

WESTERN AUSTRALIA.



ANNO NONO

GEORGII QUINTI REGIS,

IX.

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No. 19 of 1918.

AN ACT to provide for the Deposit of Security  
by Insurance Companies.

[Assented to 13th June, 1918.]

**B**E it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia in this present Parliament assembled, and by the authority of the same, as follows :—

1. This Act may be cited as the *Insurance Companies Act*, Short title.  
1918.

2. In this Act the words "insurance company" mean and include any person or body of persons, whether corporate or unincorporate, not being registered under the Acts relating to friendly societies or trade unions, whether established before or after the commencement of this Act, and whether established within or without Western Australia, who carries or carry on within Western Australia any kind of insurance business except life assurance. Interpretation.

3. (1.) Every insurance company shall deposit the sum of Five thousand pounds with the Colonial Treasurer to be retained by the Colonial Treasurer so long as such company continues to carry on business within Western Australia. Company to deposit £5,000 with Colonial Treasurer.

(2.) Such deposit, in the case of a company established before the commencement of this Act, shall be made in two instalments, as follows, Two thousand five hundred pounds on

the 30th day of June, 1918, and Two thousand five hundred pounds on the 31st day of December, 1918.

(3.) Interest on the sum so deposited at the rate of four and a half per centum per annum shall be payable by the Colonial Treasurer to the insurance company making the deposit, by equal half-yearly instalments, and is hereby charged on the consolidated revenue fund.

(4.) The Colonial Treasurer shall issue Treasury Bills for the sums so deposited, bearing interest at the rate aforesaid, with a currency of five years and renewable from time to time; and such Treasury Bills shall be deposited with and held by the Commonwealth Bank on behalf of the Colonial Treasurer.

(5.) On any insurance company ceasing to carry on business in Western Australia the Treasury Bills issued for the deposit made by such company shall be delivered to such company.

(6.) If any insurance company shall carry on business in Western Australia without having deposited the said sum with the Colonial Treasurer as aforesaid, such insurance company shall be guilty of an offence under this Act, and liable to a daily penalty of Twenty Pounds.

(7.) The sum so deposited may be applied by the Colonial Treasurer in his discretion towards the payment and satisfaction of the liabilities in Western Australia of the insurance company by which such sum was deposited, arising in respect of any policy or contract of insurance issued or made before or after the commencement of this Act in case of default by such insurance company in meeting its legal liabilities.

Where share capital of a company is acquired by some other company, one deposit may suffice.

4. If it is proved to the satisfaction of the Colonial Treasurer that an insurance company has acquired the share capital of some other insurance company, and that both companies are under a common management in Australia, a deposit of the sum of Five thousand pounds by the acquiring company shall, if the Colonial Treasurer so certifies, be a sufficient compliance with the requirements of this Act.

Life Assurance Act not affected.

5. This Act shall not affect the provision of the Life Assurance Companies Act, 1889, relating to the deposit of securities by Life Assurance Companies.

Issue and redemption of Treasury Bills to be at par.

6. The investment and redemption of the Treasury Bills referred to in section three, sub-section (4) shall be at par.