



ANNO QUADRAGESIMO QUINTO ET QUADRAGESIMO
SEXTO

VICTORIÆ REGINÆ.

A.D. 1882.

No. 277.

An Act to amend the Law relating to Life Assurance
Companies.

[Assented to, November 17th, 1882.]

WHEREAS it is expedient to amend the laws relating to Life Assurance Companies with a view to encouraging persons to insure and to protecting persons assured—Be it therefore Enacted by the Governor of the Province of South Australia, by and with the advice and consent of the Legislative Council and House of Assembly of the said province, in Parliament assembled, as follows, that is to say : Preamble

1. This Act is divided into three parts, as follows :— Division.

PART I.—Preliminary :

PART II.—Provisions for Security of Assured :

PART III.—Application of Companies Act, Procedure, and Miscellaneous.

PART I.

PRELIMINARY.

PART I.

2. This Act may be cited as “Life Assurance Companies Act, 1882” Short title.

3. In this Act the following terms have the following meanings, unless the context requires a different construction— Interpretation.

“Company” means any persons, corporate or unincorporate, who grant

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grant assurances, endowments, or annuities upon human life within South Australia:

“Chairman” means the person for the time being presiding over the board of directors, committee of management, or other managing body in South Australia of the company:

“Policy” means any contract for assurance, endowment, or annuity on human life:

“Life assurance business” means the granting of policies:

“Financial year” means each period of twelve months at the end of which the balance of the accounts of the company is struck, or if no such balance is struck, then each period of twelve months ending with the thirty-first day of December:

“Court” means the Supreme Court of South Australia:

“Registrar” means the Registrar of Joint-Stock Companies under “The Companies Act, 1864”:

“Local Company” means a company having its head office in South Australia:

“Foreign company” means a company not having its head office in South Australia.

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PART II.

PROVISIONS FOR SECURITY OF ASSURED.

Companies to deposit securities with Treasurer.

4. Every company which shall carry on the business of life assurance within the province shall deposit with the Public Trustee, securities to the value of Five Thousand Pounds, being mortgages of freehold real estate in South Australia, on which the money advanced does not exceed two-thirds of the value of the estate mortgaged, or title deeds or certificates of real estate, or bonds, debentures, or other securities issued by the Government, or by any Municipal Corporation in the province, duly authorised in that behalf: Provided always that any local company shall not be required to deposit more than fifty per centum on the amounts of the premiums actually received until the deposit shall amount to Five Thousand Pounds.

Time for making deposits.

5. As regards any company which now carries on the business of life assurance in the province, the deposit may be made at any time not later than one year after this Act shall come into operation; and as regards any company formed after this Act, the deposit may be made at any time within twelve months of its incorporation or registration; and no company shall be deemed to carry on the business of life assurance by reason only of receiving premiums in respect of policies issued before this Act shall come into operation.

Further deposits to be made out of receipts.

6. Every company which shall carry on the business of life assurance

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assurance within the province shall send in annually to the Public Trustee, on or before the first day of June in each year, returns, verified by the certificate of the agent or principal officer of the company in South Australia, of the amounts received and paid by the company during the year ending the thirty-first day of December then last, or on such other date as the financial year of each company shall determine, on account of policies issued in South Australia by the company, whether before or after the commencement of this Act, and shall, until the total amount deposited by the company under section 4 and this section shall amount to the sum of Twenty Thousand Pounds, deposit with the Public Trustee securities similar to those mentioned in section 4 to the value of twenty-five per centum of the excess of the receipts over the disbursements appearing from such returns.

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

Provision in case of loss of securities.

8. Any company may from time to time deposit with the Public Trustee any securities of any kind, and to any amount, besides and beyond the securities hereby required to be deposited.

Further deposits may be made.

9. The company depositing any securities under this Act shall be entitled to receive the income therefrom, and securities deposited may be withdrawn on timely notice, and, where the deposit is compulsory, on the substitution of similar securities of equal value, and the decision of the Public Trustee shall be conclusive in all matters relating to the value of securities under this Act.

Income and withdrawal of deposits.

10. All securities deposited with the Public Trustee under this Act shall be primarily charged with the payment and satisfaction of all the liabilities of the company in South Australia, whether arising in respect of policies issued before or after the commencement of this Act or otherwise howsoever, and no part of such securities shall be applied in payment of any liabilities other than those so charged as aforesaid until the whole of such last-mentioned liabilities shall be paid in full.

Securities deposited to be charged with liabilities in South Australia.

11. Every foreign company shall keep a separate account of all the life assurance business transacted in South Australia, and of the entire assets of the company in South Australia; and in the event of the company becoming bankrupt, or being ordered to be wound up, the entire assets of the company in South Australia shall be applied, so far as the same will extend, in or towards satisfaction of the liabilities of the company in South Australia, and no part of such assets shall be applied in payment of any liabilities of the company incurred elsewhere than in South Australia until the whole of the liabilities incurred in South Australia shall have been paid in full.

Discharge of South Australian liabilities of foreign companies.

12. If

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Mode of distribution
of assets of insolvent
foreign company.

12. If any foreign company is adjudged bankrupt, or ordered to be wound up, elsewhere than in South Australia, such company, so far only as regards its assets and liabilities in South Australia, may, upon the application of any policy-holder or shareholder, be ordered to be wound up in South Australia in like manner as if such company were registered under "The Companies Act, 1864," and proof of such company having become adjudged bankrupt, or ordered to be wound up, shall be conclusive evidence that it is unable to pay its debts.

Penalty for infringement
of Act.

13. Any director, agent, officer, or servant of any company wilfully committing or assisting in the commission of any breach of section 11 shall be deemed guilty of a breach of trust, and be held liable to replace the amount applied contrary to the said section, and shall also be deemed guilty of a misdemeanor punishable on conviction, at the discretion of the Court, by imprisonment for any term not exceeding three years or by a fine not exceeding Five Hundred Pounds.

Separation of life
assurance and other
business.

14. Every company transacting other business besides life assurance business shall keep a separate account of all receipts after the passing of this Act in respect of the life assurance business of the company, and the said receipts shall be carried to and form a separate fund to be called the "Life Assurance Fund" of the company, and such fund, however invested, shall be as absolutely the security of the life assurance policy-holders as though it belonged to a company carrying on no other than life assurance business, and shall not be liable for any contracts of the company for which it would not have been liable had the business of the company been only life assurance business.

Application of pre-
ceding section to
existing companies.

15. In respect to all existing companies the exemption of the life assurance fund from liability for other obligations than to its life assurance policy-holders shall have reference only to the contracts entered into after the passing of this Act, unless by the constitution of the company such exemption already exists; but this and the preceding section shall not apply to any contracts made by any existing company by the terms of whose deed of settlement or articles of association the whole of the profits of all the business are paid exclusively to the life and endowment policy or annuity holders, and on the face of which contracts the liability of the insurers distinctly appears: Provided always, that this Act shall not diminish the liability of the life assurance fund for any contracts of the company entered into before the passing of this Act.

Accounts to be
rendered by life
assurance companies.

16. Every company transacting life assurance business only shall, at the expiration of each financial year or half-year of such company, prepare a statement of its revenue account for such year or half-year, and of its balance-sheet at the close of such year or half-year, in the forms respectively contained in the First and Second Schedules to this Act.

17. Every

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17. Every company which, concurrently with the transaction of life assurance business, transacts any other kind of assurance or other business, shall, at the expiration of each financial year of such company, prepare a statement of its revenue account for such year, and of its balance-sheet at the close of such year, in the forms respectively contained in the Third and Fourth Schedules to this Act.

Accounts to be rendered by companies carrying on life assurance and other business.

18. Every foreign company shall, at the expiration of each financial year of such company, prepare, in addition to all other statements required by this Act, a statement of all its policies in force at the close of such year, in the form contained in the Fifth Schedule to this Act.

Accounts to be rendered by foreign companies.

19. Every company shall, once in five years, or at such shorter intervals as may be prescribed by the instrument constituting the company, or by its articles of association, regulations, or by-laws, cause an investigation to be made into its financial condition by an actuary approved by the Public Trustee, and shall cause an abstract of the report of such actuary to be made in the form prescribed in the Sixth Schedule to this Act.

Actuarial report and abstract.

20. Every company shall, on or before the thirty-first day of December, one thousand eight hundred and eighty-three, and thereafter within nine months after the date of each such investigation as aforesaid into its financial condition, prepare a statement of its life assurance and annuity business, in the form contained in the Seventh Schedule to this Act, each of such statements to be made up as at the date of the last investigation, whether such investigation be made previously or subsequently to the passing of this Act: Provided as follows—

Statement of life annuity business.

- i. If the next financial investigation, after the passing of this Act, of any company fall during the year one thousand eight hundred and eighty-four, the said statement of such company shall be prepared within nine months after the date of such investigation instead of on or before the thirty-first day of December, one thousand eight hundred and eighty-three:
- ii. If such investigation be made annually by any company, such company may prepare such statement at any time, so that it be made at least once in every three years.

The expression "date of each such investigation," in this section, shall mean the date to which the accounts of each company are made up for the purposes of each such investigation.

21. Any company whose head office or principal place of business is in the United Kingdom may, in lieu of the statement and abstract mentioned in the preceding two sections, deposit at the office of the Registrar a copy, certified in accordance with the 17th section of the Act of the Imperial Parliament known as the Life Assurance Companies

Forms authorised by Imperial Statute, "Life Assurance Companies Act, 1870," may be used in certain cases.

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panies Act, 1870, of the last preceding statement or abstract deposited with the Board of Trade in conformity with the provisions of the 10th section of the said Act.

Forms may be altered.

22. The Governor may alter the forms contained in the Schedules to this Act, for the purpose of adapting them to the circumstances of any company, or of better carrying into effect the objects of this Act.

Statements, &c., to be signed and printed and deposited with Registrar.

23. Every statement or abstract hereinbefore required to be made shall be signed by the chairman and two of the directors or committee of management, or by the agent of the company in South Australia, and by the principal officer or agent managing the life assurance business of the company in South Australia, and if the company has a managing director in South Australia, by such managing director, and shall be printed; and the original so signed as aforesaid, together with three printed copies thereof, shall be deposited at the office of the Registrar within nine months of the dates respectively hereinbefore prescribed as the dates at which the same are to be prepared; and every annual statement so deposited after the first investigation, after the passing of this Act, shall be accompanied by a printed copy of the abstract required to be made as aforesaid.

Copies to be furnished.

24. A printed copy of the last deposited statement, abstract, or other document, by this Act required to be printed, shall be forwarded by the company, by post or otherwise, to every shareholder, member, and policy-holder of the company in South Australia.

Agent to be appointed for foreign companies.

25. Every foreign company shall, within six calendar months after the coming into operation of this section, or before doing business in this province, in writing, appoint a person resident therein as general agent, upon whom all lawful processes against the company may be served with like effect as if the company existed in this province; and the said writing or power of attorney shall stipulate and agree, on the part of the company making the same, that any lawful process against the said company which is served on the said general agent shall be of the same legal force and validity as if served on the said company.

Copy of writing to be filed in office of Registrar.

26. A copy of the writing, duly certified and authenticated, shall be filed in the office of the Registrar, and copies certified by him shall be sufficient evidence.

Agency to continue as long as any liability outstanding in the province.

27. The said agency shall continue while any liability remains outstanding against the company in this province, and the power shall not be revoked until the same power is given to another and a like copy filed as aforesaid.

Service of process, &c., on agent sufficient.

28. Service of any process, notice, or otherwise upon the said agent shall be deemed sufficient service upon the principal.

29. No

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Penalty for non-compliance.

29. No person shall act either as general or other agent of a foreign company until he has complied with all the requirements of this Act; and every person so acting without such compliance, or who knowingly procures payment, or any obligation for the payment, of any premium for insurance or endowment, or for sale of an annuity by fraudulent representations, shall be liable to a penalty not exceeding Two Hundred and Fifty Pounds for each offence.

When contracts valid.

30. Every contract for life assurance made by any foreign company without complying with the provisions of this Act contained in the sections numbered 25 to 29, both inclusive, shall be valid and binding on the company; but the agent making the contract shall be liable to the penalty provided in section 31 of this Act; and any such company which neglects to appoint and keep appointed a general agent agreeably to the provisions of this Act shall not recover any premium or other payment on any contract of life assurance with a person resident in South Australia.

Companies may be prohibited from transacting business in certain cases.

31. Every company which makes default in complying with the provisions of this Act shall not only be liable to the penalties set forth in the 44th section, but may also, if it be made to appear to the Governor that such default has continued for a period of three months, be prohibited by the Governor from transacting business within the province, either absolutely or for a time, as the Governor may think fit.

Prohibition to be published in *Government Gazette*.

32. Such absolute or temporary prohibition shall be published in the *Government Gazette*; and if any such company, or any person as agent for such company or otherwise for or on behalf of any such company, shall, after such absolute prohibition, or during any such temporary prohibition, receive any applications for any life assurance, or accept any premium for any life assurance, or otherwise carry on the business of life assurance within South Australia, such company and person shall respectively be liable to a penalty of Two Hundred and Fifty Pounds.

Interest of assured not to pass to creditors under certain circumstances.

33. The property and interest of every person assured, or of his personal representatives, in respect of any policy on the life of such person made *bonâ fide* by such person, or in the moneys payable under or in respect of such policy (including every sum payable by way of bonus or profit), shall be exempt from liability to any law now or hereafter in force relating to bankruptcy or insolvency, or to be seized or levied upon by the process of any court whatever, nor shall such property or interest be affected by any assignment for the benefit of creditors made under the insolvency laws in force for the time being: Provided that no such policy nor contributions shall be so protected until the policy shall have endured for at least two years, but that after an endurance of two years such protection shall be afforded to the extent of Two Hundred Pounds of assurance and contributions, and after an endurance of five years to the extent of Five Hundred Pounds, and after an endurance of seven years to the extent of One Thousand Pounds.

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APPLICATION OF COMPANIES ACT. PROCEDURE
AND MISCELLANEOUS.

Application of Companies Act to life assurance companies.

34. The provisions of "The Companies Act, 1864," and of the Acts amending the same, except as hereby expressly modified, shall apply to life assurance companies, but no life assurance company shall be required to hold more than one general meeting during the year, or to make or publish any statement in accordance with the 42nd section of "The Companies Act, 1864."

List of shareholders.

35. Every proprietary company shall provide a book to be called "The Shareholders Address Book," in which the company shall cause to be entered from time to time, in alphabetical order, the corporate names and places of business of the several shareholders of the company being corporations, and the surnames of the several other shareholders, with their respective christian names, places of abode, and descriptions, so far as the same shall be known to the company; and every policy-holder or shareholder, or if such shareholder or policy-holder be a corporation, the clerk or agent of such corporations, may at all convenient times peruse such book *gratis*, and the company shall furnish on application, to every shareholder and policy-holder of the company, a copy of such book, or of any part thereof, on payment of a sum not exceeding Sixpence for every hundred words to be copied for such purpose.

Deed of settlement to be printed.

36. Every Company which is not registered under the "The Companies Act, 1864," shall cause a sufficient number of copies of its deed of settlement, Act, or charter of incorporation, or other instrument regulating the constitution of the company, to be printed, and shall furnish on application to every shareholder and policy-holder of the company a copy thereof, on payment of a sum not exceeding Two Shillings and Sixpence.

Amalgamation or transfer.

37. Where it is intended to amalgamate two or more companies, or to transfer the life assurance business of one company to another, the directors of any one or more of such companies may apply to the Court by petition to sanction the proposed arrangement, fourteen days' previous notice of such application being published in the *Gazette*, and the Court, after hearing the directors and other persons whom it considers entitled to be heard upon the petition, may confirm the same if it is satisfied that no sufficient objection to the arrangement has been established.

Procedure.

38. Before any such application is made to the Court, notice of such application, together with a statement of the nature of the amalgamation or transfer, as the case may be, and an abstract containing the material facts embodied in the agreement or deed under which such amalgamation or transfer is proposed to be effected, and copies of the acturies or other reports upon which such agreement or deed is founded, shall be forwarded to each policy-holder of both companies

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companies in case of amalgamation, or to each policy-holder of the transferred company in case of transfer, by the same being transmitted through the post, directed according to the registered or other known address of such policy-holder, within such period as to admit of its being delivered in the due course of delivery fourteen days at least before the day named for the hearing of such application; and in proving such service it shall be sufficient to prove that such notice was properly addressed and put into the post office; and the agreement or deed under which such amalgamation or transfer is effected shall be open for the inspection of the policy-holders and shareholders at the office or offices of the company or companies for a period of fifteen days after the issuing of the abstract herein provided.

39. The Court shall not sanction any amalgamation or transfer in any case in which it appears to the Court that policy-holders representing one-fifth or more of the total amount assured in any company which it is proposed to amalgamate, or in any company the business of which it is proposed to transfer, dissent from such amalgamation or transfer. Conditions.

40. No company shall amalgamate with another, or transfer its business to another, unless such amalgamation or transfer is confirmed by the Court in accordance with this section: Provided always, that this section shall not apply in any case in which the business of any company which is sought to be amalgamated or transferred does not comprise life assurance business. Confirmation.

41. When an amalgamation takes place between any companies, or when the business of one company is transferred to another company, the combined company or the purchasing company, as the case may be, shall, within ten days from the date of the completion of the amalgamation or transfer, deposit at the office of the registrar certified copies of statements of the assets and liabilities of the companies concerned in such amalgamation or transfer, together with a statement of the nature and terms of the amalgamation or transfer, and a certified copy of the agreement or deed under which such amalgamation or transfer is effected, and certified copies of the actuarial or other reports upon which such agreement or deed is founded, and the statement and agreement or deed of amalgamation or transfer shall be accompanied by a declaration under the hand of the chairman of each company, and the principal managing officers of each company, that, to the best of their belief, every payment made, or to be made, to any person whatsoever on account of the said amalgamation or transfer, is therein fully set forth, and that no other payments beyond those set forth have been made or are to be made either in money, policies, bonds, valuable securities, or other property, by or with the knowledge of any parties to the said amalgamation or transfer. Statements in case of amalgamation or transfer.

42. Where a company, either before or after the passing of this Act, has transferred its business to, or been amalgamated with, another Regulation as to novations by policy-holders.

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another company, no policy-holder in the first-mentioned company who shall pay to the other company the premiums accruing due in respect of his policy shall, by reason of any such payment made after the passing of this Act, or by reason of any other act done after the passing of this Act, be deemed to have abandoned any claim which he would have had against the first-mentioned company on due payment of premiums to such company, or to have accepted, in lieu thereof, the liability of the other company, unless such abandonment and acceptance have been signified by some writing signed by him, or by his agent lawfully authorised.

Inspection of deposited documents.

43. Any person may, on payment of such fees as the Governor may direct, inspect at the office of the Registrar any printed or other document required by this Act to be deposited at such office, and procure copies thereof.

Documents to be received in evidence.

44. Every statement, abstract, or other document deposited with the Registrar under this Act shall be receivable in evidence, and every document purporting to be certified by the Registrar to be such deposited document, and every document purporting to be similarly certified to be a copy of such deposited document, shall, if produced out of the custody of the Registrar, be deemed to be such deposited document as aforesaid, or a copy thereof, and shall be received in evidence as if it were the original document, unless some variation between it and the original document shall be proved.

Penalty for non-compliance with Act.

45. Every company which makes default in complying with the requirements of this Act, and shall continue in such default for seven days after notice by the Registrar, or any person interested in the matter of such default, shall be liable to a penalty not exceeding Fifty Pounds for every day during which the default continues; and in the case of a foreign company the general agent shall be liable to such penalty as well as the company; and in the case of companies registered under "The Companies Act, 1864," if default continues for a period of three months after notice of default by the Treasurer, which notice shall be published in one or more newspapers, as the Treasurer may direct, the Court may order the winding up of the company, in accordance with the said Act, upon the application of one or more policy-holders or shareholders.

Penalty for falsifying statements.

46. If any statement, abstract, or other document required by this Act is false in any particular to the knowledge of any person who signs the same, such person shall be guilty of a misdemeanor, and being convicted thereof shall be liable, at the discretion of the Court, to be imprisoned for any term not exceeding three years, or to a penalty not exceeding Five Hundred Pounds.

Surrender value to be declared.

47. Every life assurance society shall declare the surrender value at which the said society becomes bound to accept their policies, and no policy shall lapse to the society for non-payment of premium so long as the premiums and interest in arrear are not in excess of the surrender value.

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48. Every penalty imposed by this Act shall be recovered and applied in the same manner as penalties imposed by "The Companies Act, 1864," are recoverable and applicable.

Recovery and application of penalties.

49. The Court may order the winding up of any company in accordance with "The Companies Act, 1864," on the petition of five or more policy-holders or shareholders, upon its being proved to the satisfaction of the Court that the company is insolvent; and in determining whether or not the company is insolvent the Court shall take into account its contingent or prospective liability, under policies and annuity and other existing contracts.

Winding up of company.

50. The Court shall not give a hearing to the petition until security for costs, for such amount as a Judge shall think reasonable, shall be given, and until a *prima facie* case shall also be established to the satisfaction of the Judge.

Security for costs.

51. In the case of a proprietary company having an uncalled capital of an amount sufficient, with the future premiums receivable by the company, to make up the actual invested assets equal to the amount of the estimated liability, the Court shall suspend further proceedings on the petition for a reasonable time (in the discretion of the Court) to enable the uncalled capital, or a sufficient part thereof, to be called up, and if, at the end of the original or any extended time for which the proceedings have been suspended, such an amount shall not have been realised by means of calls as with the already invested assets shall be equal to the liabilities, an order shall be made on the petition as if the company had been proved insolvent.

Proprietary company.

52. Where the business or any part of the business of a company has, either before or after the passing of this Act, been transferred to another company, under an arrangement in pursuance of which such first-mentioned company (in this Act called the subsidiary company), or the creditors thereof, has or have claims against the company to which such transfer was made (in this Act called the principal company), then, if such principal company is being wound up by or under the supervision of the Court, either at or after the passing of this Act, the Court shall (subject as hereinafter mentioned) order the subsidiary company to be wound up in conjunction with the principal company, and may, by the same or any subsequent order, appoint the same person to be liquidator for the two companies, and make provisions for such other matters as may seem to the Court necessary, with a view to such companies being wound up as if they were one company, and the commencement of the winding up of the principal company shall, save as otherwise ordered by the Court, be the commencement of the winding up of the subsidiary company. The Court, nevertheless, shall have regard, in adjusting the rights and liabilities of the members of the several companies between themselves, to the constitution of such companies, and to the arrangements entered into between the said companies, in the

Winding up of subsidiary company.

same

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same manner as the Court has regard to the rights and liabilities of different classes of contributories in the case of the winding up of a single company, or as near thereto as circumstances admit.

Contracts of insolvent company may be reduced.

53. The Court, in the case of a company which has been proved to be insolvent, may, if it thinks fit, reduce the amount of the contracts of the company or society, upon such terms and subject to such conditions as the Court thinks fit, in place of making a winding-up order." (Sec. 22 of Act of 1870.)

Provision in case of subsidiary company not being in process of winding up.

54. Where any subsidiary company, or company alleged to be subsidiary, is not in process of being wound up at the same time as the principal company to which it is subsidiary, the Court shall not direct such subsidiary company to be wound up unless, after hearing all objections (if any) that may be urged by or on behalf of such company against its being wound up, the Court is of opinion that such company is subsidiary to the principal company, and that the winding up of such company in conjunction with the principal company is just and equitable.

Application for winding up subsidiary company.

55. An application may be made in relation to the winding up of any subsidiary company in conjunction with a principal company by any creditor or policy-holder of, or person interested in, such principal or subsidiary company.

Grouping of companies.

56. Where a company stands in the relation of a principal company to one company, and in the relation of a subsidiary company to some other company, or where there are several companies standing in the relation of subsidiary companies to one principal company, the Court may deal with any number of such companies, together or in separate groups, as it thinks most expedient, upon the principles laid down in this section.

Court may reduce contracts.

57. The Court, in the case of a company which has been proved to be insolvent, may, if it thinks fit, reduce the amount of the contracts of the company, upon such terms and subject to such conditions as the Court thinks just, in place of making a winding-up order.

Valuation of policies.

58. Where a company is being wound up by the Court, or subject to the supervision of the Court, or voluntarily, the value of every life annuity and life policy requiring to be valued shall be estimated in manner provided by the Eighth Schedule.

Rules of Court.

59. The rules in the Eighth and Ninth Schedules shall be of the same force as if they were rules made in pursuance of "The Companies Act, 1864," and may be altered in manner provided by the said Act; and rules may be made under the said Act for the purpose of carrying into effect the provisions of this Act with respect to the winding up of companies.

60. Any

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60. Any notice which is by this Act required to be sent to any policy-holder may be addressed and sent to the person to whom notices respecting such policy are usually sent; and any notice so addressed and sent shall be deemed and taken to be notice to the holders of such policy.

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Notices to policy-holders.

61. The Treasurer shall lay annually before Parliament the statements and abstracts of reports deposited with the Registrar under this Act during the preceding year.

Statements to be laid before Parliament.

62. Upon the death of any holder of a policy upon his own life for a sum not exceeding Two Hundred Pounds, if no probate of his will or letters of administration to his estate be taken out within three months after his death, the company may pay the amount of such policy to his widow, or any adult child of his, and the receipt of such widow or child shall be a valid discharge, both at law and in equity, for the same.

Probate or administration may be dispensed with in certain cases.

63. The receipt of the executor or administrator of any deceased policy-holder shall be a valid discharge, both at law and in equity, for any moneys payable under the policy held by him at the time of his death.

Receipts of executors or administrators valid discharges.

64. Every assignment made after the first day of January, one thousand eight hundred and eighty-three, of a policy, may be made by memorandum of transfer indorsed upon such policy, in the form in the Tenth Schedule, and no such assignment shall be of any validity until registered as hereinafter provided.

Assignment of policies.

65. Notice of every such assignment shall be given to the company for the time being liable upon the policy assigned, and such assignment shall be registered in a book to be provided by the company for that purpose, and the date of such registration shall be inserted in the memorandum of transfer, which shall be also signed by the principal officer managing the life assurance business of the company in South Australia, or his deputy, and thereafter the assignee may sue, as well at law as in equity, in his own name, on the policy assigned, and the receipt of such assignee shall be a valid discharge, both at law and in equity, for all moneys payable thereunder. Every such memorandum of transfer signed as last aforesaid shall be conclusive evidence of the registration thereof, and of the date of such registration.

Notice and registration.

66. If any policy is assigned by way of mortgage, or upon any trust, such mortgage or trust shall be effected by way of defeasance or declaration of trust by some separate instrument, and no notice of any such mortgage or trust shall be entered on the memorandum of transfer or indorsed on the policy, and the company shall not be affected either by express, implied, or constructive notice of any such mortgage or trust, nor be bound or concerned to see to the application of any moneys payable under such policy.

No notice of mortgage or trusts.

67. It

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**Duties of Public
Trustee under Act.**

67. It shall be the duty of the Public Trustee to secure the due observance by every company of the provisions of this Act; and the Governor may, by regulation to be published in the *Government Gazette*, declare what fees shall be payable by companies in respect of the duties to be performed hereunder by the Public Trustee.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

WM. F. DRUMMOND JERVOIS, Governor.

Life Assurance Companies Act.—1882.

SCHEDULES.

FIRST SCHEDULE.

for the year ending

Revenue Account

	£	s.	d.	£	s.	d.
<p>18 (Date)</p> <p>Amount of funds at beginning of the year.....</p> <p>Renewal premiums, after deduction of re-assurance premiums</p> <p>New premiums (after deduction of re-assurance premiums) or new policies, assuring £ , and yielding an annual revenue of £ , after deduction of re-assurances</p> <p>Consideration for annuities granted.....</p> <p>Interest and dividends</p> <p>Other receipts (accounts to be specified).....</p>						
<p>18 (Date)</p> <p>Claims under policies (after deduction of sums re-assured) ..</p> <p>Surrenders</p> <p>Annuities</p> <p>Commission on new premiums</p> <p>on renewals</p> <p>Expenses of management</p> <p>Dividends and bonuses to shareholders (if any).....</p> <p>Other payments (accounts to be specified)</p> <p>Amount of funds at the end of the year, as per Second or Fourth Schedule</p>						

NOTE 1.—Companies having separate accounts for annuities, to return particulars of their annuity business in a separate statement.

NOTE 2.—Items in this and in the accounts in the Third and Fifth Schedules should be the net amounts, after deduction of the amounts paid and received in respect of re-assurances.

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THIRD SCHEDULE.
Revenue Accounts of the
for the year ending.
(No. 1.)—Life Assurance Account.

(Date.)	£	s.	d.	(Date.)	£	s.	d.
Amount of life assurance fund at the beginning of the year				Claims under life policies, after deduction of sums re-assured			
Renewal premiums, after deduction of re-assurance premiums				Surrenders			
New premiums (after deduction of re-assurance premiums) on new policies assuring £ , and yielding an annual income of £ , after deduction of re-assurances				Annuities			
Consideration for annuities granted				Commission			
Interest and dividends				Expenses of management			
Other receipts (accounts to be specified)				Other payments (accounts to be specified)			
				Amount of life assurance fund at the end of the year, as per Fourth Schedule ..			

NOTE.—Companies having separate accounts for annuities to return the particulars of their annuity business in a separate statement.

(No. 2.)—Fire Account.

(Date.)	£	s.	d.	(Date.)	£	s.	d.
Amount of fire insurance fund at the beginning of the year				Losses by fire, after deduction of re-assurance			
Premiums received, after deduction of re-assurances				Expenses of management			
Other receipts (to be specified)				Commission			
				Other payments (to be specified)			
				Amount of fire insurance fund at the end of the year, as per Fourth Schedule ..			

NOTE.—When marine or any other branch of business is carried on, the income and expenditure thereof to be in like manner stated in a separate account.

(No. 3.)—Profit and Loss Account.

(Date.)	£	s.	d.	(Date.)	£	s.	d.
Balance of last year's account				Dividends and bonuses to shareholders			
Interest and dividends not carried to other accounts				Expenses not charged to other accounts			
Profits realised (accounts to be specified)				Loss realised (accounts to be specified)			
Other receipts				Other payments			
				Balance as per Fourth Schedule			

NOTE.—This account is not required if the items have been incorporated in the other accounts of this schedule.

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FOURTH SCHEDULE.

18

on the

Balance-sheet of the

LIABILITIES.	£	s.	d.	£	s.	d.
Shareholders' capital						
General reserve fund (if any)						
Life assurance fund *						
Annuity fund (if any) *						
Fire fund						
Marine fund						
Profit and loss (if any)						
Other funds (if any, to be specified)						
Claims under life policies admitted but not yet paid *						
Outstanding fire losses						
Outstanding marine losses						
Other sums owing by the company (accounts to be specified)						
£						
ASSETS.						
<i>In South Australia—</i>						
South Australian securities						
Other Government securities (particulars to be specified) ..						
Mortgages						
Loans on the company's policies						
Loans upon personal security						
Railway and other debentures and debenture stocks						
Railway shares (preferential and ordinary)						
House property						
Other investments (to be specified)						
Agents' balances						
Outstanding premiums						
Outstanding interest						
Cash—On deposit						
In hand and on current account						
Other assets (to be specified)						
Total assets in South Australia						
<i>Elsewhere than in South Australia—</i>						
British Government securities						
Indian and Colonial Government securities						
Foreign Government securities						
Mortgages (stating where)						
Loans on the company's policies						
Loans upon personal security						
Railway and other debentures and debenture stocks						
Railway shares (preferential and ordinary)						
House property (stating where)						
Other investments (to be specified)						
Agents' balances						
Outstanding premiums						
Outstanding interest						
Cash—On deposit						
In hand and on current account						
Other assets (to be specified)						
Total assets elsewhere than in South Australia						
£						
Total assets						
£						

* If the life assurance fund is in accordance with section 20 of this Act, a separate trust fund for the sole security of the life policy-holders, or separate balance-sheet for the life branch, may be given in the form contained in the Second Schedule. In other respects the company is to observe the above form. See also note to Second Schedule.

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FIFTH SCHEDULE.

1. New policies issued by the ending during the year

	No. of Policies.	Sum Assured.	Single Premiums.	Annual Premiums.
		£ s. d.	£ s. d.	£ s. d.
Assurance		(per annum)		
Endowment				
Annuity				
Total				

2. Policies discontinued in the ending during the year

How Discontinued.	Assurance Policies.			Endowment Policies.			Annuity Policies.		
	No.	Sum Assured.	Annual Premiums.	No.	Sum Assured.	Annual Premiums.	No.	Annuity per Annum.	Annual Premiums.
		£ s. d.	£ s. d.		£ s. d.	£ s. d.		£ s. d.	£ s. d.
By death or maturity									
By surrender									
By forfeiture									
Total									

3. Policies of the existing on the

	In South Australia.		Elsewhere.	
	No. of Policies.	Sums Assured.	No. of Policies.	Sums Assured.
		£ s. d.		£ s. d.
Assurance		(per annum)		(per annum)
Endowment				
Annuity				
Total				

4. Progress of the life assurance business of the since its establishment to

	No. of Policies.	Sums Assured.	Annuity per Annum.	Annual Premiums.
		£ s. d.	£ s. d.	£ s. d.
Total issued				
Total discontinued				
Existing				
Annual Income from Interest				
Total Annual Income				

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SIXTH SCHEDULE.

Statement respecting the Valuation of the Liabilities under Life Policies and Annuities of the to be made by the Actuary.

[The answers should be numbered to accord with the numbers of the corresponding questions.]

1. The date up to which the valuation was made ?
2. The principles upon which the valuation was made, and whether these principles were determined by the instrument constituting the company or by its regulations, or by by-laws or otherwise ?
 - (a) Were the policies valued individually or in classes ?
 - (b) If in classes, how was the valuation age determined ?
 - (c) What portion (if any) of a year's premium was assumed to be due ?
 - (d) Were lives assured at increased rates assumed to be of the age at entry corresponding to the premium charged ?
3. The table or tables of mortality used in the valuation ?
4. The rate or rates of interest assumed in the calculations ?
5. By what table of mortality, and according to what rate of interest, have the net premiums valued been computed ? Give specimens of such premiums for a whole life policy of £100, for ages at entry, 20, 25, 30, 35, 40, 45, 50, 55, 60.
6. The proportion of the annual premium income (if any) reserved as a provision for future expenses and profits ? [If none, state how this provision is made.]
7. The consolidated revenue account since the last valuation, or, in case of a company which has made no valuation, since the commencement of the business ? [This return must be made in the form annexed.]
8. The liabilities of the company under life policies and annuities at the date of the valuation, showing the number of policies, the amount assured, and the amount of premiums payable annually under each class of policies, both with and without participation in profits, and also the net liabilities and assets of the company, with the amount of surplus or deficiency ? [These returns must be made in the forms annexed.]
9. The principles upon which the distributions of profit are made ?
10. The time during which a policy must be in force to entitle it to share in the profits ?
11. The results of the valuation, showing :—
 - (a) The total amount of profit made by the company.
 - (b) The amount of profit divided among the policy-holders, and the number and amount of policies which participated.
 - (c) Specimens of bonuses allotted to policies for £100, effected at the respective ages of 20, 30, 40, 50, and having been respectively in force for five years, ten years, and upwards, at intervals of five years, together with the amount appropriated under the various modes in which the bonus might be received.

[Form referred to under heading No. 7 in Sixth Schedule.]

Consolidated Revenue Account of the commencing and ending for years,

	£	s.	d.		£	s.	d.
Amount of funds on 18, the beginning of				Claims under policies, after deduction of sums re-assured ..			
Premiums, after deduction of re-assurance premiums				Surrenders			
Consideration for annuities granted				Annuities			
Interest and dividends				Commission			
Other receipts (accounts to be specified)				Expenses of management			
				Dividends and bonuses to shareholders (if any)			
				Other payments (accounts to be specified)			
				Amount of funds on 18, the end of the period, as per First (or Third) Schedule			
£					£		

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[Form referred to under heading No. 8 in Sixth Schedule.]

Summary and Valuation of the Policies of the as at

Description of Transactions.	Particulars of the Policies for Valuation.					Valuation.					
	No. of Policies.	Sum Assured.	Bonus Addition.	Office Yearly Premiums.	Net Yearly Premiums.	Loading.	Value by the table.				
							Interest	per cent.	per cent.	per cent.	
<i>Assurances—</i>											
1. With participation in profits—											
For whole term of life.....											
Other classes (to be specified).....											
Extra premiums payable.....											
Total assurances with profits....											
2. Without participation in profits—											
For whole term of life.....											
Other classes (to be specified).....											
Extra premiums payable.....											
Total assurances without profits..											
Total assurances.....											
Deduct re-assurances.....											
Net amount of assurances.....											
Adjustments (if any).....											
<i>Annuities—</i>											
Immediate.....											
Other classes (to be specified).....											
Total of the results.....											

The item, "extra premium," in this Act shall be taken to mean the charge for any risk not provided for in the minimum contract premium. If policies are issued in or for any country, at rates of premium deduced from tables other than the European mortality tables adopted by the company, separate schedules, similar in form to the above, must be furnished.

[Form referred to under heading No. 8 in Sixth Schedule.]

Valuation Balance-sheet of as at 18

DR.	£	s.	d.	CR.	£	s.	d.
To net liability under assurance and annuity transactions (as per summary statement provided in Seventh Schedule).....				By life assurance and annuity funds (as per balance-sheet under Third or Fifth Schedule).....			
To surplus (if any).....				By deficiency (if any).....			
	£				£		

SEVENTH SCHEDULE.

Statement of the Life Assurance and Annuity business of the on the

[The answers should be numbered to accord with the numbers of the corresponding questions. Statements of re-assurances, corresponding to the statements in respect of assurances under headings 2, 3, 4, 5, 6, and 7, are to be given.]

1. The published table or tables of premiums for assurances for the whole term of life which were in use at the date above-mentioned?
2. The

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2. The total number of policies and amounts assured on lives for the whole term of life which were in existence at the date above-mentioned, distinguishing the portions assured with and without profits, stating separately the total reversionary bonuses, and specifying the sums assured for each year of life, from the youngest to the oldest ages?
3. The amount of premiums receivable annually for each year of life after deducting the abatements made by the application of bonuses in respect of the respective assurances mentioned under heading No. 2, distinguishing ordinary from extra premiums?
4. The total amount of premiums which have been received from the commencement upon all policies mentioned under heading No. 2, which were in force at the above-mentioned date?
5. The total number of policies and amounts assured under classes of assurance business other than for the whole term of life, distinguishing the number of policies and the sums assured under each class, and stating separately the amount assured, with and without profits, and the total amount of reversionary bonuses?
6. The amount of premiums receivable annually in respect of each such special class of assurances mentioned under heading No. 5, distinguishing ordinary from extra premiums?
7. The total amount of premiums which have been received from the commencement upon all policies under each special class mentioned under heading No. 5, which were in force at the date above-mentioned?
8. The total amount of immediate annuities on lives, distinguishing the amount for each year of life?
9. The amount of all annuities other than those specified under heading No. 8, distinguishing the amount payable under each class, the amount of premiums annually receivable, and the amount of consideration money received in respect of each such class, and the total amount of premiums received from the commencement upon all deferred annuities?
10. The average rate of interest at which the life assurance fund of the company was invested at the close of each year during the period since the last investigation, together with a statement of the manner in which such average has been computed?
11. A table of minimum values (if any) allowed for the surrender of policies for the whole term of life, and for endowments, and endowment assurances, or a statement of the method pursued in calculating such surrender values, with instances of its application to policies of different standing, and taken out at various interval ages, from the youngest to the oldest?
12. Separate statements to be furnished for business at other than European rates, together with a statement of the manner in which policies on unhealthy lives are dealt with?

EIGHTH SCHEDULE.

Rule for Valuing an Annuity.

An annuity shall be valued according to the tables used by the company which granted such annuity at the time of granting the same; and where such tables cannot be ascertained or adopted to the satisfaction of the Court, then according to the table known in England as the Government Annuities Experience Table, interest being reckoned at the rate of Four Pounds per centum per annum.

Rule for Valuing a Policy.

The value of the policy is to be the difference between the present value of the reversion in the sum assured on the decease of the life, including any bonus or addition thereto made before the commencement of the winding-up, and the present value of the future annual premiums.

In calculating such present values the rate of interest is to be assumed as being Four Pounds per centum per annum, and the rate of mortality as that of the tables known in England as the Institute of Actuaries Life Tables.

The premium to be calculated is to be such a premium as, according to the said rate of interest and rate of mortality, is sufficient to provide for the risk incurred by the office in issuing the policy, exclusive of any addition thereto for office expenses and other charges.

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NINTH SCHEDULE.

When an assurance company is being wound up by the Court, or subject to the supervision of the Court, the official liquidator, in case of all persons appearing by the books of the company to be entitled to or interested in policies granted by such company for life assurance endowment, annuity, or other payment, is to ascertain the values of such policies, and give notice of such value to such persons; and any person to whom notice is so given shall be bound by the value so ascertained, unless he gives notice of his intention to dispute such value in manner and within a time to be prescribed by a rule or order of the Court.

TENTH SCHEDULE.

Memorandum of Transfer.

Date of transfer, and state whether transfer absolute or partial, and if partial to what amount transferred.	Signature of Transferor.	Witness.	Transferec.			Signature of Transferee.	Witness.	Date of Registration of Transfer.	Signature of principal Officer of Company.
			Name in full.	Address.	Occupation.				