



Industrial Assurance Act 1923

1923 CHAPTER 8

Industrial Assurance Business

1 Industrial assurance business

- (1) Industrial assurance business shall not be carried on except by a registered friendly society or by an assurance company within the meaning of the Assurance Companies Act, 1909, which is either registered under the Companies Acts, or the Industrial and Provident Societies Acts, 1893 to 1913, or incorporated by special Act, and a registered friendly society which carries on such business is in this Act referred to as a collecting society and an assurance company which carries on such business is in this Act referred to as an industrial assurance company :

Provided that, where an industrial assurance company carries on both industrial assurance business and other business, nothing in this Act shall, save as otherwise expressly provided, apply to any of the business of the company other than the industrial assurance business.

- (2) For the purposes of this Act, "industrial assurance business " means the business of effecting assurances upon human life premiums in respect of which are received by means of collectors :

Provided that such business shall not include—

- (a) assurances the premiums in respect of which are payable at intervals of two months or more;
- (b) assurances effected whether before or after the passing of this Act by a society or company established before the date of the passing of this Act which at that date had no assurances outstanding the premiums on which were payable at intervals of less than one month so long as the society or company continues not to effect any such assurances;
- (c) assurances effected before the passing of this Act, premiums in respect of which are payable at intervals of one month or upwards, and which have up to the commencement of this Act been treated as part of the business transacted by a branch other than the industrial branch of the society or company;

- (d) assurances for twenty-five pounds or upwards effected after the passing of this Act, premiums in respect of which are payable at intervals of one month or upwards, and which are treated as part of the business transacted by a branch other than the industrial branch of the society or company, in cases where the Commissioner hereinafter mentioned certifies that the terms and conditions of such assurances are on the whole not less favourable to the assured than those imposed by this Act.
- (3) When a society or company has ceased to effect industrial assurances, it shall, so long as it continues liable on the assurances previously effected, be deemed to carry on industrial assurance business.

2 Industrial Assurance Commissioner

- (1) The Chief Registrar of "Friendly Societies shall be the authority charged with such powers and duties in relation to industrial assurance as are conferred and imposed upon him by this Act, and in that capacity and in the exercise and performance of the powers and duties of the Chief Registrar of Friendly Societies under the Friendly Societies Acts, 1896 and 1908, in relation to collecting societies he shall, as from the passing of this Act, be known as and styled the Industrial Assurance Commissioner, and is in this Act referred to as the Commissioner, and anything which under the friendly Societies Acts, 1896 and 1908, is authorised or required to be done by, to or before the central office or the registrar or an assistant registrar shall, where the society is a collecting society, be done by, to or before the Commissioner.
- (2) Anything which under this Act is required or authorised to be done by, to or before the Commissioner may be done by, to or before such person as he may appoint for the purpose.

3 Purposes for which policies may be issued

Amongst the purposes for which collecting societies and industrial assurance companies may issue policies of assurance there shall be included insuring money to be paid for the funeral expenses of a parent, child, grandparent, grandchild, brother, or sister, and the issuing of such policies shall be treated as part of the industrial assurance business of the society or company.

4 Assurances on children's lives

- (1) The provisions of sections sixty-two and sixty-four to sixty-seven of the Friendly Societies Act, ' 1896, relating to payments on the death of children shall extend to industrial assurance companies as if those provisions were herein re-enacted, and in terms made applicable to industrial assurance companies. Except that there shall be substituted for the words " of six pounds for children under five years of age and ten pounds for children under ten years of age " the following: " six " pounds for children under three years of age, ten " pounds for children up to six years of age and fifteen pounds for children up to ten years of age."
- (2) A collecting society or an industrial assurance company shall not pay any sum on the death of a child under ten years of age except to the person who took out the policy on the life of the child, being the parent, grandparent, brother or sister of the child, or to the personal representative of that person, nor except upon production by the person claiming payment of a certificate of death issued by the registrar of deaths, or other

person having the care of the register of deaths, containing the particulars mentioned in section sixty-four of the Friendly Societies Act, 1896 :

Provided that, where there is no personal representative of the person who took out the policy, the payment may be made to such one of the next of kin of that person as proves that he has defrayed, or undertakes to defray, the funeral expenses of the child.

- (3) The provisions of this section shall extend to assurances by industrial assurance companies premiums in respect of which are payable at intervals of two months or more.
- (4) Section sixty-three of the Friendly Societies Act, 1896, shall cease to apply to collecting societies.

5 Prohibition on issue of illegal policies

- (1) Any collecting society or industrial assurance company which issues policies of industrial assurance which are illegal or are not within the legal powers of the society or company shall be held to have made default in complying with the provisions of this Act, and, where any such policy has been issued, the society or company shall, without prejudice to any other penalty, be liable to pay to the owner of the policy a sum equal to the surrender value of the policy (to be ascertained in manner hereinafter provided), or, if the policy was issued after the commencement of this Act, a sum equal to the amount of the premiums paid, unless it is proved that owing to any false representation on the part of the proposer, the society or company did not know that the policy was illegal or beyond their legal powers.
- (2) No collector of, or person employed by, a society or company shall knowingly assist in effecting a policy of industrial assurance which is illegal or not within the legal powers of the society or company.