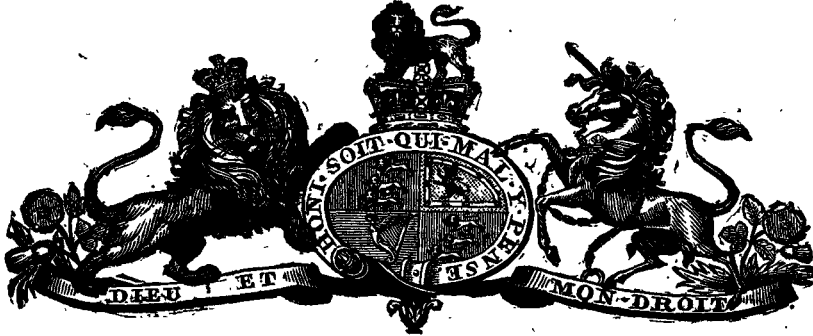


NEW ZEALAND.



TRICESIMO OCTAVO

VICTORIÆ REGINÆ.

No. LXII.

ANALYSIS.

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| <p>Title.</p> <ol style="list-style-type: none"> 1. Short Title. 2. Repeal of Acts of 1869 and 1870. <p style="text-align: center;">GOVERNOR'S POWERS.</p> <ol style="list-style-type: none"> 3. Appointment of Government Insurance Commissioner. 4. Appointment of Actuaries and other officers. 5. Governor in Council to have certain powers. <p style="text-align: center;">COMMISSIONER'S POWERS, ETC.</p> <ol style="list-style-type: none"> 6. Commissioner may contract for and grant annuities and life insurances and endowments. 7. Contracts may be made at office, or through medium of agents. 8. Deferred annuities may be granted with condition that purchase money shall be returnable. 9. Deferred annuities may be granted with condition that purchase money shall not be returnable. 10. Commissioner may convert deferred into immediate annuity. 11. Persons contracting for payment of sums of money at death, may commute the same into annuities payable after death to nominees. 12. Commissioner may refuse to contract for annuity or life insurance, &c. Commissioner may fix premium in proportion to eligibility of life. 13. Commissioner may sue and be sued. Not to be personally liable. <p style="text-align: center;">PROTECTION OF POLICIES.</p> <ol style="list-style-type: none"> 14. Protection on certain conditions of policies and contracts from liability to debts. 15. Married woman may contract as if sole, and dispose of interest in contracts by will. 16. Insurance for benefit of wife and children. Mode of effecting insurance for benefit of wife and children. 17. If insurance not apportioned, parties interested to share equally. 18. Money payable to infants may be made payable to Public Trustee. 19. Public Trustee or other person may be appointed Trustee in certain cases. 20. Life annuities to be free from taxes. Receipts &c. exempt from stamp duty. | <p style="text-align: center;">ASSIGNMENT OF POLICIES, ETC.</p> <ol style="list-style-type: none"> 21. Commissioner not affected by notice of trust, except as expressly provided by Act. 22. Assignment of policies. 23. No notice of mortgages or trusts. <p style="text-align: center;">PAYMENTS.</p> <ol style="list-style-type: none"> 24. Annuities, insurances, &c., to be paid at Commissioner's office or by agents. 25. Claims under £200 may be paid without probate, &c. 26. Loans on policies. 27. Provision for arbitration. 28. Indorsements or dispositions of policies for benefit of wife or children may be validated in certain cases. 29. Commissioner to be sole judge of good faith of application. 30. Effect of certificate. 31. Limit of time within which application may be made. <p style="text-align: center;">MISCELLANEOUS.</p> <ol style="list-style-type: none"> 32. If certificate or declaration contain any untrue statement of age, &c., the money paid to be forfeited, and right to annuity &c. to cease. 33. Persons forging documents to be liable to punishment for forgery. 34. False declarations to be perjury. 35. Penalty on receiving annuity after death of annuitant treble the amount received. 36. Moneys received under Act to be kept distinct and paid into Public Account. 37. Investment of receipts. 38. Deficiency to be paid out of Consolidated Fund. 39. Salaries, &c., to be paid by appropriation from time to time. Contracts and certain expenses to be paid under authority of this Act. <p style="text-align: center;">ACCOUNTS AND REPORTS.</p> <ol style="list-style-type: none"> 40. Commissioner to make monthly report. 41. Annual accounts to be laid before General Assembly. 42. Actuarial investigation every five years. 43. Statement of business. 44. Report of Actuary and statement of business to be presented to General Assembly. <p style="text-align: center;">DIVISION OF SURPLUS.</p> <ol style="list-style-type: none"> 45. Surplus of funds divisible among policy-holders. Schedules. |
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Government Insurance and Annuities.

Title.

AN ACT to consolidate and amend the Law providing for the Purchase of Government Annuities and Payments on Death and other Payments.

[22nd August, 1874.]

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

Short Title.

1. The Short Title of this Act shall be "The Government Insurance and Annuities Act, 1874."

Repeal of Acts of 1869 and 1870.

2. "The Government Annuities Act, 1869," and "The New Zealand Government Insurance and Annuities Act, 1870," are hereby repealed; but nothing lawfully done under the said repealed Acts or either of them shall be affected by this Act, and the provisions of this Act shall not, otherwise than is herein expressly provided, apply to contracts entered into under the said repealed Acts.

GOVERNOR'S POWERS.

Appointment of Government Insurance Commissioner.

3. The Governor may from time to time appoint, by warrant under his hand, a Commissioner for the purposes of this Act, to be called "The Government Insurance Commissioner," (hereinafter called "the Commissioner,") and may from time to time remove any person so appointed; and the person so appointed shall be Commissioner for the purposes of the said repealed Acts as well as this Act.

Hereafter the title of the officer of Government Annuities Commissioner under the said repealed Acts shall be "the Government Insurance Commissioner;" and the person holding office as Government Annuities Commissioner under the said repealed Acts at the time of the passing of this Act shall without further appointment be the first Commissioner under this Act.

In the event of the absence illness or other temporary incapacity to act of the Commissioner, the Governor may appoint some other person to be the Deputy of the Commissioner, and may remove any such Deputy; and such Deputy shall, during the time he shall be a Deputy of the Commissioner and until the cancellation of his appointment or his removal, but no longer, have all the powers duties and functions of the Commissioner, but he shall act in the name and on behalf of the Commissioner.

Appointment of Actuaries and other officers.

4. The Governor may from time to time appoint and employ such actuaries, clerks, and other officers as may be necessary to the execution of this Act and the repealed Acts; and all persons in office under the said repealed Acts at the time of the passing of this Act shall, unless the Governor otherwise orders, be without further appointment officers under this Act, with like functions and duties as under the said repealed Acts.

Governor in Council to have certain powers.

5. The Governor shall have power, by Order in Council, from time to time to do the following things:—

- (1.) To direct the use of tables approved from time to time by him for determining the values of all annuities under the provisions of this Act, and of tables so approved for payment of sums of money at death and otherwise under the provisions of this Act; and such tables respectively shall be valid and effectual so long as the same shall remain in force.

Government Insurance and Annuities.

And to revoke all or any of such tables, and to direct the use of other tables approved as aforesaid.

- (2.) To discontinue, after notice in the *New Zealand Gazette* in such form and manner as to him shall seem fit, the granting of any annuities or of sums of money payable at death or otherwise under the provisions of this Act, if he shall think it advisable so to do.
- (3.) To fix the maximum and minimum limits for the amounts of the several annuities and payments on death, and other payments to be contracted for under this Act.
- (4.) To regulate the mode and form of making contracts under this Act, and the precedent conditions relating thereto in respect of medical certificates, and of extra rates of premium or fines in case of badness of lives or other contingencies which may be declared by the regulations to be special risks.
- (5.) To prescribe the mode of proving the age and identity and the existence or death of persons, and the mode of paying sums of money payable under this Act, and the management of the accounts required to be kept.
- (6.) To prescribe beforehand the terms upon which premiums paid under contracts for payments to be made at death or otherwise shall be returned to any person beneficially interested in the contract, and to determine beforehand the cases or classes of cases in which no premium shall be returned.
- (7.) To appoint the place where the office of the Commissioner shall be.
- (8.) To make rules generally for the purpose of carrying this Act into effect, and to impose penalties not exceeding twenty pounds for breach of such rules.
- (9.) To alter the forms contained in the Schedules to this Act for the purpose of better carrying into effect the objects of this Act.
- (10.) To make rules respecting the loan of moneys under this Act on the security of the surrender values of policies, and for the effectual recovery of principal and interest accruing on such loans.

Provided that no such Order in Council be inconsistent with this Act, and that every such Order in Council be published in the *New Zealand Gazette*, and take effect from the day of such publication, or from such other later day as shall be therein fixed.

COMMISSIONER'S POWERS, ETC.

6. The Commissioner shall have power from time to time to enter into any contracts whatever which may be lawfully made by any person for the sale of life annuities, and for insurance on a life or lives, and for the granting of endowments, and any contracts whatever dependent on the contingencies of human life not repugnant to public policy, under such regulations and in accordance with such tables as shall from time to time be approved by the Governor in Council.

Commissioner may contract for and grant annuities and life insurances and endowments.

7. The Commissioner may make such contracts under the authority of this Act, either directly at his own office or through the medium of societies or agents duly authorized by the Governor in Council for such purpose, and under such regulations as the Governor in Council shall prescribe; and the said societies and agents may be authorized under such regulations to receive such fees as may therein be fixed for the purpose.

Contracts may be made at office, or through medium of agents.

Government Insurance and Annuities.

Deferred annuities may be granted with condition that purchase money shall be returnable.

8. The Commissioner may grant deferred life annuities on condition that the purchase money shall be returnable, but without interest, to the person beneficially interested in such annuity, or after his death to his executors or administrators: Provided that in no case shall such purchase money, or any part thereof, be returned after the first payment of the said annuity shall have become due.

Where a person who shall have contracted under this Act or the repealed Acts for the purchase of a deferred life annuity by annual payments shall, after having made one or more of such payments, be unable to pay the residue thereof, the Commissioner may, if he thinks fit, at the request of the person beneficially interested in such annuity, grant to such person a life annuity, immediate or deferred, equivalent to the amount of the several payments so made by him, instead of returning the amount of such payments in money.

Deferred annuities may be granted with condition that purchase money shall not be returnable. Commissioner may convert deferred into immediate annuity.

9. The Commissioner may grant in like manner deferred life annuities on condition that the money shall not be returnable.

10. When a person shall contract under this Act, by payment in one sum, for a deferred life annuity, the Commissioner may, if he thinks fit, at the request of the person interested, grant an immediate life annuity instead of the deferred annuity, which shall forthwith be cancelled.

Persons contracting for payment of sums of money at death may commute the same into annuities, payable after death to nominees.

11. Any person having contracted under the said repealed Act or this Act for the payment of a sum of money on death, may, subject to the approval of and to regulations made from time to time by the Commissioner, direct in writing that the sum payable at his death be commuted for an annuity for life, to commence at his death, and to be paid to any person nominated in such writing; and thereupon the person so nominated shall be entitled to such life annuity as shall be equivalent to such sum of money so payable after death as aforesaid.

Commissioner may refuse to contract for annuity or life insurance, &c.

12. The Commissioner may refuse to contract for any annuity, or for any payment on death or other event, under this Act in any case where he shall be of opinion that there are sufficient grounds for refusing so to do.

Commissioner may fix premium in proportion to eligibility of life.

The Commissioner may increase the premium in proportion to the badness or ineligibility of the life proposed in cases of sums to be secured at death or otherwise; but the Commissioner shall act in conformity with any rules that may be made by Order in Council, and for the time being in force, for determining the ineligibility of lives and the extra rates on account thereof; but if no such rules be made or in force, the Commissioner may fix the extra premium in each case.

Commissioner may sue and be sued.

13. In any action suit or other proceeding under this Act or the said repealed Acts, the Commissioner may sue and be sued and be impleaded by his title of "Government Insurance Commissioner," without any other name or title; and the Commissioner shall not be personally liable upon any contract entered into by him under this Act or the said repealed Acts, or in respect of any such action suit or other proceeding.

Not to be personally liable.

PROTECTION OF POLICIES.

Protection on certain conditions of policies and contracts from liability to debts.

14. The property and interest in any policy or contract of every person who has effected such policy or contract under the said repealed Acts, or who hereafter effects such policy or contract under this Act, for an assurance *bonâ fide* upon the life of himself, or for any future endowment for the wife or any child of such person, or for an annuity for the wife or any child of such person; and the property and interest of the personal representatives of such wife or child in such policy or contract, or the moneys payable thereunder or in respect thereof, shall be exempt from any law now or hereafter in force relating to bank-

Government Insurance and Annuities.

ruptcy or insolvency, and shall not be seized or levied upon by or under the process of any Court whatever.

Provided that a policy or contract for a payment to be made on death or otherwise, or for endowment, shall not be so protected until such policy or contract has endured for at least two years, after which period such protection shall be afforded to the extent of two hundred pounds of assurance or endowment, 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, and after an endurance of ten years to the extent of two thousand pounds; and in every such case the contributions made towards the same shall be also protected:

Provided also that no contract for an annuity, nor the contributions made towards the same, shall be protected until the payment made on behalf of such annuity has extended over a period of at least six years, or unless it has been purchased at a date at least six years prior to the commencement of the annuity, and that such annuity shall not exceed the sum of one hundred pounds per annum:

Provided further that the protection hereby afforded shall in the case of an annuity accrue only to the benefit of the actual annuitant, and only to such part as shall be payable after such annuitant attains the age of fifty years; and in the case of an endowment, for the benefit only of the nominee; and in the case of a life assurance, for the benefit only of the personal representative of the assured, and in no case for any assignee of the assured:

Provided, lastly, that in the case of a life assurance, if the assured can by the terms of his policy surrender the same, and applies to surrender the policy, then the money which shall be payable upon such surrender shall not be protected as hereinbefore provided.

15. Married women may effect policies or contracts for life assurance endowments or annuities, and such policies or contracts, if expressed to be made for their separate use, may be disposed of by them by will, and shall not be subject to the debts or control of their husbands, nor shall it be necessary for such a married woman to obtain the consent or concurrence of her husband to the disposition thereof by will or otherwise. And for the purposes of any such contract she shall be deemed to be a *feme sole*, and any money secured or to be paid to her shall be paid or accounted for to her as if she were an unmarried woman:

Married woman may contract as if sole, and dispose of interest in contracts by will.

Provided that a policy or contract for a payment to be made on death or otherwise, or for a life assurance or endowment, held by any married woman, shall not be protected against the debts of her husband unless it has endured for two years, and then only to the extent of two hundred pounds, and if for five years to the extent of five hundred pounds, and if for seven years to the extent of one thousand pounds, and if for ten years to the extent of two thousand pounds:

Provided also that an annuity shall not be so protected unless the payments made on account thereof have been made at annual or more frequent intervals during a period of at least six years, or unless purchased more than six years prior to the commencement of the annuity, and that such annuity shall not exceed the sum of one hundred and four pounds per annum.

16. A policy of insurance, to an amount not exceeding two thousand pounds, effected either under the said repealed Acts or this Act, by any person on his own life for the whole term thereof or for any definite period for the benefit of his wife, or of his wife and children, or of his wife and some or one of his children, or of his

Insurance for benefit of wife and children.

Government Insurance and Annuities.

children only or some or one of them, shall enure and be deemed a trust for the benefit of his wife for her separate use, and of his children or any of them, according to the interest so expressed, and shall, so long as any object of the trust remains, be free from the claims of any creditor or creditors whomsoever, and be exempt from any law now or hereafter in force relating to bankruptcy or insolvency :

Provided that the premium on any such policy of insurance shall be payable during the whole of the husband's life, or during any period thereof not being less than seven years, by equal annual half-yearly or quarterly payments, as may be agreed upon.

Mode of effecting insurance for benefit of wife and children.

Such policy of insurance may be effected either in the name of the person whose life is insured, or in the name of his wife or of any other person (with the assent of such other person) as trustee.

A policy heretofore or hereafter effected, payable to the assured himself if he live to a fixed date, but in case of death before such date payable for the benefit of his wife, or of his wife and children, or of his wife and some or one of his children, or of his children only, or some or one of them, shall be a policy within the meaning of this section.

The amount secured by such policy, where the insurance is effected for the benefit of more than one, may, if not apportioned in the policy, be apportioned by the husband by any deed or instrument in writing under his hand, or by his last will and testament, as he may deem proper :

Provided, however, that in the case of a life assurance, if the assured can by the terms of his policy surrender the same, and applies to surrender the policy, such life assurance may be surrendered but shall not be protected ; the money which shall be payable upon such surrender shall not be paid but shall be retained as payment for a paid-up policy, to be issued in terms of the original policy for such an amount as such surrender money will purchase, and the Commissioner shall issue to the assured such paid-up policy ; and such paid-up policy, and the moneys payable thereunder or in respect thereof, shall be exempt from any law now or hereafter in force relating to bankruptcy or insolvency, and shall not in any suit against the assured be seized or levied upon by or under the process of any Court whatever.

If insurance not apportioned, parties interested to share equally.

17. When no apportionment is made in any policy as aforesaid, or by deed, instrument in writing, or will as aforesaid, all parties interested in the said insurance shall be held to share equally in the same ; and when it is stated in such policy that the insurance is for the benefit of the wife, or wife and children generally, or of the children generally, without specifying her or their names, then the word "wife" shall be held to mean the wife (if any) of the person whose life is insured living at the time of his death, and the word "children" shall be held to mean all the children of the person whose life is insured living at the time of his death, whether by any other marriage or not, and the moneys payable to infants may be made payable to the Public Trustee, and the receipt of such Public Trustee shall be a sufficient discharge.

Money payable to infants may be made payable to Public Trustee.

18. If it be expressed in any policy made under the sixteenth section of this Act, that any money payable to or for the benefit of any child or children may be paid to the Public Trustee in the event of such child or children being under age when such moneys become payable by the Commissioner, then such moneys may, in the event of any such child being an infant at the time when such moneys become payable by the Commissioner under such policy, be paid to the Public Trustee in trust for such child, and the Public Trustee may apply the same as he thinks fit to or for the benefit of such child, and the receipt

Government Insurance and Annuities.

of such Public Trustee shall be a sufficient discharge to the Commissioner.

19. When the sum secured by any policy under the eighth section of "The New Zealand Government Insurance and Annuities Act, 1870," or the sixteenth section of this Act, becomes payable, the Supreme Court, or any Judge thereof, may appoint the Public Trustee or any other person trustee of such money, and the receipt of such trustee shall be a good discharge to the Commissioner; and the trustee may, as to so much of any such money as is held by him in trust for any infant, unless the Court or Judge shall otherwise order, from time to time apply the same or any part thereof, or the annual proceeds thereof, for the maintenance education or advancement or otherwise for the benefit of such infant during infancy, and the balance thereof shall from time to time be invested by the trustee in bonds or debentures issued by the General Government of New Zealand.

Public Trustee or other person may be appointed Trustee in certain cases.

20. Life annuities purchased prior to the coming into operation of this Act shall be free from all taxes charges or impositions whatever.

Life annuities to be free from taxes.

No stamp duty whatever shall be paid or payable upon or in respect of any instrument whatsoever respecting the payment of money for the purchase of any annuity or sum payable at death or otherwise under the said repealed Acts, or any power of attorney authorizing the receipt or any receipt for the payment of any such annuity or any part thereof, or for the payment of any sum of money payable at death or otherwise.

Receipts &c. exempt from stamp duty.

ASSIGNMENT OF POLICIES, ETC.

21. The Commissioner shall not, except in so far as is expressly provided by this Act, receive or be affected by notice, however given, of any trust affecting any annuity or any contract for payment on death or otherwise made under this Act.

Commissioner not affected by notice of trust, except as expressly provided by Act.

22. Every assignment hereafter made of a policy under the said repealed Acts or this Act shall be by memorandum of transfer indorsed upon such policy in the form contained in the First Schedule to this Act, and signed, or in the case of a Corporation sealed, by the transferor and transferee; and no assignment hereafter made shall be of any validity until registered as hereinafter provided.

Assignment of policies.

Notice of every such assignment shall be given to the Commissioner.

Every such assignment hereafter made shall be registered in a book to be provided by the Commissioner for that purpose, and the date of such registration shall be inserted in the memorandum of transfer, which shall also be signed by the Commissioner, 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.

23. If any policy under the said repealed Acts or this Act be assigned by way of mortgage or upon any trust, such mortgage or trust shall be effected by way of declaration of trust by some separate instrument, and no notice of any such mortgage or trust shall be entered on the memorandum of transfer nor indorsed on the policy, and the Commissioner 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 mortgages or trusts.

Government Insurance and Annuities.

PAYMENTS.

Annuities, insurances,
&c., to be paid at
Commissioner's office
or by Agents.

24. All moneys becoming due on account of such annuities, and all payments on death and other payments, shall be paid to the several parties respectively entitled by the said Commissioner at his office, or by agents specially authorized by the Governor in Council to make such payment, under such regulations as shall from time to time be issued by the Governor in Council; and the Colonial Treasurer shall pay out of the Government Insurance Account (hereafter mentioned) to the Commissioner, on his certificate, such sums as may be required to make the aforesaid payments.

Claims under £200
may be paid without
probate, &c.

25. In any case in which the moneys payable under any policy under the said repealed Acts or this Act insuring a sum not exceeding two hundred pounds are payable to the personal representative of any deceased person, the Commissioner, without requiring probate or letters of administration may pay such moneys,—

- (1.) To such person as shall have been nominated by the assured in a writing deposited with the Commissioner (such person being the husband wife father mother child brother sister or niece of such deceased person); or,
- (2.) If no such nomination shall have been so deposited, or having been so deposited shall have been withdrawn, or if the person nominated shall have died before such deceased person, then to any person who can prove him or her self, to the satisfaction of the Commissioner, either to be the husband widow father mother child brother sister or niece of such deceased person, or to be entitled to the effects of the deceased person under his will (if any), or under the Statutes for the distribution of the effects of intestates, or to be entitled to obtain probate of the will of such deceased person, or to take out letters of administration of his property, although no probate or letters of administration have been taken out.

And the Commissioner shall in every such case as aforesaid be thereby discharged from further liability in respect of the claim so paid:

Provided, however, that the Commissioner may in any such case as aforesaid, if he think fit, require probate or letters of administration to be taken out, and thereupon pay such moneys to the legal representatives of the deceased.

All persons to whom such moneys aforesaid are paid shall apply the same in due course of administration.

Loans on policies.

26. It shall be lawful for the Colonial Treasurer, in accordance with such regulations as may from time to time be made by the Governor in Council, to issue out of any funds standing to the credit of the Government Insurance Account, hereafter provided for, sums of money as loans to holders of policies issued under the said Acts or this Act which shall have been in force for three years before such issue, and interest shall be charged on such loans at a rate of interest per centum per annum to be fixed from time to time by the Governor in Council; but no money shall be lent upon any such policy to an amount exceeding nine-tenths of the surrender value of such policy at the time of the loan, and the Colonial Treasurer shall, on the certificate of the Commissioner, pay to him out of the Government Insurance Account all such sums as shall be required for such loans.

Provision for arbitration.

27. If any dispute shall arise between the Commissioner and any person who shall have contracted for any annuity or payment under the said repealed Acts or this Act, or any executor administrator next of kin or assignee of such person, or any person claiming to be such executor

Government Insurance and Annuities.

administrator next of kin or assignee, then in every such case the matter so in dispute shall be referred to the arbitration of two indifferent persons, one to be chosen and appointed by the Commissioner, and the other by the party with whom the dispute arose; and in case the arbitrators so appointed shall not agree, then such matter in dispute shall be referred in writing to an umpire, having no interest in such matter, to be elected by the said arbitrators before entering upon the consideration of the matter referred to them, and the award order or determination of the said arbitrators or by the said umpire shall be final without appeal.

The provisions of "The Supreme Court Practice and Procedure Amendment Act, 1866," relating to reference to arbitrators and arbitrations, shall, so far as applicable, apply to references to arbitrators and arbitrations under this Act, as if the parties had entered into an agreement to refer the matters in dispute to arbitration.

The arbitrators and umpire respectively shall have all the powers possessed by a Court of law to summon and examine evidence, and to compel the production of documents; and every person wilfully giving false evidence upon oath before such arbitrator or umpire shall be deemed guilty of perjury: Provided that the Commissioner may in any case, if he think fit, before submitting any dispute to arbitration, require a deposit of money as security for the costs of the arbitration, to such amount and upon such terms as shall be prescribed by any regulations made under this Act, and for the time being in force.

28. Whereas it has heretofore happened that in many cases persons have entered into contracts for life insurance with the Commissioner under the said repealed Acts, and at the time intended to avail themselves of the eighth section of the repealed Act, "The New Zealand Government Insurance and Annuities Act, 1870," by effecting such insurance for the benefit of the wife or the wife and children of such persons, or otherwise as in the said section mentioned: And whereas, after making such contracts, many such persons have in good faith, and in pursuance of certain regulations made by the Governor in Council under the repealed Acts, by deed or writing indorsed on their policies or otherwise referring thereto, declared their intention that the insurances aforesaid should be for the benefit of their wives, or their wives and children, or otherwise as aforesaid: And whereas doubts have been raised whether such regulations were valid: And whereas the said regulations were not acted upon after the thirtieth day of June, one thousand eight hundred and seventy-three, and it is expedient that such deeds or writings made on or before the said date should be validated as hereinafter provided:

Be it enacted, whenever any person, on or before the thirtieth day of June, one thousand eight hundred and seventy-three, has entered into a contract under the said last-mentioned Act for the insurance of his own life for the whole term thereof, and has in good faith on or before that date executed a deed or writing indorsed on or referring to the policy issued in respect of such contract, stating that such insurance was intended to be for the benefit of his wife or his wife and children, or otherwise, as in the eighth section of the said last-mentioned Act provided, it shall be lawful for the Commissioner, upon the production to him of the said policy, and of such deed or writing made or executed as aforesaid, together with such evidence as the Commissioner may reasonably require that such deed or writing was in good faith made or executed on or before the said date, to certify upon the said policy that it appears to him that the said insurance was in good faith intended to be made for the person or

Indorsements or dispositions of policies for benefit of wife or children may be validated in certain cases.

Government Insurance and Annuities.

persons or class of persons and in the manner in such deed or writing particularly mentioned.

Commissioner to be sole judge of good faith of application.

29. The Commissioner shall be the sole judge of the good faith of any person desiring to avail himself of the provisions of the last preceding section, and may refuse to allow any application made to him thereunder.

Effect of certificate.

30. Upon the granting of any such certificate as hereinbefore provided, the policy in respect of which the same shall be granted and the insurance thereby effected shall enure for the benefit of the person or persons or class of persons named or referred to in any such deed or writing as aforesaid, as fully and effectually as if such insurance had been made for his her or their benefit, in the manner required by the eighth section of the said last-mentioned Act.

Limit of time within which application may be made.

31. All proceedings taken to obtain the Commissioner's certificate under the twenty-eighth section of this Act shall be taken within twelve calendar months after the passing hereof, and not afterwards; and the Commissioner shall as soon as conveniently may be after the passing of this Act cause the purport of the provisions of the three preceding sections of this Act to be publicly notified in such manner as he may think fit.

MISCELLANEOUS.

If certificate or declaration contain any untrue statement of age, &c., the money paid to be forfeited and right to annuity &c. to cease.

32. If any certificate or declaration produced to any officer employed in the administration of the said repealed Acts or of this Act contains an untrue statement of age of a person, with intent to obtain a higher rate of annuity or a greater payment on death or otherwise than would or might be allowed under the said Acts according to the true age of such person, then and in every such case, unless the Governor in Council shall otherwise order, all money paid for or on account of the purchase of such annuity or payment on death or otherwise shall be liable to forfeiture, and all right and title to any annuity or to any payment on death or otherwise which would or might otherwise have been payable in respect thereof shall cease and determine.

Persons forging documents to be liable to punishment for forgery.

33. If any person shall forge counterfeit or alter, or shall cause or procure to be forged counterfeited or altered, or shall knowingly or wilfully act or assist in forging counterfeiting or altering, any document or any part thereof required used or made under the provisions of the said repealed Acts or of this Act, or of any regulations thereunder or in connection therewith, or shall wilfully and falsely personate any true and real annuitant or other claimant, or shall wilfully utter or deliver or produce to any person acting under the said Acts or Act or regulations any such forged document as aforesaid, with intent to defraud Her Majesty or any person whomsoever, then and in every such case every person so offending and duly convicted thereof shall be and is hereby declared to be subject to such punishment as he would be subject to by the law for the time being in force if he were convicted of forgery.

False declarations to be perjury.

34. If any person, in any declaration made before any Justice of the Peace or before any officer acting in the administration of the said repealed Acts or of this Act, shall wilfully or corruptly declare to anything which shall be false, he shall, on due conviction thereof, be deemed guilty of perjury.

Penalty on receiving annuity after death of annuitant treble the amount received.

35. If any person shall for his own use or for the use of any other person receive any payment, otherwise than as is authorized by law, upon or in respect of any annuity after the death of any annuitant on the continuance of whose life such annuity was payable, or after the death of either annuitant in case of an annuity on joint

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lives, knowing such annuitant to be dead, and contrary to the true intent and meaning of the said repealed Acts or of this Act, every person so offending shall forfeit to Her Majesty, her heirs and successors, treble the amount of all money so received.

36. All moneys received under the provisions of the said repealed Acts or of this Act, or of regulations issued thereunder, including repayment of loans made hereunder and interest thereon, shall be paid to the credit of the Public Trust Fund, under such regulations as the Governor in Council shall from time to time prescribe in that respect; and a distinct and separate account of all such moneys shall be kept, which account shall be called "The Government Insurance Account," and all moneys now standing to the credit of the Public Trust Fund under the said repealed Acts shall be transferred to "The Government Insurance Account."

Moneys received under Act to be kept distinct and paid into Public Account.

37. Any part of the moneys standing to the credit of "The Government Insurance Account" may be invested, under the direction of the Governor in Council, in Government securities of New Zealand or of the United Kingdom or of any of the Australasian Colonies, including Tasmania, issued under the authority of the Parliament of the said countries respectively, or in any Provincial Road Board or Municipal securities in New Zealand issued under such authority: Provided that for any uninvested part of such moneys, interest at the highest bank rates allowed at the time for other trust funds shall be paid from time to time out of the Consolidated Fund, and credited to "The Government Insurance Account."

Investment of receipts.

38. All moneys payable under the said repealed Acts or this Act as annuities, or as and for payments on death or otherwise, or for loans or for expenses or otherwise, are made chargeable on the moneys standing to the credit of "The Government Insurance Account."

Deficiency to be paid out of Consolidated Fund.

If at any time the moneys standing to the credit of that account shall be insufficient to discharge the amounts so chargeable, it shall be the duty of the Commissioner of Audit, under the warrant of the Governor and on the requisition of the Colonial Treasurer, countersigned by the Commissioner, to issue the amount of such deficiency out of the Consolidated Fund to the Colonial Treasurer, to be transferred by him to the credit of "The Government Insurance Account," for the purpose of paying such claims; and it shall be the duty of the Colonial Treasurer to certify every such deficiency to both Houses of the General Assembly within fourteen days after the issue of such moneys from the Consolidated Fund if the General Assembly shall then be sitting, and if not, within fourteen days after the commencement of the then next Session of the General Assembly.

39. The salary of the Commissioner and other officers, and the other contingent expenses, shall be paid out of moneys from time to time appropriated from the Government Insurance Account for the purpose by the General Assembly, by the Colonial Treasurer on the certificate of the Commissioner; but payments under contracts under the said repealed Acts or this Act for annuities insurance endowments or for loans, shall be payable under the authority of this Act without any other appropriation.

Salaries, &c., to be paid by appropriation from time to time.

Contracts and certain expenses to be paid under authority of this Act.

ACCOUNTS AND REPORTS.

40. As soon as conveniently may be after the end of each calendar month, the Commissioner shall make a report to the Colonial Treasurer in such form and on such matters as shall be prescribed by regulations made by the Governor in Council.

Commissioner to make monthly report.

41. There shall be prepared by the Commissioner and be laid annually before both Houses of the General Assembly, on or before

Annual accounts to be laid before General Assembly.

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the first day of August in every year if the General Assembly shall be then sitting, and if the General Assembly shall not be then sitting then within fourteen days after the commencement of the then next Session of Parliament, accounts in the forms prescribed in the Second and Third Schedules of this Act, for the year ended on the thirtieth day of June preceding, and these accounts shall be accompanied with a report from the Commissioner.

Actuarial investigation every five years.

42. The Colonial Treasurer shall, on the thirtieth day of June, one thousand eight hundred and seventy-five, or as soon thereafter as conveniently may be, and thenceforward at the end of every quinquennial period after the said thirtieth day of June, cause an investigation to be made into the financial condition of the Government Insurance Department by an Actuary, and the report of such Actuary shall be in the form prescribed in the Fourth Schedule to this Act; and for the purposes of each such investigation the accounts of the Department shall be made up on the thirtieth day of June ending each such quinquennial period aforesaid, and the said investigation shall be dated the same day, and be completed within nine months from that date.

Statement of business.

43. The Commissioner shall within the period last named prepare a statement of its life assurance and annuity business in the form contained in the Fifth Schedule to this Act; each of such statements to be made up as at the date of the last investigation.

Report of Actuary and statement of business to be presented to General Assembly.

44. The aforesaid report of the Actuary and statement of the life assurance and annuity business shall be presented forthwith to the General Assembly if in Session, and if not in Session within fourteen days after the commencement of the next ensuing Session.

DIVISION OF SURPLUS.

Surplus of funds divisible among policy-holders.

45. As soon as conveniently may be after the thirtieth day of June, one thousand eight hundred and eighty, and at the expiration of every period of five years after the said date, or as soon as conveniently may be after each such period, the Governor shall appoint a competent Actuary to report what, if any, is in the opinion of such Actuary the net surplus of profits under the said repealed Acts and this Act to be divided as hereafter mentioned, after allowing such sum as Reserve Fund as he may recommend; and such report shall be laid before both Houses of the General Assembly, and the sum so recommended for division in such report, or such less sum as shall be fixed by resolution of both Houses of the General Assembly, as the amount for division, shall be divided amongst holders of policies under the said Acts and this Act, in such manner and according to such scheme as shall be approved by such resolution as aforesaid.

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SCHEDULES.

Schedules.

FIRST SCHEDULE.

MEMORANDUM OF TRANSFER.

Date of Transfer.	Signature of Transferor.	Witness.	Transferee.			Signature of Transferee.	Witness.	Date of Registration of Transfer.	Signature of Commissioner.
			Name in full.	Address.	Occupation.				

SECOND SCHEDULE.

STATEMENT OF THE RECEIPTS AND EXPENDITURE OF THE GOVERNMENT INSURANCE DEPARTMENT FOR THE YEAR ENDED .

RECEIPTS.	£ s. d.	EXPENDITURE.	£ s. d.	18 . (Date.)
Balance at the beginning of the year		Claims under policies		
Premiums received during the year,—		Surrenders		
New		Annuities		
Renewal		Commission		
Consideration received for Annuities granted		Expenses of management		
Interest		Other payments (accounts to be specified)		
Other receipts (accounts to be specified)		Balance at the end of the year		
	£		£	

THIRD SCHEDULE.

BALANCE SHEET OF THE GOVERNMENT INSURANCE DEPARTMENT ON THE 18 .

LIABILITIES.	£ s. d.	ASSETS.	£ s. d.
Assurance Fund		Loans upon policies	
Annuity Fund		Investments (securities to be specified)	
Endowment Fund		Agents' balances	
Other Funds (if any)		Premiums in process of collection and transmission on policies in force at the end of the year	
Total funds	£	Outstanding interest	
Claims admitted but not paid		Cash on deposit	
Annuities due and unpaid		Cash in hand	
Other sums owing by the Commissioner (accounts to be specified)		Other assets (to be specified)	
	£		£

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FOURTH SCHEDULE.

STATEMENT RESPECTING THE VALUATION OF THE LIABILITIES UNDER LIFE POLICIES AND ANNUITIES OF THE GOVERNMENT INSURANCE DEPARTMENT, 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 is made.
2. The principles upon which the valuation and distribution of profits among the policy-holders are made.
3. The table or tables of mortality used in the valuation.
4. The rate or rates of interest assumed in the calculations.
5. 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.)
6. The Consolidated Revenue Account since the last valuation, or, in case no valuation has been made, since the commencement of the business. (*This Return should be made in the form annexed.*)
7. The liabilities of the Department 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 Department, with the amount of surplus or deficiency. (*These Returns should be made in the forms annexed.*)
8. The time during which a policy must be in force in order to entitle it to share in the profits.
9. The results of the valuation, showing,—
 - (1.) The total amount of profit made by the Department.
 - (2.) The amount of profit divided among the policy-holders, and the number and amount of the policies which participated.
 - (3.) Specimens of bonuses allotted to policies for £100 effected at the respective ages of 20, 30, 40, and 50, and having been respectively in force for five years, ten years, and upwards at intervals of five years respectively, together with the amounts apportioned under the various modes in which the bonus might be received.

(Form referred to under heading No. 6 in the Fourth Schedule.)

Consolidated Revenue Account of the Government Insurance Department for the Years commencing and ended

18 . (Date.)		£ s. d.	18 . (Date.)		£ s. d.
	Balance on 18 , the beginning of ...			Claims under Policies ...	
	Premiums received,—			Surrenders ...	
	New ...			Annuities ...	
	Renewal ...			Commission ...	
	Consideration received for An- nuities granted ...			Expenses of management ...	
	Interest ...			Other payments (accounts to be specified) ...	
	Other receipts (accounts to be specified) ...			Balance on 18 , the end of the period as per Schedule A ...	
		£			£

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(Form referred to under heading No. 7 in the Fourth Schedule.)

Summary and Valuation of the Policies of the Government Insurance Department, as at , 18 .

DESCRIPTION OF TRANSACTIONS.	PARTICULARS OF THE POLICIES FOR VALUATION.				VALUATION.			
	Number of Policies.	Sums Assured and Bonuses.	Office Yearly Premiums.	Net Yearly Premiums if ascertained.	Value by the Interest		Table per cent.	
					Sums Assured.	Office Yearly Premiums.	Net Yearly Premiums if computed.	Net Liability.
ASSURANCES.								
I. With participation in profits.								
For whole term of life ...								
Other classes (to be specified) ...								
Extra premiums payable ...								
Total Assurances with profits...								
II. Without participation in profits.								
For whole term of life ...								
Other classes (to be specified) ...								
Extra premiums payable ...								
Total Assurances without profits								
ANNUITIES.								
Immediate ...								
Other classes (to be specified) ...								
Total of the results						

The term "extra premium" in this Act shall be taken to mean the charge for any risk not provided for in the minimum contract premium.

(Form referred to under heading No. 7 in the Fourth Schedule.)

Valuation Balance Sheet of the Government Insurance Department, as at , 18 .

Dr.	£	Cr.	£
To net liability under Assurance and Annuity transactions (as per summary statement provided in Fourth Schedule)	By Life Assurance and Annuity Funds (as per balance sheet under the Second Schedule)
To surplus (if any)	By deficiency (if any)
	£		£

FIFTH SCHEDULE.

STATEMENT OF THE LIFE ASSURANCE AND ANNUITY BUSINESS OF THE GOVERNMENT INSURANCE DEPARTMENT, ON THE , 18 .

(The answers should be numbered to accord with the numbers of the corresponding questions.)

1. The published table or tables of premiums which are in use at the date above mentioned.

2. The total amount assured on lives for the whole term of life which are 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.

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4. The total amount assured under classes of assurance business other than for the whole term of life, distinguishing the sums assured under each class, and stating separately the amount assured, with and without profits, and the total amount of reversionary bonuses.

5. The amount of premiums receivable annually in respect of each such special class of assurances mentioned under heading No. 4, distinguishing ordinary from extra premiums.

6. The total amount of premiums which has been received from the commencement upon all policies under each special class mentioned under heading No. 4 which are in force at the date above mentioned.

7. The total amount of immediate annuities on lives, distinguishing the amounts for each year of life.

8. The amount of all annuities other than those specified under heading No. 7, distinguishing the amount of annuities 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.

9. The average rate of interest at which the funds of the Department were invested at the close of each year during the period since the last investigation.

10. 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.

11. A statement to be furnished of the manner in which policies on unhealthy lives are dealt with.

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