



Industrial Assurance Act 1923

1923 CHAPTER 8

Bond Investment Business

42 Amendment of law relating to bond investment business

- (1) Bond investment business shall, for the purposes of the Assurance Companies Act, 1909, include cases where the subscriptions are payable at periodical intervals of over two months but less than six months, except where such business is sinking fund or capital redemption insurance business, and accordingly for paragraph (e) of section one of that Act the following paragraph shall be substituted :—

“(e) Bond investment business, that is to say, the business of issuing bonds or endowment certificates by which the company in return for subscriptions payable at periodical intervals of less than six months contract to pay the bond-holder a sum at some future date, and not being life assurance as hereinbefore defined, or sinking fund or capital redemption insurance business.”

- (2) "Where in return for subscriptions payable at periodical intervals of less than six-months a person or body of persons corporate or unincorporate (not being registered or certified under the Acts relating to friendly societies, building societies, or trade unions) undertake, by prospectus or otherwise, to pay to the subscriber at a future date the amount of the subscriptions with interest thereon (with or without a right on the part of the subscriber to the return of his subscriptions in the meantime), such business shall, for the purposes of the Assurance Companies Act, 1909, be treated as bond investment business, and the card, book, or other document in which receipts of subscriptions are entered shall be treated as the instrument evidencing the contract, and the subscriber shall be treated as the owner of the policy, subject however to such modifications of the provisions of the Fourth, Fifth, and Sixth Schedules to that Act as may be prescribed by the Board of Trade for the purpose of adapting to such business as aforesaid the provisions of those schedules relating to bond investment business.