



Marine And Aviation Insurance (War Risks) Act 1952

1952 CHAPTER 57 15 and 16 Geo 6 and 1 Eliz 2

4 Liabilities of re-insurer in the event of insurer's insolvency.

Where a sum becomes payable to a person (hereafter in this section referred to as “the insurer”) in respect of any loss or damage arising from a risk against which the insurer has, either originally or by way of re-insurance, insured another person (hereafter in this section referred to as “the assured”) and either—

- (a) the sum has become payable by the [F1Board] by virtue of an agreement made under section one of this Act; or
- (b) the sum has become payable under a contract of insurance by some person other than the [F1Board] (hereafter in this section referred to as “the intermediate insurer”) and the risk has been re-insured under such an agreement as aforesaid,

then, if before payment of that sum is made by the [F1Board] or the intermediate insurer, the insurer becomes bankrupt or, in a case where the insurer is a company, the company commences to be wound up, or a receiver is appointed on behalf of the holders of any debentures of the company secured by a floating charge or possession is taken by or on behalf of the holders of such debentures of any property comprised in or subject to the charge, that sum shall cease to be payable to the insurer and the amount thereof shall be paid to the assured by the [F1Board] or the intermediate insurer, as the case may be, and the right of the assured to receive payment in respect of the loss or damage from the insurer shall to the extent to which the risk has been re-insured by the [F1Board], be extinguished.

Textual Amendments

F1 Words substituted by virtue of S.I. 1968/2038, art. 4(1)(b)

Changes to legislation:

There are currently no known outstanding effects for the Marine And Aviation Insurance (War Risks) Act 1952, Section 4.