

## LIFE ASSURANCE COMPANIES ACT, 1872.

(35 and 36 Vict., c. 41.)

1. The deposit required to be made under the provisions of the Life Assurance Companies Act, 1870, as adapted by this Order, may be made by the subscribers of the memorandum of association of the company, or any of them, in the name of the proposed company, and such deposit upon the incorporation of the company shall be deemed to have been made by and to be part of the assets of the company.

The said deposit shall, until returned to the company, be deemed to form part of the employers' liability insurance fund of the company, and shall be subject to the provisions of section four of the Life Assurance Companies Act, 1870, as so adapted, accordingly. The Board of Trade may from time to time make, and when made revoke, alter, or add to, rules with respect to the payment of the said deposit, the investment of or dealing with the same, the deposit of stocks or securities in lieu of money, and the payment of the interest or dividends from time to time accruing due on any such investment, stocks, or securities in respect of such deposit. Any rules made in pursuance of this section shall have effect as if they were enacted in this Act, and shall be laid before Parliament within three weeks after they are made, if Parliament be then sitting, or if not, within three weeks after the beginning of the then next session of Parliament.

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3. The Board of Trade shall lay before Parliament any statement or abstract of report which is deposited with them by any company, and purports to be in pursuance of the Life Assurance Companies Act, 1870, as adapted by this Order, although the Board are of opinion that it is not such a statement or abstract as is required to be prepared by that Act as so adapted.

4. Where the business or any part of the business of an employers' liability insurance company has, [either before or] after the making of this Order, 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 section 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 making of this Order, 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 provision 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 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.

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.

Where any subsidiary company and principal company are being wound up by different branches of the Court, the Court to which appeals from such branches lie shall make an order directing in which branch the winding up of such companies is to be carried on, and the necessary proceedings shall be taken for carrying such order into effect.

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

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.

5. Where an employers' liability insurance company is being wound up by the Court, or subject to the supervision of the Court, or voluntarily, the value of the liability of the company to the policy holders requiring to be valued in such winding up shall be estimated in manner provided by the First Schedule to this Act, but this section shall not apply to any company the winding up of which has commenced before the making of this Order, unless the Court having cognisance of the winding up so order, which order that Court is hereby empowered to make, if it think it expedient so to do, on the application of any person interested in the winding up of such company.

6. The rules in the first and second schedules to this Act shall be of the same force as if they were rules made in pursuance of the Judicature Acts, 1873 to 1899, or of the one hundred and seventy-first and one hundred and seventy-third sections of the Companies Act, 1862, as the case may be, and may be altered in manner thereby provided, and rules may be made under the said Acts and sections for the purpose of carrying into effect the provisions of this Act with respect to the winding up of companies.

7. Where a company, either before or after the making of this Order, has transferred its business to or been amalgamated with 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, or receive from that company any payment due under any policy, shall by reason of any such payment or receipt made after the making of this Order, or by reason of any other act done after the making of this Order, be deemed to have abandoned any claim which he would have had against the first-mentioned 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 authorized.