

**NORTHUMBERLAND INSURANCE COMPANY
LIMITED (AMENDMENT) ACT, 1977**

New South Wales



ANNO VICESIMO SEXTO

ELIZABETHÆ II REGINÆ

Act No. 63, 1977.

An Act to amend the Northumberland Insurance Company Limited Act, 1975, with respect to the satisfaction of claims, judgments and awards arising from or pertaining to policies of insurance issued by the Northumberland Insurance Company Limited; and to validate certain matters. [Assented to, 7th September, 1977.]

BE

Northumberland Insurance Company Limited (Amendment).

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

Short title. **1.** This Act may be cited as the "Northumberland Insurance Company Limited (Amendment) Act, 1977".

Commence- **2.** (1) This Act, except section 3 (d) and (e), shall be
ment. deemed to have commenced on 27th April, 1976.

(2) Section 3 (d) and (e) shall commence on the date of assent to this Act.

Amendment **3.** The Northumberland Insurance Company Limited
of Act No. Act, 1975, is amended—
86, 1975.

Sec. 2. (a) by inserting in section 2 after the definition of
(Defini- "Company" the following definition :—
tions.)

"Contribution Fund" means the Insurers' Contribution Fund established under section 30H (1) of the Workers' Compensation Act, 1926;

Sec. 3. (b) by inserting in section 3 (1) after the word
(Fund.) "insurers" the words " , all income accruing from the investment or re-investment of moneys under subsection (3), or otherwise accruing to the fund, and any amounts recovered by the Government Insurance Office pursuant to the exercise of any right referred to in section 5c (1) (b)";

Secs. (c) by omitting section 5 and by inserting instead the
5-5E. following sections :—

Liquidator **5.** The liquidator of the Company shall, on the
to notify receipt by him of any claim pertaining to any policy
Government of insurance issued by the Company, forward that
Insurance claim to the Government Insurance Office.
Office
of claims.

5A.

Northumberland Insurance Company Limited (Amendment).

5A. The liquidator of the Company shall, when-
 ever requested to do so by the Government
 Insurance Office, deliver to the Government Insur-
 ance Office all documents relating to policies of
 insurance issued by the Company and any claims,
 judgments or awards made in respect of any such
 policies in his possession and furnish to the
 Government Insurance Office any information in his
 possession relating to any such policies or any such
 claims, judgments or awards.

Delivery of
 documents,
 etc., to
 Government
 Insurance
 Office.

5B. If any complaint is made to the Supreme
 Court by the Government Insurance Office with
 respect to the exercise or performance by the
 liquidator of any of his powers, authorities, duties
 or functions under this Act, the Supreme Court
 shall inquire into the matter and take such action
 as it thinks fit.

Control of
 Supreme
 Court over
 liquidator.

5C. (1) The Government Insurance Office, as
 manager of the fund—

Claims,
 judgments
 and awards
 arising out
 of policies
 of insurance.

- (a) may in all respects deal with and finalise
 any claim; and
- (b) may exercise any right of the Company
 arising from or pertaining to any claim,
 judgment or award,

arising from or pertaining to any policy of insurance
 issued by the Company as if the Government
 Insurance Office had been the insurer under the
 policy.

(2) A reference in subsection (1) (b) to
 any right of the Company includes a reference to
 any right the Company would have had but for its
 dissolution pursuant to section 64 of the Workers'
 Compensation Act, 1926, or for the purpose of
 recovering contribution from an insurer.

5D.

Northumberland Insurance Company Limited (Amendment).

Application
of fund.

5D. Out of the fund, the Government Insurance Office—

(a) shall, as manager of the fund, satisfy any liability of the Company in respect of any claim, judgment or award arising from or pertaining to any policy of insurance issued by the Company; and

(b) is entitled—

(i) to be paid, as manager of the fund, the costs of administration of the fund; and

(ii) to be indemnified against all liabilities met by it and all costs and expenses that it may incur, as manager of the fund, in or in connection with the exercise or performance or the purported exercise or performance of its powers, authorities, duties and functions under this Act.

Exclusion of
liability of
liquidator.

5E. The liquidator of the Company shall not be personally liable for or in respect of the exercise or performance or the purported exercise or performance by the Government Insurance Office of its powers, authorities, duties and functions under this Act.

Sec. 6A.

(d) by inserting after section 6 the following section :—

Dissolution
of Company.

6A. The Company shall not be dissolved before such day as may be appointed by the Governor in respect thereof and as may be notified by proclamation published in the Gazette.

(e)

Northumberland Insurance Company Limited (Amendment).

(e) by inserting after section 7 the following sections :— Secs. 7A, 7B.

7A. (1) When the Company has been dissolved, a person who would have had, but for the dissolution of the Company, an entitlement to payment of any amount arising from or pertaining to any policy of insurance issued by the Company, other than an entitlement to payment of an amount under section 7, shall be entitled to payment of that amount out of the Contribution Fund.

Entitlements payable after dissolution of the Company.

(2) A person referred to in subsection (1) may make a claim against the Government Insurance Office, as manager of the Contribution Fund, in respect of an entitlement to payment of an amount under that subsection.

(3) Section 5C (1) and section 5D apply in respect of a claim referred to in subsection (2) in the same way as they apply in respect of a claim referred to in those sections and in so applying those sections—

- (a) a reference to the fund shall be construed as a reference to the Contribution Fund; and
- (b) a reference to any right or liability of the Company shall be construed as a reference to any right or liability the Company would have had but for its dissolution.

7B. If, after payment out of the fund of all money authorised or required to be paid out of the fund by this Act, any money remains in the fund, the Government Insurance Office shall pay that money remaining in the fund into the Contribution Fund.

Final application of money in fund.

(f)

Northumberland Insurance Company Limited (Amendment).

Sec. 8.
(Recovery
of moneys
paid out
of the
fund.)

(f) by omitting section 8 (1) (a) and by inserting
instead the following paragraph :—

- (a) all amounts paid out of the fund by the
Government Insurance Office, or to which
the Government Insurance Office is entitled,
under the provisions of this Act; and
