

1983-84

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

Presented and read a first time, 10 May 1984

(Minister Assisting the Treasurer)

A BILL

FOR

An Act to amend the *Life Insurance Act 1945* consequent upon the enactment of the *Insurance Contracts Act 1984*

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

Short title, &c.

1. (1) This Act may be cited as the *Life Insurance Amendment Act 1984*.

5 (2) The *Life Insurance Act 1945*¹ is in this Act referred to as the Principal Act.

Commencement

2. This Act shall come into operation on the day on which the *Insurance Contracts Act 1984* comes into operation.

10 Insurable interest

3. Section 86 of the Principal Act is amended by omitting from sub-section (2) "This section" and substituting "Subject to section 86A, this section".

4. After section 86 of the Principal Act the following section is inserted in Division 1 of Part IV:

Application of sections 83, 84 and 86

“86A. Sections 83, 84 and 86 do not apply to or in relation to a policy to or in relation to which the *Insurance Contracts Act 1984* applies.”. 5

5. Section 96 of the Principal Act is repealed and the following section is substituted:

Paid-up policies

“96. Where a policy owner who desires to discontinue further premium payments on a policy on which not less than 3 years’ premiums have been paid in cash makes application to the company for a paid-up policy— 10

- (a) the company shall vary the policy so as to provide for the payment, in lieu of the amount originally payable, of an amount not less than the amount determined in accordance with the rules set out in Part I of the Sixth Schedule; and 15
- (b) the policy as so varied shall be taken, for the purposes of that Part of that Schedule, to be a paid-up policy.”.

Savings as to insurable interest

6. Section 113 of the Principal Act is amended by omitting “(apart from the provisions of paragraph 86 (1) (a))” and substituting “(otherwise than by reason of his being a parent or person *in loco parentis* of the child)”. 20

NOTE

1. No. 28, 1945, as amended. For previous amendments, see Nos. 65 and 80, 1950; No. 94, 1953; No. 3, 1958; No. 93, 1959; No. 29, 1961; No. 145, 1965; No. 78, 1973; No. 216, 1973 (as amended by No. 20, 1974); No. 32, 1977; No. 177, 1978; Nos. 92 and 176, 1981; and No. 143, 1983.