



CHAPTER 120.

An Act to restrict the distribution of circulars, and the publication of advertisements, relating to the insurance of property against war risks, to provide for the imposition of certain conditions and requirements in cases where permission for such distribution or publication is granted, and for purposes connected with the matters aforesaid. [23rd November 1939.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) Subject to the provisions of this section, any person who on or after such day as may be fixed by order of the Board of Trade—

(a) distributes or causes to be distributed any circulars containing—

(i) any invitation to persons to insure any property in the United Kingdom in which they are interested against any war risks, or

(ii) any information calculated to lead to the recipient of the information insuring any property in the United Kingdom in which he is interested against any war risks; or

Restriction of circulars and advertisements relating to insurance against war risks.

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(War Risks Insurance) Act, 1939.

- (b) has in his possession for the purpose of distribution any circulars of such a nature as to show that the object or principal object of distributing them would be to communicate such an invitation or such information as aforesaid; or
- (c) causes or permits any advertisement to appear which contains such an invitation or such information as aforesaid,

shall, unless permission for the distribution of the circular or the appearance of the advertisement has been granted by the Board of Trade and any conditions imposed by the Board of Trade in relation thereto have been complied with, be guilty of an offence under this Act.

(2) Nothing in this section shall render unlawful—

2 & 3 Geo. 6.
c. 57.

- (a) anything done for the purposes of the War Risks Insurance Act, 1939; or
- (b) anything done with a view to inducing persons to enter into any contract of insurance, if the Minister of Shipping could, under section one or section two of that Act, lawfully re-insure the person liable under that contract; or
- (c) anything done with a view to inducing persons to enter into any contract of insurance—

- (i) of goods consigned for carriage by sea or by air from a place outside the United Kingdom to a place in the United Kingdom, while the goods are in transit between the ship or aircraft and their destination; or

- (ii) of goods consigned for carriage by sea or by air from a place in the United Kingdom to a place outside the United Kingdom, while the goods are in transit between the premises from which they are consigned and the ship or aircraft.

Require-
ments as to
carrying on
business
where

2.—(1) Where the Board of Trade grant any such permission as is mentioned in subsection (1) of the preceding section, they may, in addition to imposing conditions in relation to the distribution or appearance

of the circular or advertisement in question, at the same time by order specify requirements which, if the persons to whom the permission is granted avail themselves thereof, are to be complied with in the carrying on of the business in connection with which the circulars are to be distributed or the advertisements are to appear, being requirements designed to secure that any representations made in the circulars or advertisements are complied with, including, if the Board of Trade think fit,—

permission
granted
under s. 1.

- (a) requirements as to the total or partial separation of the funds respectively available for the payment of claims and the payment of expenses;
- (b) requirements as to the proportion of the premiums or other similar payments which is to be allocated to the payment of claims;
- (c) requirements as to the manner in which any fund available for the payment of claims is to be maintained and dealt with;
- (d) requirements as to the keeping, drawing-up, auditing and publication of accounts.

(2) If the persons to whom permission is granted as aforesaid avail themselves thereof, every person thereafter concerned in carrying on the business shall comply with any requirements specified as aforesaid except so far as the Board of Trade may dispense with compliance therewith, and any person who contravenes the provisions of this subsection shall be guilty of an offence under this Act.

3.—(1) For the purpose of advising them as to the exercise of their functions under this Act, the Board of Trade shall appoint an advisory committee consisting of such persons as the Board think fit.

Advisory
committee.

(2) Every application for any such permission as is mentioned in subsection (1) of section one of this Act shall be referred by the Board to the said advisory committee, and the Board shall not—

- (a) grant the permission except on the recommendation of the committee;

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- (b) if the committee recommend that the permission be granted subject to conditions or that if it is granted requirements should be imposed in relation to the carrying on of the business in question, grant that permission without imposing those conditions or those requirements,

but nothing in this subsection shall be taken to limit the discretion of the Board to refuse altogether to grant the permission or, if they grant the permission, to impose further conditions or requirements.

(3) The committee shall not recommend the granting of any such permission as aforesaid unless, having regard to all relevant circumstances, and, in particular, to the nature and situation of the property which is proposed to be eligible for insurance, and to the classes of persons whom it is proposed to invite to insure, the committee are satisfied that the granting of the permission, subject to the imposition of such conditions or requirements, if any, as they may include in their recommendation, would not be contrary to the public interest.

Offences.

4.—(1) Any person who commits an offence under this Act shall be liable—

- (a) on summary conviction, to a fine not exceeding two hundred pounds, or to imprisonment for a period not exceeding three months, or both to such fine and such imprisonment;
- (b) on conviction on indictment, to a fine, or to imprisonment for a period not exceeding two years, or both to a fine and such imprisonment.

(2) Where any offence under this Act committed by a body corporate is proved to have been committed with the consent or connivance of any director, manager, secretary or other officer of the body corporate, he, as well as the body corporate, shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

(3) No prosecution in respect of an offence under this Act shall, in England or Northern Ireland, be instituted otherwise than with the consent of the Board of Trade.

(4) In the application of this section to Northern Ireland, the expression "summary conviction" means

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conviction subject to, and in accordance with, the Petty Sessions (Ireland) Act, 1851, and any Act (including any Act of the Parliament of Northern Ireland) amending that Act. 14 & 15 Vict.
c. 93.

5. Anything required or authorised under this Act to be done by, to or before the Board of Trade may be done by, to or before the President of the Board, any secretary, under-secretary or assistant secretary of the Board, or any person authorised in that behalf by the President. Supple-
mentary.

6.—(1) In this Act—

(a) the expression “ war risks ” means risks arising from action taken by an enemy or from action taken in combating an enemy or in repelling an imagined attack by an enemy;

(b) any reference to the insuring of any property by any person includes a reference to the making by him of any contract or arrangement (not being a contract for the sale or bailment of that property) under which he is, in the event of damage to that property, entitled or eligible, either absolutely or conditionally, to or for any form of indemnification, whether total or partial, and whether by way of a money payment or not, in respect of that damage.

Interpreta-
tion.

(2) Documents shall not for the purposes of this Act be deemed not to be circulars by reason only that they are in the form of a newspaper, journal, magazine or other periodical publication; but a person shall not be taken to contravene this Act by reason only that he distributes, or causes to be distributed, to purchasers thereof, or has in his possession for the purpose of distribution to purchasers thereof, copies of any newspaper, journal, magazine or other periodical publication of which he is not the publisher.

(3) In the application of subsection (1) of this section to Scotland, the expression “ bailment ” means delivery of goods in pursuance of a contract of loan, deposit, pledge, hire, hire purchase, carriage, or locatio operis faciendi or any other contract which involves

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delivery by one person to another of the possession of goods for delivery to a third person or re-delivery to the owner when the purpose of the contract is at an end.

Short title
and extent.

7.—(1) This Act may be cited as the Restriction of Advertisement (War Risks Insurance) Act, 1939.

(2) It is hereby declared that this Act extends to Northern Ireland.

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