



ANALYSIS

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1. Short Title

2. Premium note
3. Transfer of insurance cover granted
by a subsidiary

1978, No. 113

An Act to amend the Mutual Insurance Act 1955

[19 October 1978]

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

1. Short Title—This Act may be cited as the Mutual Insurance Amendment Act 1978, and shall be read together with and deemed part of the Mutual Insurance Act 1955 (hereinafter referred to as the principal Act).

2. Premium note—Section 18 (1) of the principal Act is hereby amended by inserting, after the words “insurance cover”, the words “(other than provisional insurance cover for a term not exceeding 2 months)”.

3. Transfer of insurance cover granted by a subsidiary—The principal Act is hereby amended by inserting, after section 18, the following section:

“18A. (1) For the purposes of this section, a subsidiary of an association is a company that is a subsidiary of that association for the purpose of section 158 of the Companies Act 1955.

“(2) Where an insured under any insurance cover granted by a subsidiary of an association wishes to renew that cover in the name of the association as insurer, the association shall be deemed to hold the signed premium note required by section 18 of this Act if (before or after the commencement of this section) the insured—

“(a) Has agreed to become a member of the association; and

“(b) Has been given written notice—

“(i) Setting out the terms of the premium note which, but for this section, the association would have had to obtain from the insured before renewing the insurance cover in the name of the association as insurer; and

“(ii) Stating that, if the insured renews the insurance cover in the name of the association as insurer, the association will be deemed to hold a premium note in those terms signed by him.”

This Act is administered in the Department of Justice.