

## INFANTS' SHARES.

51. By subsections (2), (3), and (4) of section 17 of the Public Trust Office Amendment Act, 1913, an executor or administrator or trustee may pay into the Public Trust Office any share or legacy payable to an infant. By this means such executors, administrators, or trustees desirous of closing the administration may do so and thus not have it drawn out until such infant comes of age, perhaps many years hence. The simple procedure laid down in section 17 of the Amendment Act, 1913, and section 57 of the Amendment Act, 1921, is all that is necessary to vest such share or legacy in the Public Trustee. The statutory provision is being made use of by executors, administrators, and trustees in a large number of cases.

It is a matter of interest to see that a similar provision has been included in the Trustee Act, 1925 (N.S.W.). Previously where money was held in trust for an infant or for a person who could not give a good discharge or could not be found, it was necessary to pay such moneys into Court, and in small sums the cost of payment in and out would in many cases absorb the greater part of such sum. To get over this difficulty it is provided by section 47 that in such a case a trustee may pay the money to the Public Trustee, Sydney, and furnish a copy of the trust instrument, or if there be no such instrument, a statutory declaration embodying the effect of the trust. The Public Trustee shall thereupon hold such moneys for the person entitled.

## LIFE-INSURANCE MONEYS..

52. In the present age life insurance has come to be a very common form of saving, or of making provision for old age, dependants, &c. In administering estates life policies are amongst the most frequent assets, and therefore matters in regard to life-insurance moneys are of very great interest to the Public Trustee and others engaged in trustee and administration work. Last session the Legislature passed the "Life Insurance Amendment" Act, which contains three important amendments to the Life Insurance Act of 1908. By sections 65 and 66 of the Life Insurance Act, 1908, life policies of certain descriptions are accorded absolute protection from liability for payment of the insured person's debts in the event of his death or bankruptcy. In a recent decision by the Court of Appeal in the *National Bank v. Official Assignee of the Estate of Claridge* (1925 N.Z. L.R. 305) it was held that where a policyholder had transferred his policy to a bank as security for a loan he had ceased to be a policyholder within the meaning of the provisions referred to. It followed from this decision that a policyholder by transferring or assigning a policy as security would lose the benefit sought to be conferred upon him on bankruptcy or upon the beneficiaries entitled to the life-policy moneys on his death. With a view to remedying this defect section 3 of the Life Insurance Amendment Act, 1925, provides that sections 65 and 66 of the principal Act shall operate as follows:—

- (a.) Where the policyholder as defined by section 41 of the principal Act is the person insured, then for the protection of that person or of his estate.
- (b.) Where the policyholder as defined by section 41 is the wife, or husband, or a lineal ancestor or descendant of the person insured, then for the protection of all or any such persons (including the person insured) and of their estates to the extent of their several interests (if any) in the policy.
- (c.) Where, in any case to which the last preceding paragraph is not applicable, the policyholder as defined by the said section 41 is a person to whom the policy has been mortgaged, transferred, assigned, or otherwise disposed of, then for the protection of the person insured, or of the wife or husband, or of any lineal ancestor or descendant of the person insured, to the extent of any residual or other interest that any such person may have in the policy.

Section 2 of the same Act previously defined the expression "person insured" as "person on the contingencies of whose life the terms of any policy as defined by Part II of the principal Act are dependent."