

SCHEDULES

SCHEDULE 19

INDUSTRIAL ASSURANCE

PART I

GREAT BRITAIN

Industrial Assurance Act 1923

- 1 The Industrial Assurance Act 1923 shall be amended as follows.
- 2 (1) In section 1, for subsection (1A) there shall be substituted the following subsection—
- “(1A) In this Act—
- “collecting society” means an incorporated friendly society or registered friendly society which carries on industrial assurance business; and
- “industrial assurance company” means a body corporate which carries on such business other than an incorporated friendly society.”
- (2) In subsection (2) of that section, in paragraph (d), for the words “the Commissioner hereinafter mentioned certifies” there shall be substituted “the relevant authority certifies”.
- 3 In section 10, for subsection (1) there shall be substituted the following subsection—
- “(1) The Commission may, on the application of a collecting society, grant it a certificate of exemption from all or any of the provisions of this Act, in any case where the Commission is satisfied that the society does not or will not carry on the business of effecting assurances upon human life, premiums in respect of which are received by means of collectors at a greater distance than ten miles from the registered office of the society, and where the Commission is of opinion that the society is not one to which those provisions ought to apply.”
- 4 In section 11, in subsection (2), for the word “Commissioner” there shall be substituted “relevant authority”.
- 5 (1) In the following provisions—
- (a) section 10(3),
 - (b) section 17(3),
 - (c) section 18(1) and (3),
 - (d) section 39(1), and
 - (e) section 43,

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for the word “Commissioner”, wherever occurring, there shall be substituted “Commission”.

- (2) In the following provisions—
- (a) section 17(3), and
 - (b) section 18(1) and (3),
- for the words “he” and “him”, wherever occurring, there shall be substituted “it”.
- 6 In section 17, for subsections (1) and (2) there shall be substituted the following subsections—
- “(1) If in the opinion of the Commission there is reasonable cause to believe that an offence against this Act or against the Insurance Companies Act 1982 has been or is likely to be committed by an industrial assurance company, the Commission or any inspector appointed by it for the purpose shall have power to examine into and report on the affairs of the company, and for that purpose may exercise in respect of the company all or any of the powers given by Part V of the Friendly Societies Act 1992 to a person appointed by the Commission to investigate a friendly society.
 - (2) When it receives the report of a person appointed under subsection (1) above, the Commission may issue such directions and take such steps as it considers necessary or proper to deal with the situation disclosed by the report and in particular may present a petition to the court for the winding up of the company.”
- 7 For section 23 there shall be substituted the following section—

“23 Notice before forfeiture for default in paying industrial assurance premium

A forfeiture shall not be incurred by any member or person assured in a collecting society or industrial assurance company by reason of any default in paying any premium under a contract, the effecting of which constituted the carrying on of industrial assurance business, until after—

- (a) notice stating the amount due from him, and informing him that in case of default of payment by him within 28 days and at a place to be specified in the notice his interest or benefit will be forfeited, has been served upon him by or on behalf of the society or company; and
 - (b) default has been made by him in paying any premium in accordance with that notice.”
- 8 In section 26, for subsection (1) there shall be substituted the following subsection—
- “(1) A person assured with an industrial assurance company shall not, without his written consent or, in the case of a person under the age of 18, without the written consent of his parent or other guardian, be transferred from the company to another company or to a collecting society except on an amalgamation or transfer of business under section 37 below or any other enactment, and any company and any collector or other officer of any company concerned in such a transfer shall, if the provisions of this section are not complied with, be deemed to have contravened the provisions of this Act.”.

9 For section 32 there shall be substituted the following section—

“32 Disputes

Any dispute between an industrial assurance company and—

- (a) any person assured; or
- (b) any person claiming through a person assured or under or in respect of any policy, or under the rules of the company, or under this Act, may, notwithstanding any provision of the rules to the contrary, be determined by the county court or, in Scotland, by the sheriff.”

10 For section 33 there shall be substituted the following section—

“33 Disabilities of collectors etc

- (1) A collector of an industrial assurance company shall not be a member of the board of directors, or hold any other office in the company except that of superintending collectors within a specified area.
- (2) A collector or superintendent shall not be present at any meeting of the company.”

11 In section 39, in subsection (5), for the word “Commissioner” there shall be substituted “relevant authority”.

12 In section 45(1) after the definition of “collector” there shall be inserted the following definitions—

“The expression “the Commission” means the Friendly Societies Commission;

The expressions “friendly society” and “incorporated friendly society” have the same meanings as in the Friendly Societies Act 1992.

The expression “the relevant authority” means—

- (a) in relation to a time before Schedule 19 to the Friendly Societies Act 1992 came into force, the Chief Registrar of Friendly Societies; and
- (b) in relation to a time after the coming into force of that Schedule, the Commission.””.