at the rate of Five pounds per centum per annum convertible yearly.

(4.) The insured may by the policy, or by any memorandum under his or her hand, appoint trustees of the moneys payable under the policy, and from time to time appoint new trustees thereof, and may make provision for the appointment of new trustees thereof, and for the investment of the moneys payable under the policy.

(5.) In default of any such appointment of a trustee, the policy, immediately on its being effected, shall vest in the insured, and his personal representatives, in trust for the purposes aforesaid.

(6.) If, at the time of the death of the insured, or at any time afterwards, there is no trustee, or it is expedient to appoint new trustees, trustees or new trustees may be appointed by the Court.

(7.) The receipt of a trustee duly appointed, or in default of any such appointment, or in default of notice to the company, the receipt of the personal representative of the insured, shall be a discharge to the company for the sum payable under the policy, or for the value thereof, in whole or in part.

(8.) The insured, his or her personal representatives or any trustees appointed under this section, may surrender or borrow money upon the policy, and any money obtained by such surrender or borrowing shall be subject to the same trusts as those upon which the policy was or is held.

(9.) The company liable under the policy shall not be bound to see to the application of the trust moneys.

30 *Division 6.—Payment of Policy Moneys.*

37.—(1.) In any case in which the moneys payable under any policy or policies insuring in the aggregate an amount not exceeding Five hundred pounds exclusive of bonus additions are payable to the personal representative of any deceased person, the company, without requiring the production of any probate or letters of administration, may pay the moneys, together with any bonus which may have been added to the policy or policies, to any person who is the husband, wife, father, mother, child, brother, sister, nephew or niece of the deceased person, or to any person who proves to the satisfaction of the company that he is entitled to the property of the deceased person under his will (if any), or under the statutes for the distribution of the property of intestates, or that he is entitled to obtain probate of the will of the deceased person, or to take out letters of administration of his property.

(2.) The company making any such payment shall be thereby discharged from all further liability in respect of the moneys payable under such policy or policies.

Probate or administration may be dispensed with in certain cases. Q. 1901, s. 39.

(3.) The

(3.) The company, if it thinks fit, may require the person to whom the moneys are paid to give sufficient security, by bond or otherwise, that the moneys so paid will be applied in due course of administration.

Company not bound to see to application of moneys paid by it.

Q. 1901, s. 27.

Power to pay money into Court.

Cf. 59 Vict., c. 8, ss. 3, 4.

Q. 1901, s. 40.

88. The company shall not in any circumstances be bound or concerned to see to the application of any moneys paid by the company in respect of any policy. 5

89.—(1.) A company may, subject to any rules of Court in that behalf, pay into Court in the State or Territory in respect of which the policy is registered as provided by this Act, any moneys payable by the company in respect of a policy for which, in the opinion of the company, no sufficient discharge can otherwise be obtained. 10

(2.) The receipt or certificate of the proper officer of the Court shall be a sufficient discharge to the company for the moneys so paid into Court, and such moneys shall, subject to such rules of Court, be dealt with according to the order of the Court. 15

No deductions in respect of other policies.

90.—Where a claim arising under a policy is paid, no deductions shall, except with the consent in writing of the claimant, be made on account of premiums due or in arrear under any other policy.

Division 7.—Register of Policies.

Register of policies in each State.

91. The secretary of a company shall keep in respect of each State or Territory a register of all policies issued by the company to persons resident in that State or Territory and shall cause to be duly entered in the register all transactions in reference to any policy. 20

Transfers from one State to another.

W.A., 1889, s. 69.

92. Any policy issued in one State or Territory by a company or transferred to a register of that company in respect of the State or Territory may, at the request in writing of the policy owner and with the consent of the company, be transferred to the register of that company in respect of any other State or Territory, and shall thereupon, subject to the provisions of this Act, be subject to the laws of the State or Territory to the register of which it has been transferred. 25

Transfers to or from a Commonwealth register.

93. Any policy issued outside the Commonwealth may, at the request in writing of the policy owner, provided he is domiciled in any State or Territory, and with the consent of the company, be transferred to a State or Territory register, and shall thereupon, subject to the provisions of this Act, be subject to the law of the State or Territory and any policy entered on any State or Territory register may, with the consent in writing of the policy owner and with the consent of the company, be transferred to the register of any other country, and shall thereupon cease to be subject to the laws of the State or Territory. 30

Division 8.—Assignments of Policies.

Assignments void, unless in prescribed form and registered.

Cf. Q. 1901, s. 41; N.Z. 1908, s. 43.

94.—(1.) No assignment of a policy made after the commencement of this Act shall be valid unless it is made in duplicate in accordance with the form set forth in the Seventh Schedule to this Act, and is registered in accordance with this section. 35

(2.) An

(2.) An assignment shall be registered by being left, in duplicate, with the policy, at the office of the company in the State or Territory in which the policy is registered, whereupon the secretary shall, if the assignment is, in his opinion, in due form and properly executed, indorse
5 on the policy a memorandum, in accordance with the form or to the effect set forth in the Eighth Schedule to this Act, and shall retain the duplicate of the assignment in the office of the company, and return the policy, with the indorsement thereon signed by himself, and the assignment, to the person leaving it.

10 95. An assignment registered and indorsed in accordance with the last preceding section, shall have the effect of vesting all the right title and interest of the assignor in the policy absolutely in the assignee, who shall thereupon become the policy owner, and may thereafter sue, as well at law as in equity, in his own name, on the
15 assigned policy, and the receipt of the assignee shall be a valid discharge both at law and in equity for all moneys payable thereunder.

Effect of registration.
Cf. N.Z. 1908, s. 43.

Division 9.—Mortgages of Policies.

96.—(1.) No mortgage of a policy made after the commencement of this Act shall be valid unless it is made in accordance with the
20 form set forth in the Ninth Schedule to this Act, and executed by the mortgagor and by the mortgagee nor until registered as provided in this section.

Mortgages not valid unless in prescribed form and registered.
Ib. s. 44 (1.).

(2.) A mortgage shall be registered by being left, with the policy and a certified copy of the mortgage, at the office of the
25 company in the State or Territory in which the policy is registered, whereupon the secretary shall, if the mortgage is, in his opinion, in due form and properly executed—

Ib. s. 44 (2.).

(a) indorse on the policy a memorandum in accordance with the form or to the effect set forth in the Tenth Schedule
30 to this Act; and

(b) indorse on the mortgage a memorandum of its having been registered, in accordance with the form or to the effect set forth in the Eleventh Schedule to this Act; and

(c) retain the certified copy of the mortgage in the office of the
35 company; and

(d) return the policy and the original mortgage with the respective indorsements thereon signed by himself, to the person leaving them.

97. There shall be implied in every mortgage the covenants,
40 powers, conditions and agreements set forth in the Twelfth Schedule to this Act and such implied provisions shall have the like effect as if they had respectively been set forth in the mortgage at length.

Covenants, &c., implied in mortgages.
Ib. s. 45.

98. All or any of the covenants, powers, provisos, conditions and agreements set forth in the Twelfth Schedule to this Act may,
45 if so expressed in the mortgage, be negatived, modified or altered, or others may be added, in any way not inconsistent with the provisions of this Act.

Implied covenants, &c., may be negatived or altered.
Ib. s. 45 (3.).

99. Any

Several mortgages may be registered.
Cl. N.Z. 1908, s. 46

99. Any number of mortgages may be registered against the same policy, but they shall take effect and have priority according to priority of the date of registration, and no mortgage shall take priority of the company's lien for money advanced prior to registration of the mortgage together with interest thereon nor for premiums and interest due in terms of section seventy-one of this Act.

5

Mortgagee when selling may execute assignment.
Ib. s. 48.

100. Any mortgagee, when he has sold a policy under the power of sale implied in his mortgage, may execute an assignment of the mortgaged policy, adding words in the assignment stating that he has sold it in exercise of his power of sale as aforesaid; and thereupon all the provisions of this Act relating to the registration and effect of assignments shall apply to the assignment.

10

Company or purchaser not affected by notice of improper sale, &c.
Ib. s. 49

101. No company whose secretary is required to register an assignment by a mortgagee, nor any purchaser from a mortgagee, shall be bound to inquire into the propriety or regularity of the sale, or be affected in any way by notice, express, implied or constructive, that the same is in any way improper or irregular, or be bound or concerned to see to the application of the proceeds of a sale by a mortgagee.

15

How mortgages discharged.
Ib. s. 50 (1.).

102. When the sum secured by any mortgage has been paid off either wholly or in part, or when for any other reason the mortgage has become bound to discharge the mortgage either wholly or partially, he shall indorse on the mortgage held by him a memorandum of discharge in accordance with the form or to the effect set forth in the Thirteenth Schedule to this Act, and the memorandum when registered shall effectually release and discharge the policy from the mortgage to the extent specified in the memorandum.

20

25

If discharges partial several may be given.
Ib. s. 50 (2.).

103. If any one or more of such discharges are only partial, further discharges, as often as the case requires, may be executed in the form and manner specified in the last preceding section.

How discharges registered.
Ib. s. 51.

104.—(1.) A memorandum of discharge shall be registered by leaving the mortgage, with the memorandum indorsed thereon, together with the policy, at the office of the company, whereupon the secretary shall, if the memorandum is, in his opinion, in due form and properly executed, indorse on the policy a memorandum in accordance with the form or to the effect set forth in the Fourteenth Schedule to this Act, and shall also indorse on the mortgage a memorandum of its having been registered in accordance with the form or to the effect set forth in the Fifteenth Schedule to this Act, and shall return the mortgage and policy so indorsed to the person leaving it.

30

35

(2.) No such registration or indorsement by the secretary as is prescribed in this Division shall be deemed to impose upon the company any liability to any person claiming to have any right, title or interest in or to the policy against the title conferred by such registration or indorsement.

40

Division 10.—Audit.

105. The accounts of every company shall be audited annually **Audit.**
 by one or more competent auditors, and every revenue account
 and balance-sheet issued by the company shall bear the certifica-
 5 tion of the auditor or auditors that they are in accord with the
 provisions of this Act and with the constitution and rules of the
 company, that, subject to actuarial valuations of the liabilities under
 the policy contracts, they truly represent the financial position of the
 company, and that the books of the company have been kept in
 10 accordance with the recognized principles of accountancy.
106. A person shall not act as an auditor for the purposes of this **Auditors.**
 Division unless and until he has registered his name, address and
 occupation with the Registrar, and has furnished evidence to
 the satisfaction of the Registrar that he is competent to perform
 15 the duties of an auditor under this Division.
107. If the Registrar is not satisfied with the accuracy of the **Valuation of**
 valuation of the assets of any company as set forth in the form of **Assets.**
 the Second Schedule to this Act, he may apply to the Court for, and
 the Court may grant, authority to call in, at the expense of the
 20 company, the services of expert valuers to check the valuations of
 the company.
108. Except as prescribed, the auditor to a company shall not **Auditor to be**
 be appointed by the directors or officers of any company, but shall **elected.**
 be elected by the shareholders or policy owners of the company.
- 25 109. Where any expenses or interest or dividends from invest- **Report on**
 ments, or sums on account of appreciation or depreciation of securities, **apportionment**
 are apportioned between the life insurance business and the industrial **of expenses**
 insurance business of a company, or between the insurance business
 and any other business of a company, the auditor shall include in his
 30 report a description of the method of the apportionment.
110. A copy of every report of the auditor of a company shall **Report to be**
 be furnished by the company to the Registrar and to any policy owner **furnished to**
 on application. **Registrar.**

PART IV.—INSURANCES ON THE LIVES OF CHILDREN.

- 35 111. The *Life Assurance Companies Act* 1905 is repealed. **Repeal.**
112. In this Part, unless the contrary intention appears— **Definitions.**
- “Friendly society” means any society registered under any
 law in force in any State or part of the Commonwealth
 providing for the registration of friendly or benefit societies ;
- 40 “Register of Deaths” means any register kept in any State or
 part of the Commonwealth under any law for the registration
 of deaths for the time being in force in that State or part of
 the Commonwealth ;

“Registered medical practitioner” means any person who, under the law of any State or part of the Commonwealth, is a legally qualified medical practitioner in that State or part of the Commonwealth ;

“Registrar of Deaths” means any person authorized by the law of any State or part of the Commonwealth relating to the registration of deaths to issue certificates of death in that State or part of the Commonwealth. 5

Limitation of amount payable on death of children.

113. A company may contract to pay on the death of a child between the respective ages mentioned in the Sixteenth Schedule to this Act any sum of money which, added to any amount payable on the death of that child by any other company or by any friendly society, does not exceed the amount specified in that Schedule as payable on the death of the child between such ages, and every policy issued under and by virtue of the provisions of this section shall set forth that the total sum or sums recoverable on the death of any child as insurance moneys or other benefits from any one or more companies or friendly societies shall not exceed the amount so specified in that Schedule. 10 15

Repayments of premiums not to be taken into account. 19 & 20 Geo. 5, c. 28, s. 2.

114. For the purpose of calculating the maximum sum which may be insured or paid under the last preceding section, no account shall be taken of any repayment of the whole or any part of the premiums paid in respect of an endowment policy. 20

Person to whom payment may be made.

115. A company shall not pay any sum on the death of a child under ten years of age except to the parent of the child or to the personal representative of the parent, and shall not pay any such sum except upon the production by the parent or his personal representative of a certificate of death issued by a Registrar of Deaths and containing the particulars mentioned in this Act. 25

Certificates of death.

116.—(1.) Where application is made for a certificate of the death of a child for the purpose of obtaining a sum of money from a company, the name of the company and the sum sought to be obtained therefrom shall be stated to the Registrar of Deaths. 30

(2.) The Registrar of Deaths shall write on or at the foot of the certificate the words “To be produced to the society or company (naming the company) said to be liable for the payment of the sum of (stating the sum).” 35

(3.) All certificates of the same death shall be numbered in consecutive order.

(4.) No Registrar of Deaths shall issue any one or more certificates of death of a child under the age of ten years for the payment in the whole of any sum of money exceeding the amount for which such child may be insured under section one hundred and thirteen of this Act. 40

(5.) No

(5.) No Registrar of Deaths shall issue any such certificate unless—

- 5 (a) the cause of death has been previously entered in the Register of Deaths on the certificate of a coroner or of a registered medical practitioner who attended the deceased child during its last illness ;
- (b) a certificate of the probable cause of death under the hand of a registered medical practitioner is produced to him ; or
- (c) other satisfactory evidence of the cause of death is furnished to him.

10 (6.) A company to which is produced a certificate, which does not purport to be the first, of the death of a child under the age of ten years shall, before paying any money thereon, inquire whether any and what sums of money have been paid on the same death by any other company or friendly society.

15 117.—(1.) Nothing in this Part shall apply—

- (a) to any insurance on the life of a child of any age when the person insuring has an interest in the life of the person insured ; and
- 20 (b) to any insurance effected by a parent or person *in loco parentis* as an advancement of the child in any case in which the amount payable to that person on the death of the child under fifteen years of age does not exceed the total amount actually paid by that person in respect of premiums on such insurance, together with interest on such premiums at a rate not exceeding four
- 25 per centum per annum.

Saving as to insurable interests.

(2.) Any insurance to which paragraph (b) of the last preceding sub-section applies, which is in force at the commencement of this Act or is effected after such commencement, shall not be deemed to be

30 invalid by reason only of want of insurable interest, on the part of the person effecting the insurance, in the life of the child insured.

118.—(1.) It shall be an offence under this Part—

- (a) if a company pays money on any policy taken out after the passing of this Act on the death of a child under ten
- 35 years of age otherwise than as provided by this Part ; or
- (b) if a parent or personal representative of a parent claiming money on the death of a child produces a certificate of the death other than as provided in this Part to the company from which the money is claimed, or produces a false certificate or one fraudulently obtained, or in any way
- 40 attempts to defeat the provisions of this Part ; or
- (c) if a policy issued under and by virtue of the provisions of section one hundred and thirteen of this Act does not set forth that the total sum or sums recoverable on the death
- 45 of any child as insurance moneys or other benefits from any

Offences and penalties.

one or more companies or friendly societies does not exceed the amount so specified in the Sixteenth Schedule to this Act.

Penalty : Fifty pounds.

(2.) All offences and penalties under this Part may be prosecuted and recovered before any court of summary jurisdiction in the State or part of the Commonwealth in which the offence was committed. 5

(3.) The provisions of the law relating to summary proceedings before justices in force in the State or part of the Commonwealth where proceedings are instituted shall apply to the prosecution of offences under this Part before a court of summary jurisdiction in that State or part of the Commonwealth and an appeal shall lie from any such conviction or order of dismissal to the Court and in the manner provided by the law of the State or part of the Commonwealth where the conviction or order is made for appeals from convictions or orders of dismissal. 10 15

(4.) An offence committed by a company shall be deemed to have been committed at the head office of the company in the State or part of the Commonwealth where the offence is committed.

PART V.—MISCELLANEOUS.

20

Application of
Companies Acts
to life insurance
companies.

119. Except in so far as the law of any State or Territory relating to companies is inconsistent with this Act, the provisions of this Act shall not affect the application of the law of any State or Territory to companies.

Voting by post.

120. Notwithstanding anything in the constitution, rules, by-laws or articles of association of any mutual company, if a system of voting by post has been approved by the members of the company, they shall, in relation to any question to which the system relates, be given an opportunity of voting thereon by post, and all regular votes of the members given by post shall be valid and effectual for all intents and purposes. 25 30

Delegation by
Registrar.

121. In relation to any particular matter or class of matters or to any particular State or Territory the Registrar may, by writing under his hand, delegate any of his powers under this Act or the Regulations (except this power of delegation) so that the delegated powers may be exercised by the delegate with respect to the matters or class of matters, or the State or Territory, specified in the instrument of delegation. 35

Return of
industrial
policies and
premium
receipt books
after
inspection.
Cf. 13 & 14,
Geo. 5, c. 8,
s.22.

122. If at any time a company which carries on industrial insurance business, or any person authorized by such a company, takes possession of a policy or premium receipt book or other document issued in connexion with a policy, a receipt shall be given, and the policy, book or document shall be returned to the owner of the policy within twenty-one days, unless the policy has been terminated by reason of satisfaction of all claims capable of arising thereunder : 40 45

Provided

Provided that, where possession is taken of a policy, book or document for the purpose of legal proceedings to be taken by the company that issued the policy against a collector, it shall be lawful for the company to retain the policy, book or document so long as may be
 5 necessary for the purposes of those proceedings, but in that case, if the policy, book or document is retained for more than twenty-one days, the company shall supply to the owner of the policy a copy thereof certified by the company to be a true copy.

123. Where, by this Act or the Regulations, a report is required
 10 from an independent actuary, and no provision is made for his nomination, he shall be nominated by the Auditor-General for the Commonwealth.

Nomination of independent actuary.

124.—(1.) The Registrar shall furnish annually to the Minister for presentation to the Parliament printed copies of the returns deposited with him in compliance or in purported compliance with the provisions of this Act during the preceding year, and may append to any such copy any note of the Registrar with reference to the returns and any correspondence in relation thereto :

Documents deposited with the Registrar.

Provided that if the Registrar is of opinion that the effect of
 20 any return or returns can be adequately and more conveniently shown by a summary or by a consolidated return, it shall be sufficient for the Registrar to furnish such a summary or consolidated return, but the Registrar shall in that case append thereto a note explaining any omissions.

125. Any person may, upon payment of the prescribed fee, inspect at an office of the Registrar any non-confidential printed or other document required by this Act to be deposited thereat, and procure any copy thereof or extract therefrom.

Inspection of deposited documents.

Cf. 9 Ed. 7, c. 49, s. 20.

Q. 1901, s. 48.

126. Every document purporting to be certified by the Registrar
 30 to be a document deposited at his office under the provisions of this Act, and every document purporting to be similarly certified to be a copy of such document, shall be deemed to be such document, or a copy thereof, as the case may be, and shall be received in evidence as if it were the original document, unless some variation between it
 35 and the original document is proved.

Documents to be received in evidence.

Cf. 9 Ed. 7, c. 49, s. 21.

Q. 1901, s. 49.

127. If any person wilfully makes, orders or allows to be made, any entry or erasure in, or omission from, a collecting book or premium receipt book, with intent to falsify that book, or to evade any of the provisions of this Act, he shall be guilty of an offence.

Penalties for falsification.

Cf. 13 & 14, Geo. 5, c. 8, s. 40.

40 Penalty : Fifty pounds or imprisonment for three months.

128. Any person who knowingly makes any false statement concerning any company shall be guilty of an offence.

False statements.

Penalty : One hundred pounds or imprisonment for one year.

129. Where any notice, advertisement or other official publication
 45 of a company contains a statement of the amount of the authorized capital

Publication of authorized, subscribed and paid-up capital.

Cf. 9 Ed. 7, c. 49, s. 12.

capital of the company, the publication shall also contain a statement of the amount of the capital which has been subscribed and the amount paid-up.

Recovery and application of penalties.
Q. 1901, s. 51.

130.—(1.) All penalties for offences against this Act may be recovered in a competent court of summary jurisdiction. 5

(2.) The court imposing any such penalty may direct the whole or any part thereof to be applied in or towards payment of the costs of the proceedings, or in or towards rewarding the persons upon whose information the penalty has been recovered.

(3.) Subject to any direction under the last preceding sub-section, 10 all penalties recovered shall be paid into the Consolidated Revenue Fund.

Forms may be altered.
Cf. 9 Ed. 7, c. 49, s. 22.
Q. 1901, s. 14.

131. The forms contained in the Schedules to this Act may be altered by the Regulations for the purpose of adapting them to the circumstances of any company or of better carrying into effect the 15 objects of this Act.

Notices.
Cf. 13 & 14 Geo. 5, c. 8, s. 41.

132. Where any notice is required by this Act to be served upon any person, the notice shall be in writing, and either delivered or sent by post to him, or, in the case of a notice of default, so delivered or sent or left at his last known place of abode. 20

Authority by Secretary of Company.

133. Any document required by or under this Act to be signed by the secretary of a company may be signed by any other officer of the company thereto authorized by the secretary by writing under his hand notice in writing of which has been lodged with the Registrar.

Policy by relative to reimburse funeral expenses.
Cf. 13 & 14 Geo. 5, s. 3.

134. Any person having a *bona fide* expectation that he will incur 25 expense in connexion with the death or funeral of any relative, being a parent, grandparent, child, grandchild, brother or sister, or other dependant, may effect an insurance on the life of that relative for a sum not unreasonable for the purpose of covering such expense.

Offences.

135.—(1.) Any company which contravenes or fails to comply 30 with any of the provisions of this Act or of any order or regulation made, or direction of the Registrar given, thereunder shall be guilty of an offence against this Act, and, in the case of a default in complying with any such provision, the offence shall be deemed to be continued so long as the default continues. 35

(2.) Where an offence against this Act committed by a company is proved to have been committed with the consent or connivance of, or to have been facilitated by any neglect on the part of, any director, manager, secretary, auditor or other officer of the company, he, as well as the company, shall be deemed to be guilty of 40 the offence.

(3.) If any return or other document required by or under this Act is false in any particular to the knowledge of any person who signs it, that person shall be guilty of an offence.

(4.) Notwithstanding

(4.) Notwithstanding any limitation on the time for the taking of proceedings contained in any Act, summary proceedings for offences against this Act may be commenced at any time within one year from the date on which evidence, sufficient in his opinion to justify a
5 prosecution for the offence, comes to the knowledge of the Registrar, but not in any case after the expiration of three years from the commission of the offence.

(5.) For the purposes of the last preceding sub-section, a certificate purporting to be signed by the Registrar or by any person
10 authorized in that behalf by the Registrar, as to the date on which such evidence came to the knowledge of the Registrar shall, in any proceedings instituted by the Registrar, be conclusive evidence thereof.

(6.) Any proceedings against a company for an offence against this
15 Act shall be without prejudice to any proceedings for the winding-up or partial winding-up of the affairs of the company which may be taken in respect of the matter constituting the offence.

136. All offences against, or contraventions of, this Act for
20 which no other penalty is prescribed shall be punishable by a fine not exceeding One hundred pounds or imprisonment for a period not exceeding six months. Penalties.

137. The provisions of this Act shall have effect notwithstanding
anything in the memorandum or articles of association or rules,
by-laws or special Act of any company : Act to have effect notwithstanding memorandum, articles or special Act.

25 Provided that nothing in this Act shall affect the liability of the Life Insurance Fund or Industrial Insurance Fund in the case of a company established before the commencement of this Act to the prejudice of persons interested in contracts entered into by the company before that date. Cf 13 & 14, Geo 5, c. 8, s. 14.

30 138. If any difficulty arises with respect to the transition to the provisions of this Act from the enactments repealed by this Act, or in bringing into operation any of the provisions of this Act, the Governor-General may at any time within eighteen months after the passing of this Act, by order, do anything which appears to him
35 necessary or expedient for the removal of the difficulty or otherwise for bringing this Act into operation, and any such order may modify the provisions of this Act so far as may appear necessary or expedient for carrying the order into effect. Power to provide for difficulties.

40 139. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters and things which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed, for giving effect to this Act and in particular for prescribing penalties not exceeding Fifty pounds for any breach or contravention of the regulations. Regulations.

SCHEDULES.

SCHEDULES.

FIRST SCHEDULE.

FORM A.

(a) Form applicable to Life Insurance Business.

Revenue Account of the for the Year ending in respect of Life Insurance Business.

Particulars.	Business in the Common- wealth.	Business outside the Common- wealth.	Total.	Particulars.	Business in the Common- wealth.	Business outside the Common- wealth.	Total.
	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.	£ s. d.
Amount of Life Insurance Fund at the beginning of the year				Claims under Insurance policies paid and outstanding*			
Insurance Premiums*				By death			
First Year Premiums				By maturity			
Renewal Premiums				Surrenders*			
Consideration for annuities granted				Annuities*			
				Bonuses in cash*			
				Commissions*			
		£ s. d.		Expenses of management (particulars to be supplied)			
Interest, dividends and rents				Shareholders' Dividends			
Less Rates and Taxes				Taxes other than those deducted from Interest, Dividends and Rents (particulars to be supplied)			
				Other expenditure (to be specified)			
Other Income (to be specified)				Amount of Life Insurance Fund at the end of the year, as shown in the Balance-sheet			

Life Insurance.

NOTE 1.—All single premiums for annuities, whether immediate or deferred, shall be included under the heading "Consideration for annuities granted".

NOTE 2.—If any sum has been deducted from the expenses of management item, and entered on the assets side of the Balance-sheet, the amount so deducted shall be shown separately.

NOTE 3.—The columns headed "Business outside the Commonwealth", in the case of companies having their head office in the Commonwealth, apply only to business carried in the books of Branch Offices or Agencies out of the Commonwealth.

NOTE 4.—The items marked* are the net amount after deducting the sums paid or received in respect of Re-insurances.

PRINT

FIRST SCHEDULE—continued.

FORM B.

(b) Form applicable to Industrial Insurance Business.

1930.

Revenue Account of the for the year ending in respect of Industrial Insurance Business.

Particulars.	Business		Total.		Particulars.	Business		Total.
	in the Commonwealth.	outside the Commonwealth.				in the Commonwealth.	outside the Commonwealth.	
	£ s. d.	£ s. d.	£ s. d.			£ s. d.	£ s. d.	£ s. d.
Amount of Industrial Insurance Fund at the beginning of the year					Claims under Insurance policies paid and outstanding*			
Insurance Premiums*					By death			
Consideration for annuities granted					By maturity			
					Surrenders*			
					Annuities*			
					Bonuses in cash*			
					Commissions*			
					Expenses of management (particulars to be supplied)			
					Shareholders' Dividends			
Interest, dividends and rents					Taxes other than those deducted from Interest, Dividends and Rent (particulars to be supplied)			
Less Rates and taxes					Other expenditure (to be specified)			
					Amount of Industrial Insurance Fund at the end of the year, as shown in the Balance-sheet			
Other Income (to be specified)								

Life Insurance.

NOTE 1.—All single premiums for annuities, whether immediate or deferred, shall be included under the heading "Consideration for annuities granted".

NOTE 2.—If any sum has been deducted from the expenses of management item and entered on the assets side of the Balance-sheet, the amount so deducted shall be shown separately.

NOTE 3.—The columns headed "Business outside the Commonwealth", in the case of companies having their head office in the Commonwealth, apply only to business carried in the books of Branch Offices or Agencies out of the Commonwealth.

NOTE 4.—The items marked * are the net amount after deducting the sums paid or received in respect of Re-insurees.

SECOND

No.

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FORM C.

SECOND SCHEDULE.
Balance-sheet to be supplied by all Companies.

Balance-sheet of the _____ as at the _____ 19 .

LIABILITIES.	£ s. d.	ASSETS. In the Commonwealth.	£ s. d.	£ s. d.
Reserve or Contingency accounts (to be specified)	Government securities .. .. .	.. .. .
Investment Reserve account	Municipal securities .. .. .	.. .. .
Life Insurance Statutory Fund	Loans on mortgage of property in the Commonwealth .. .. .	.. .. .
Industrial Insurance Statutory Fund	Loans on bonds, stocks or shares .. .. .	.. .. .
Staff Pension or Superannuation accounts	Loans on the Company's policies .. .. .	.. .. .
Estimated liability in respect of outstanding claims whether due of	Loans upon personal security .. .. .	.. .. .
Intimated*	Loans on life interests and reversions .. .. .	.. .. .
Annuities due and unpaid*	Debentures and debenture stocks other than Government and municipal .. .. .	.. .. .
		Stocks and shares (preferential) .. .. .	.. .. .
		Stocks and shares (ordinary) .. .. .	.. .. .
		House property .. .. .	.. .. .
		Life interests and reversions purchased .. .. .	.. .. .
		Other investments (to be specified) .. .. .	.. .. .
		Agents' balances .. .. .	.. .. .
		Outstanding premiums within days of grace .. .. .	.. .. .
		Overdue premiums .. .. .	.. .. .
		Overdue interest, dividends and rents .. .. .	.. .. .
		Interest, dividends and rents accruing but not yet due .. .. .	.. .. .
		Cash—		
		Deposited with the Treasurer of the Commonwealth .. .. .	.. .. .
		On deposit with banks .. .. .	.. .. .
		In hand and on current account .. .. .	.. .. .
		Other assets (to be specified) .. .. .	.. .. .
		Total assets in the Commonwealth .. .. .	.. .. .
		Outside the Commonwealth		
		British Government securities .. .. .	.. .. .
		Foreign Government securities .. .. .	.. .. .
		Municipal securities .. .. .	.. .. .
		Loans on mortgage .. .. .	.. .. .
		Loans on bonds, stocks or shares .. .. .	.. .. .
		Loans on the Company's policies .. .. .	.. .. .
		Loans upon personal security .. .. .	.. .. .
		Loans on life interests and reversions .. .. .	.. .. .
		Debentures and debenture stocks other than Government or municipal .. .. .	.. .. .
		Stocks and shares (preferential) .. .. .	.. .. .
		Stocks and shares (ordinary) .. .. .	.. .. .
		House property .. .. .	.. .. .
		Life interests and reversions purchased .. .. .	.. .. .
		Other investments (to be specified) .. .. .	.. .. .
		Agents' balances .. .. .	.. .. .

SECOND SCHEDULE—continued.

Balance-sheet of the

on the

19 .

LIABILITIES.	£ s d	ASSETS.	£ s. d.	£ s. d.
Outstanding dividends		Outstanding premiums within days of grace		
Other outstanding accounts (to be specified)		Overdue premiums		
		Overdue interest, dividends and rents		
		Interest, dividends and rents accruing but not yet due		
		Cash—		
		Deposited with British or other Governments		
		On deposit with banks		
		In hand and on current account		
		Other assets (to be specified)		
		Total assets elsewhere than in the Commonwealth	£	
	£	Total assets	£	

NOTE 1.—When part of the assets of the Company are specifically deposited, under local laws in various places outside the Commonwealth, as security to holders of policies there issued, each such place and the amount compulsorily lodged therein shall be specified.

NOTE 2.—A separate Balance-sheet in the above form may, at the option of the Company, be rendered in respect of life insurance business and industrial insurance business.

NOTE 3.—The Balance-sheet shall state how the values of the Stock Exchange securities are arrived at, and a certificate shall be appended, signed by the same persons as sign the Balance-sheet, to the effect that in their belief the assets set forth in the Balance-sheet are in the aggregate fully of the value stated therein, less any investment reserve fund taken into account.

NOTE 4.—A certificate shall be appended, signed by the same persons as signed the Balance-sheet and by the auditor to the effect that no part of any statutory fund has been applied, directly or indirectly, for any purpose other than the class of business to which it is applicable.

NOTE 5.—Overdue and accruing interest, dividends and rents shall be shown after deduction of income tax thereon, unless otherwise provided for in the balance-sheet.

NOTE 6.—Full particulars shall be stated of holdings in and loans to controlled Companies giving name of each Company, number and description of shares held in each and value at which the holdings in each Company stand in the Balance-sheet.

NOTE 7.—Amounts due from directors and officials, unless fully secured, shall be shown separately.

NOTE 8.—Items marked * are included in the corresponding items in the First Schedule.

SECOND SCHEDULE—continued.

FORM D.

Additional Balance-sheet to be supplied by Company constituted of Shareholders.

Additional balance-sheet of the

as at

19 .

LIABILITIES.	£ s. d.	ASSETS.	£ s. d.
Shareholders' Capital—			
Paid up at date of last Balance-sheet { In cash	Government securities .. .. .	.. .. .
{ Otherwise	Municipal securities .. .. .	.. .. .
Paid up since date of last Balance-sheet { In cash	Loans on mortgage of property .. .. .	.. .. .
{ Otherwise	Other assets (to be specified) .. .. .	.. .. .
Unpaid dividends		
Other accounts (to be specified)		
		Total assets	

NOTE 1.—If there are no shareholders, no return need be made in this form.

NOTE 2.—All sums (whether in the form of shares in other companies or otherwise) representing expenses of organization or extension or purchase of business and any intangible assets must be included in this balance-sheet.

NOTE 3.—If the Company transacts any other business besides life insurance business and industrial insurance business, the corresponding entries are to be made in this balance-sheet.

THIRD SCHEDULE.

FORM E.

(1) New policies issued by the

during the year ending

19 .

Class of Policy.	In the Commonwealth.				Outside the Commonwealth.			
	No. of Policies.	Sum Insured.	Single Premiums.	Annual Premiums.	No. of Policies.	Sum Insured.	Single Premiums.	Annual Premiums.
		£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.	£ s. d.
Whole Life Insurance ..								
Endowment Insurance ..								
Other Insurances and Endowments								
Annuities		(per annum)				(per annum)		

NOTE.—Separate returns shall be supplied for Life Insurance business and Industrial Insurance business.

THIRD SCHEDULE.—*continued.*

FORM F.

(2) Policies discontinued in the _____ during the year ended _____

19 .

Class of Policy.	By Death or Maturity.			By Surrender.			By Forfeiture.			Total.		
	No.	Sum Insured. †	Annual Premiums.	No.	Sum Insured. †	Annual Premiums.	No.	Sum Insured. †	Annual Premiums.	No.	Sum Insured. †	Annual Premiums.

IN THE COMMONWEALTH.

Whole Life Insurance												
Endowment Insurance												
Other Insurances and Endowments ..												
Annuities ..												
Total ..												

OUTSIDE THE COMMONWEALTH.

Whole Life Insurance												
Endowment Insurance												
Other Insurances and Endowments ..												
Annuities ..												
Total ..												

NOTE.—Separate returns shall be supplied for Life Insurance business and Industrial Insurance business.
† Exclusive of bonus additions.

Life Insurance.

THIRD SCHEDULE—continued.

Form G.
19 .

(3) Policies of the

existing on the

	In the Commonwealth.			Outside the Commonwealth.		
	No. of Policies.	Sum Insured. *	Annual Premiums.	No. of Policies.	Sum Insured. *	Annual Premiums.
		£ s. d.			£ s. d.	
Whole Life Insurance						
Endowment Insurance						
Other Insurances and Endowments						
Annuities						

* Exclusive of bonus additions.

Life Insurance.

No.

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THIRD

THIRD SCHEDULE—continued.

Form H.

(4) Progress of the Life Insurance business of the

since its establishment to

19 .

	In the Commonwealth.					Outside the Commonwealth.				
	No of Policies.	Sum Insured.*	Annuity per Annum.	Single Premiums.	Annual Premiums.	No. of Policies.	Sum Insured.*	Annuity per Annum	Single Premiums.	Annual Premiums.
		£ s. d.	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.	£ s. d.	£ s. d.
Total issued										
Total discontinued										
Existing										
Annual income from interest										
Total annual income from premiums and interest ..										

*Exclusive of bonus additions.

NOTE.—Separate returns shall be supplied for Life Insurance business and Industrial Insurance business.

FOURTH SCHEDULE.

REGULATIONS FOR THE PREPARATION OF ABSTRACTS OF ACTUARY'S
REPORTS, ETC., AND REQUIREMENTS APPLICABLE TO SUCH
ABSTRACTS, ETC. Section 48.

PART I.

Regulations.

1. Abstracts and Statements shall be so arranged that the numbers and letters of the paragraphs correspond with those of the paragraphs of Part II. of this Schedule.

2. Abstracts in respect of life insurance business and industrial insurance business shall be prepared separately.

3. Where any table of mortality or sickness used in a valuation is not a published table, then for the purpose of complying with paragraph 3 of Part II. of this Schedule, specimen values shall be given at the rate of interest employed in the valuation in respect of whole life insurance policies effected at the respective ages of 20, 30, 40 and 50, and having been in force respectively for five years, ten years and upwards at intervals of ten years; and similar specimen policy values shall be given in respect of endowment insurance policies effected at the respective ages of 20, 30 and 40 for endowment terms of twenty and thirty years:

Provided that, where the specimen policy values required by this regulation to be given are the same as those given in any abstract prepared under Part II. of this Schedule previously submitted by the company to the Registrar, it shall be sufficient in any abstract subsequently submitted to refer to the specimens so given in such manner as to enable the required information to be ascertained therefrom by the Registrar.

4. In showing the proportion which that part of the annual premiums reserved as a provision for future expenses and profits bears to the total of the annual premiums, in accordance with the requirements of paragraph 4 of Part II. of this Schedule, no credit is to be taken for any adjustments made in order to secure that no policy is treated as an asset.

5.—(1) The average rate of interest yielded in any year by the assets constituting a statutory fund shall, for the purposes of paragraph 5 of Part II. of this Schedule, be calculated by dividing the interest of the year by the mean fund of the year; and for the purposes of any such calculation the interest of the year shall be taken to be the whole of the interest credited to the statutory fund during the year after deduction of income tax (any refund of income tax made during the year being taken into account), and the mean fund of the year shall be ascertained by adding a sum equal to one-half of the amount of the statutory fund at the beginning of the year to a sum equal to one-half of that fund at the end of the year, and deducting from the aggregate of those two sums an amount equal to one-half of the interest of the year.

(2) For the purposes of such calculation either—

- (a) all profits and income arising during the year from sums invested in reversions shall be included in the interest credited to the statutory fund during the year; or
- (b) such portion of the statutory fund as is invested in the purchase of reversions, and the profits and income arising therefrom, shall be excluded from the calculation; but in that case a statement shall be added to the information required under paragraph 5, showing in respect of the portion of the fund so excluded, the average rate of annual profit and income for which credit has been taken during the five years last preceding the valuation date, and explaining the manner in which the average rate has been calculated.

FOURTH SCHEDULE—*continued.*

(3) The information given in accordance with the requirements of paragraph 5 shall show clearly by which of the methods the sums invested in reversions and the profits and income arising therefrom have been dealt with.

6. Every abstract prepared in accordance with the requirements of Part II. of this Schedule shall be signed by an actuary and shall contain a certificate by him to the effect that he has satisfied himself as to the accuracy of the valuations made for the purposes thereof and of the valuation data :

Provided that in the case of an abstract prepared on behalf of an insurance company, if the actuary who signs the abstract is not a permanent officer of the company, the certificate as to the accuracy of the valuation data shall be given and signed by the principal officer of the company and the actuary shall insert on the abstract a statement signed by him showing what precautions he has taken to ensure the accuracy of the data.

7. For the purposes of this Schedule the following expressions have the meanings hereby respectively assigned to them, that is to say :—

- “inter-valuation period” means, as respects any valuation, the period to the valuation date of that valuation from the valuation date of the last preceding valuation in connexion with which an abstract or abbreviated abstract was prepared under this Act or under the enactments repealed by this Act, or, in a case where no such valuation has been made in respect of the class of business in question, from the date on which the insurer began to carry on that class of business ;
- “maturity date” means the fixed date on which any benefit will become payable either absolutely or contingently ;
- “net premiums” means as respects any valuation the premiums taken credit for in the valuation ;
- “premium term” means the period during which premiums are payable ;
- “valuation date” means as respects any valuation the date as at which the valuation is made.

PART II.

Requirements applicable separately to Abstracts in respect of Life Insurance and Industrial Insurance Business.

The following tabular statements shall be annexed to every abstract prepared in accordance with the requirements of this Part of this Schedule :—

- (a) A Consolidated Revenue Account, in the Form I annexed to this Part of this Schedule, for the inter-valuation period (except that it shall not be necessary to prepare such an account in respect of any class of business so long as the insurer deposits annually with the Registrar an abstract or abbreviated abstract in respect of that class of business) ;
- (b) A Summary and Valuation in the Form J annexed to this Part of this Schedule, of the policies included at the valuation date in the class of business to which the abstract relates ; and
- (c) A Valuation Balance-Sheet, in the Form K annexed to this Part of this Schedule, and every such abstract shall show—

1. The valuation date ;
2. The general principles and full details of the methods adopted in the valuation of each of the various classes of insurance and annuities shown in the said Form J, including statements on the following points :—

- (a) whether the principles were determined by the instruments constituting the company or by its regulations or by-laws, or otherwise ;
- (b) the method by which the net premiums have been arrived at and how the ages at entry, premium terms and maturity dates, have been treated for the purpose of the valuation ;
- (c) the methods by which the valuation age, period from the valuation date to the maturity date, and the future premium terms, have been treated for the purpose of the valuation ;
- (d) the rate of bonus taken into account where by the method of valuation definite provision is made for the maintenance of a specific rate of bonus ;

FOURTH

FOURTH SCHEDULE—*continued*.

- (e) the method of allowing for—
- (i) the incidence of the premium income; and
 - (ii) premiums payable otherwise than annually;
- (f) the methods by which provision has been made for the following matters:—
- (i) the immediate payment of claims;
 - (ii) future expenses and profits in the case of limited payment and paid-up policies; and
 - (iii) the reserve in respect of lapsed policies, not included in the valuation, but under which a liability exists or may arise; and
- whether any reserves have been made for these matters;
- (g) whether under the valuation method adopted any policy would be treated as an asset, and if so what steps, if any, have been taken to eliminate such asset;
- (h) a statement of the manner in which policies on under-average lives and policies subject to premiums which include a charge for climatic, military or other extra risks have been dealt with; and
- (i) the rates of exchange at which liabilities in respect of policies issued in foreign currencies have been converted into sterling, and what provision has been made for possible increase of liability arising from future variations in the rates of exchange;
3. The table of mortality used, and the rate of interest assumed, in the valuation;
4. The proportion which that part of the annual premiums reserved as a provision for future expenses and profits bears to the total of the annual premiums, separately specified in respect of insurances with immediate profits, with deferred profits, with profits under discounted bonus systems, and without profits;
5. The average rates of interest yielded by the assets, whether invested or uninvested, constituting the relevant statutory fund for each of the five years preceding the valuation date;
6. The basis adopted in the distribution of profits as between the company and policy owners, and whether such basis was determined by the instruments constituting the company, or by its regulations or by-laws, or otherwise;
7. The general principles adopted in the distribution of profits among policy owners, including statements on the following points:—
- (a) whether the principles were determined by the instruments constituting the company, or by its regulations or by-laws, or otherwise;
 - (b) the number of years' premiums to be paid, period to elapse, and other conditions to be fulfilled before a bonus is allotted;
 - (c) whether the bonus is allotted in respect of each year's premium paid, or in respect of each completed calendar year or year of insurance or otherwise; and
 - (d) whether the bonus vests immediately on allocation or, if not, the conditions of vesting;
- 8.—(1) The total amount of profits arising during the inter-valuation period, including profits paid away and sums transferred to reserve funds or other accounts during that period, and the amount brought forward from the preceding valuation (to be stated separately) and the allocation of such profits—
- (a) to interim bonus paid;
 - (b) among policy owners with immediate participation, giving the number of the policies which participated and the sums insured thereunder (excluding bonuses);
 - (c) among policy owners with deferred participation, giving the number of the policies which participated and the sums insured thereunder (excluding bonuses);
 - (d) among policy owners in the discounted bonus class, giving the number of the policies which participated and the sums insured thereunder (excluding bonuses);
 - (e) among shareholders or to shareholders' accounts (any such sums passed through the accounts during the inter-valuation period to be separately stated);
 - (f) to every reserve fund, or other fund or account (any such sums passed through the accounts during the inter-valuation period to be separately stated);
 - (g) as carried forward unappropriated;

FOURTH SCHEDULE—*continued.*

(2) Specimens of bonuses allotted as at the valuation date to policies for One hundred pounds—

- (a) for the whole term of life effected at the respective ages of 20, 30 and 40, and having been in force respectively for five years, ten years and upwards at intervals of ten years; and
- (b) for endowment insurances effected at the respective ages of 20, 30 and 40, for endowment terms of fifteen, twenty and thirty years and having been in force respectively for five years, ten years and upwards at intervals of ten years,

together with the amounts apportioned under the various manners in which the bonus is receivable; and

9. A statement of the value, if any, allowed for surrender of policies for One hundred pounds—

- (a) for the whole term of life effected at the respective ages of 20, 30 and 40, and having been respectively in force for five years, ten years and upwards at intervals of ten years; and
- (b) for endowment insurances effected at the respective ages of 20, 30 and 40, for endowment terms of fifteen, twenty and thirty years, or payable at age 60 and having been in force respectively for five years, ten years and upwards at intervals of ten years.

In the case of industrial insurance policies, where free or paid-up policies are granted in lieu of surrender values, the conditions under which such paid-up policies are granted shall be stated, and specimen policies shall be shown in relation to the same ages and durations as those in relation to which statements of the surrender values are required by this paragraph.

FOURTH SCHEDULE—continued.

FORM I.

1930.

Consolidated Revenue Account of the _____ ending for _____ years, commencing _____ and _____

_____	Business in the Commonwealth.	Business outside the Commonwealth.	Total.	_____	Business in the Commonwealth.	Business outside the Commonwealth.	Total.
	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.	£ s. d.
Amount of Life Insurance fund at the beginning of the period				Claims under Insurance policies paid and outstanding*			
Insurance Premiums*				By death			
Consideration for annuities granted				By maturity			
				Surrenders*			
				Annuities*			
				Bonuses in cash*			
				Commission*			
				Expenses of management (particulars to be supplied)			
				Shareholders' dividends			
Interest, dividends and rents		£ s. d.		Taxes other than those deducted from Interest, Dividends and Rents ..			
Less Rates and Taxes				Other expenditure (to be specified)			
				Amount of Life Insurance Fund at the end of the period as shown in the Balance-sheet			
Other Income (to be specified)							

Life Insurance.

No.

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NOTE 1.—All single premiums for annuities, whether immediate or deferred, shall be included under the heading "Consideration for Annuities granted".

NOTE 2.—If any sum has been deducted from the expenses of management account and taken credit for in the Balance-sheet as an asset, the sum so deducted shall be separately shown.

NOTE 3.—A separate account in the above form shall be rendered in respect of life insurance business and industrial insurance business, the form for industrial insurance business to have the words "industrial insurance" substituted for "life insurance" where these latter occur above.

NOTE 4.—The terms marked * are the net amount after deducting the sums paid or received in respect of Re-insurances.

FOURTH

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FOURTH SCHEDULE—continued.

FORM J.

No.

SUMMARY and VALUATION of the POLICIES of the

as at

19 .

Description of Transactions.	Particulars of the Policies for Valuation					Valuation.				
	Number of Policies.	Sums Insured.	Bonuses.	Office Yearly Premiums.	Net Yearly Premiums.	Sums insured.	Bonuses.	Office Yearly Premiums.	Net Yearly Premiums.	Net Liability
INSURANCES.										
<i>1.—With immediate participation in profits.</i>										
For whole term of life										
Other classes (to be specified)										
Extra premiums payable										
Total insurances										
Deduct re-insurances										
Net insurances										
<i>2.—With deferred participation in profits</i>										
For whole term of life										
Other classes (to be specified)										
Extra premiums payable										
Total insurances										
Deduct re-insurances										
Net insurances										
<i>3.—Under discounted bonus systems.</i>										
For whole term of life										
Other classes (to be specified)										
Extra premiums payable										
Total insurances										
Deduct re-insurances										
Net insurances										
Total insurances with profits ..										

Life Insurance.

1930.

Description of Transactions.	Particulars of the Policies for Valuation.					Valuation.				
	Number of Policies.	Sums Insured.	Bonuses.	Office Yearly Premiums.	Net Yearly Premiums	Sums Insured	Bonuses.	Office Yearly Premiums.	Net Yearly Premiums.	Net Liability.
4 — Without participation in profits.										
For whole term of life										
Other classes (to be specified)										
Extra premiums payable										
Total insurances										
Deduct re-insurances										
Net insurances										
Total insurances without profits ..										
Total insurances										
Deduct re-insurances										
Net amount of insurances										
Adjustments (if any) to be specified separately ..										
ANNUITIES.										
Immediate annuities on lives										
Other classes (to be specified)										
Total annuities										
Deduct re-insurances										
Net annuities										
Total of the results after deduction of re-insurances										

NOTE 1.—Items in this Summary are to be stated to the nearest pound.
 NOTE 2.—Policies of insurance on the lives of groups of persons shall be shown on this form under a separate head of "Group Insurance".
 NOTE 3.—Policies without participation in profits but with a guaranteed rate of bonus shall be separately specified in section 4 of this form.
 NOTE 4.—Policies under which there is waiver of premiums during disability shall be shown in a separate section.
 NOTE 5.—Office and net premiums and the values thereof shall be shown after abatements made by the application of bonus.
 NOTE 6.—Separate returns shall be made for life insurance business and industrial insurance business.

FOURTH SCHEDULE—continued.

FORM K.

VALUATION BALANCE-SHEET of	as at		19 .	
Net liability under Life Insurance business (as shown in Summary and Valuation of Policies) Surplus (if any).. .. .	£	Life Insurance funds (as per balance-sheet) Deficiency (if any) .. .. .	..	..

NOTE.—Separate returns shall be made for Life Insurance business and Industrial Insurance business.

FIFTH SCHEDULE.

Section 49.

Preparation of Statements of Business in force and requirements applicable to such Statements.

PART I.

Regulations.

1. Statements prepared under this Schedule shall be prepared, so far as practicable, in tabular form and shall be identified by numbers and letters corresponding with those of the paragraphs of Part II. of this Schedule.

2. Except with respect to rates of premium or contribution, items in statements prepared under this Schedule shall be shown to the nearest pound.

3. Separate statements shall be prepared in respect of every class of business in respect of which a separate abstract is prepared under the Fourth Schedule to this Act, and in any case in which a separate form of Summary and Valuation is required by that Schedule to be prepared.

4. Extra premiums shown in the forms of Summary and Valuation prepared under the Fourth Schedule to this Act shall not be included in statements prepared under this Schedule.

5. Every statement prepared under this Schedule shall be signed by the actuary making the investigation in connexion with which it is prepared.

6. For the purposes of this Schedule, the following expressions have the meanings hereby respectively assigned to them, that is to say:—

“Annual loading” means the provision made for future expenses and profits;

“Extra premiums” means a charge for any risk not provided for in the minimum contract premium;

“Net premiums” means the premiums taken credit for in the valuation in connexion with which any statement is prepared;

“Valuation date” means as respects any valuation the date as at which the valuation is made.

PART II.

Requirements applicable separately to abstracts in respect of Life Insurance and Industrial Insurance Business.

The statements required to be prepared under this Part of this Schedule are as follows:—

1. Statements, separately prepared in respect of policies with and without participation in profits showing—

(a) as respects policies for the whole term of life, the rates of office premiums charged, in accordance with the published tables in use, for new policies giving the rates for decennial ages at entry from 20 to 70 inclusive; and

(b) as respects endowment insurance policies, the rates of office premiums charged, in accordance with the published tables in use, for new policies with original terms of ten, fifteen, twenty, thirty and forty years or payable at age 60, giving the rates for decennial ages at entry from 20 to 40 inclusive, but excluding policies under which the age at maturity exceeds 60:

Provided that in the case of policies effected in the course of industrial insurance business there shall be shown, in lieu of the rates of office premiums charged, the sums insured in accordance with the published tables in use in return for fixed weekly and monthly office premiums by new policies with the original terms giving the rates for the ages at entry and in addition for ages at entry 1, 5, 10 and 15;

2. Statements, separately prepared in respect of policies with immediate profits, with deferred profits, with profits under discounted bonus systems, and without profits, showing in quinquennial groups—

(a) as respects policies for the whole term of life—

(i) the total amount insured (specifying sums insured and reversionary bonuses separately), grouped according to ages attained;

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FIFTH SCHEDULE—*continued.*

- (ii) the amount per annum after deducting abatements made by application of bonus, of office premiums payable throughout life, and of the corresponding net premiums, grouped according to ages attained; and
- (iii) the amount per annum, after deducting abatements made by application of bonus, of office premiums payable for a limited number of years, and, either, the corresponding net premiums grouped in accordance with the grouping adopted for the purposes of the valuation, or the annual loading reserved for the remaining duration of the policies, grouped according to ages attained; and

(b) as respects endowment insurance policies—

- (i) the total amount insured (specifying sums insured and reversionary bonuses separately), grouped in accordance with the grouping adopted for the purposes of the valuation; and
- (ii) the amount per annum, after deducting abatements made by application of bonus, of office premiums payable and of the corresponding net premiums, grouped in accordance with the grouping adopted for the purposes of the valuation:

Provided that—

- (a) as respects endowment insurance policies which will reach maturity in less than five years, the information required by sub-paragraph (b) (i) of this paragraph shall be given for each year instead of in quinquennial groups; and
- (b) where the office premiums payable under policies for the whole term of life for a limited number of years, or the office premiums payable under endowment insurance policies or the corresponding net premiums, are grouped for the purposes of the valuation otherwise than according to the number of years' payments remaining to be made, or, where the sums insured under endowment insurance policies are grouped for the purposes of the valuation otherwise than according to the years in which the policies will mature for payment or in which they are assumed to mature if earlier than the true year, then, in any such case, the valuation constants and an explanation of the method by which they are calculated shall be given for each group, and in the case of the sums insured under endowment insurance policies a statement shall also be given of the amount insured maturing, for payment in each of the two years following the valuation date;

3. Statements as respects any policies in force under which premiums cease to be payable, whether permanently or temporarily, during disability arising from sickness or accident, showing the total amount of the office premiums payable;

4. Statements as respects immediate annuities on single lives for the whole term of life, separately prepared in respect of annuities on male and female lives, showing in quinquennial age groups the total amount of such annuities;

5. Statements as respects deferred annuities, separately prepared in respect of annuities on male and female lives, showing the specimen reserve values for annuities of ten pounds which will be produced on maturity on the basis of valuation adopted at ages, in the case of male lives, 60 and 65, and in the case of female lives, 55 and 60; such statements shall show the specimen reserve values which will be produced under the table of annual premiums in use for new policies, and if under any other table of annual premiums in use for any other deferred annuity policies in force smaller reserve values will be produced, the like specimens of these shall also be given;

6. Statements as respects any policies of insurance upon the lives of a group of persons, whereby sums insured are payable in respect of the several persons included in the group, showing the total claims paid since the date as at which the last statements were prepared under this Part of this Schedule or under the enactments repealed by the *Life Insurance Act 1930*, or, where no such statements have been prepared, since the date on which the insurer began to carry on the class of business to which the statements relate, and the reserves for unexpired risks and outstanding claims.

SIXTH SCHEDULE.

Sections 74 (1.),
and 75 (1.).*Rules for Valuing Liabilities in Certain Cases.*

1. The value of the policy is to be the difference between the present value of the reversion in the sum insured according to the contingency upon which it is payable, including any bonus added thereto, and the present value of the future net premiums.

2. The net premium is to be such premium as according to the assumed rate of interest and rate of mortality and the age of the person whose life is insured at his birthday next following the date of the policy is sufficient to provide for the risk incurred by the company in issuing the policy, exclusive of any addition thereto for office expenses and other charges :

Provided that—

- (a) in the case of a policy other than a policy for the whole term of life issued before the person whose life is insured attained the age of ten years, the date of the policy may be assumed to be one year after the actual date, and, if it is so assumed, the term of the policy may be assumed to be one year less than the actual term ;
- (b) in the case of a policy for the whole term of life issued before the person whose life is insured attained the age of ten years, no account shall be taken of any period for which the policy was in force before the anniversary of the date of the issue of the policy next preceding the date on which the age of eleven years was attained ; and
- (c) in the case of a substituted policy, the net premium shall be calculated with reference to such sum as, according to the practice of the company for the time being, would have been insured by the premiums payable if the person upon whose life the substituted policy is issued had not been insured with the company before the issue of that policy.

Rule for Ascertaining the Amount of a Free Paid-up Policy.

The amount of a free paid-up policy is to be a sum bearing the same proportion to seventy-five per centum of the value of the policy as the sum of one pound bears to the value of the reversion in the sum of one pound according to the contingency upon which the sum insured under the original policy was payable.

General Rules Applicable Both for Valuing Policies and for Ascertaining the Amount of a Free Paid-up Policy.

- 1. Interest is to be assumed at the rate of four per centum per annum.
- 2. The rate of mortality is to be assumed according to such tables as are from time to time prescribed.
- 3. The age of the person whose life is insured shall be obtained by adding to the age attained by him at his birthday next after the date of the issue of the policy, the duration of the policy in completed years at the date as at which the value of the policy is required to be ascertained.
- 4. In the case of a policy issued for a term other than the whole term of life, the remaining term at the date at which the value of the policy is required to be ascertained shall be obtained by deducting from the original term of the policy the duration of the policy in completed years at that date.

Liabilities of a Company in Liquidation.

1. The liabilities of a company in respect of current contracts effected in the course of Life Insurance or Industrial Insurance business shall, subject to the direction of the Court, be calculated upon the basis of the rate of interest and rates of mortality upon which in the opinion of the liquidator the like calculations could properly be based if the obligations under the contracts were to be fulfilled as and when they became due, taking into account the premiums which would be received under the contracts and such sum as in the opinion of the liquidator is the lowest that could properly be assumed in respect of the office expenses and other charges which would be incurred in respect of the contracts.

2. In the winding-up of a company the liquidator shall, subject to the direction of the Court, ascertain in such manner and upon such basis as he thinks proper the value of the liability of the company to every person appearing by the books of the company to be entitled to or interested in policies granted by the company, and shall in such manner as he thinks proper give notice to every such person of the value so ascertained, and every person to whom notice is so given shall be bound by the value so ascertained, unless he disputes the valuation in such manner and within such time as is prescribed by Rules of Court, or as the Court may in any particular case by order direct.

Section 94 (1.).

SEVENTH SCHEDULE.

Memorandum of Transfer.

I [here insert name of transferor] being the owner of policy No. _____ issued by [here insert the name of the company by which the policy was issued] do hereby transfer all my right title and interest in the said policy to [here insert name address and occupation of transferee] in consideration of [here insert particulars of consideration].

Dated this _____ day of _____, 19 _____.

Witness

Signature of Transferor.

Witness

Signature of Transferee.

Registered at _____ this _____ day of _____ 19 _____.

Secretary.

EIGHTH SCHEDULE.

Section 94 (2.).

Memorandum of Registration of Assignment.

Assignment of within policy to _____ of _____, registered this _____ day of _____, 19 _____, at _____ o'clock in the _____ noon.

Secretary.

NINTH SCHEDULE.

Section 96 (1.).

Form of Mortgage.

A.B., being the owner of policy numbered _____ in the books of the [here set out name of company], subject, however, to [here state prior mortgages, if any], insuring £ _____ on the life of _____, in consideration of the sum of £ _____ this day lent and advanced to him by E.F., of _____ [or if consideration not an advance of money, here state the consideration for which mortgage given], doth hereby, for himself, his executors, administrators and assigns, (all hereinafter. and also in the covenants, powers and agreements implied herein by the *Life Insurance Act 1930*, referred to as and included in the term "mortgagor") covenant with the said E.F., his executors, administrators and assigns, (all hereinafter. and also in the said implied covenants, powers and agreements, referred to as "the mortgagee") that he will repay the said principal sum of £ _____ on the day of _____, 19 _____, together with interest thereon or on so much thereof as for the time being remains unpaid, in the meantime and until repaid, at the rate of £ _____ per centum per annum, payable by _____ payments on the _____ day of the months of _____ in each year [or if mortgage not given to secure a loan strike out previous covenants, and here set out covenant to perform the obligation for the securing of which mortgage is given] [Here set out special covenants, if any]; and, for the better securing to the mortgagee the performance of the covenants herein set forth, the mortgagor hereby mortgages to the mortgagee all his right, title and interest in the said policy above described.

In witness whereof the mortgagor has hereunto subscribed his name this _____ day of _____, 19 _____.

A.B.,
Mortgagor.

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TENTH SCHEDULE.

Section 96
(2.) (a).*Memorandum of Registration of Mortgage on Policy.*

Mortgage of the within policy to _____, of _____, registered
 this _____ day of _____, 19 _____, at _____ o'clock in the
 noon. _____
 Secretary.

ELEVENTH SCHEDULE.

Section 96
(2.) (b).*Memorandum of Registration of Mortgage on Mortgage.*

This mortgage registered this _____ day of _____, 19 _____,
 at _____ o'clock in the _____ noon. _____
 Secretary.

TWELFTH SCHEDULE.

Sections 97, 98.

Covenants, Powers, Conditions and Agreements to be implied in Mortgages.

On the part of the mortgagor—

- (1) That during the continuance of this mortgage the mortgagor will duly and punctually, at the proper times for so doing, make all payments and do all such acts, deeds, matters and things as are necessary to keep the policy hereby mortgaged in full force, and after making any such payment will produce to the mortgagee the receipt for the same, and will not do, or permit or suffer to be done, any act, deed, matter or thing whereby or by means whereof the policy hereby mortgaged may lapse or become void, or become liable to lapse or become void in any manner whatsoever;
- (2) That if from any cause whatever the mortgagor shall fail or neglect to make all or any part of the payments necessary to keep the said policy in force it shall be lawful for but not imperative on the mortgagee to make such payments on behalf of the mortgagor, and the same, with interest thereon at eight pounds per centum per annum from the date of payment by the mortgagee until repayment to him, shall be repayable by the mortgagor to the mortgagee immediately upon demand, and, until repayment, shall be a charge upon the hereby mortgaged policy, and the same shall not be redeemable until such moneys are repaid;
- (3) That, subject as is hereinafter mentioned, the mortgagee shall be entitled to the custody of the policy hereby mortgaged during the continuance of this mortgage;
- (4) That, if the amount insured by the policy hereby mortgaged shall become a claim or be payable prior to the day mentioned in this mortgage for the payment of the principal moneys intended to be hereby secured, then and in such case the said principal moneys and interest thereon up to date shall be deemed to be due and payable to the mortgagee on the day on which the said amount became payable, in lieu of the day so mentioned in this mortgage for payment; and the mortgagee's receipt and discharge for the payment of the said amount shall be deemed to be, to the extent thereof, a receipt and discharge of the moneys insured by the policy hereby mortgaged.

And, on the part of the mortgagee—

- (1) That, upon repayment of all the principal moneys and interest secured by this mortgage at the time herein specified for payment of the same, and upon performance and observance of such other obligations or agreements as are by this mortgage provided, he, the mortgagee, will execute a discharge of such mortgage in accordance with the provisions of the *Life Insurance Act 1930*, and will thereupon deliver this mortgage with such discharge indorsed thereon, and the policy hereby mortgaged, to the mortgagor;

TWELFTH

TWELFTH SCHEDULE—*continued.*

- (2) That if at any time, or from time to time, during the continuance of this mortgage, the mortgagor shall desire to assign the policy hereby mortgaged, or to mortgage the same subject to such mortgage, he, the mortgagee, will, on reasonable notice being given to him of the mortgagor's said desire, produce the said policy, as often and for so long as may be reasonably required, at the office of the company, and permit the said assignment or mortgage to be registered on the same.

And it is declared and agreed, by and between the mortgagor and mortgagee—

That if the mortgagor shall make default in payment of the principal or interest moneys secured by this mortgage, or any part thereof, on the days or times in this mortgage fixed for the payment of the same, or shall otherwise make default in the observance or performance of the conditions or agreement to secure the observance or performance of which this mortgage is made, or if the mortgagor shall make default in the observance or performance of any one or more of the covenants contained or implied in this mortgage, then in any of such cases it shall and may be lawful for the mortgagee forthwith, or at any time thereafter, to sell the hereby mortgaged policy, or such interest therein as is mortgaged by this mortgage, in such mode and on such terms and conditions in all respects as he shall, in his own absolute discretion, think fit, with full power to buy in the same at any sale, and again offer the same for sale as often as occasion may require, or to surrender the same to the company issuing it on receiving the surrender-value for the same, and to apply the proceeds of such sale, or the amount of such surrender-value, first in payment of all costs, charges and expenses, to which the mortgagee has been put in connexion with such sale or surrender or otherwise in connexion with this mortgage, and next in payment of all the principal, interest or other moneys secured by the mortgage: and the surplus (if any) shall be paid to the mortgagor.

Section 102.

THIRTEENTH SCHEDULE.

Memorandum of Discharge of Mortgage.

This mortgage is hereby discharged. (If discharge be only partial, add words showing how far discharge is intended to operate.)

A.B.,
Mortgagee.

Signed by the above-named A.B.,
as mortgagee, in the presence of—
C.D.
(Occupation and address).

Section 104.

FOURTEENTH SCHEDULE.

Memorandum of Registration on Discharge of Mortgage on a Policy.

Discharge of mortgage to (if discharge is only partial, add words showing how far discharge operates) _____, registered this _____ day of _____ 19____, at _____ o'clock in the _____ noon.

Secretary.

Section 104.

FIFTEENTH SCHEDULE.

Memorandum of Registration of Discharge of Mortgage on Mortgage.

Discharge of within mortgage (if discharge only partial, add words showing how far discharge operates) registered this _____ day of _____, 19____, at _____ o'clock in the _____ noon.

Secretary.
SIXTEENTH

SIXTEENTH SCHEDULE.

Section 113.

Amount payable in case of death of child between ages—

Birth and one year	..	..	..	..	..	£
One year and two years	..	..	..	..	..	5
Two years and three years	..	..	..	..	..	6
Three years and four years..	..	..	..	..	..	7
Four years and five years ..	..	..	..	..	..	8
Five years and six years ..	..	..	..	..	..	10
Six years and seven years ..	..	..	..	..	..	20
Seven years and eight years ..	..	..	..	..	..	30
Eight years and nine years..	..	..	..	..	..	40
Nine years and ten years ..	..	..	..	..	..	50
						60

SEVENTEENTH SCHEDULE.

Section (51) (1.)
(f).*Additional Particulars as to Valuations.*

1. An analysis as near as may be of the premium income of each of the five years preceding the valuation date into income arising from—

- (a) policies which were not of more than one year's duration at the date such income arose; and
- (b) policies which were of more than one year's duration at the date such income arose.

NOTE.—In the case of industrial insurance policies this analysis to be given separately for policies with weekly premiums and for policies with premiums payable at longer intervals than one week.

2. The amount, if any, by which the value of the Office Yearly Premium as shown in respect of each item in the Form J in the Fourth Schedule to this Act has been reduced in order to secure that no policy shall be treated as an asset.

3. If the proportion of the annual premium income reserved as a provision for future expenses and profits as stated in answer to Question 4, Part II. of the Fourth Schedule to this Act, is not uniform for all policies of the same class, specimens of the proportion so reserved in respect of policies effected at such ages and having been in force for such periods as the Registrar may select.

4. Specimen values of the net liabilities under policies (exclusive of any bonuses added) according to the basis of valuation adopted, in respect of each of the principal classes of insurances for policies effected at such ages and of such durations as the Registrar may select.

5. A statement of the actual number of deaths at ages over ten years in the five years preceding the valuation date under policies for the whole term of life in comparison with the number of deaths which would have occurred if the mortality experience had been in exact agreement with the table of mortality employed for the purpose of the valuation, to be given separately for decennial groups of ages.

