

THE LAW OF INSURANCE. By RAOUL COLINVAUX. Fourth Edition.
[London: Sweet & Maxwell. 1979. lxxix+556 pp. £22]

The Law of Insurance by R. Colinvaux is now in its fourth edition, it having been nine years since the last edition appeared in 1970. This new edition is indeed to be welcomed by regular users of this work, especially students, teachers and practitioners, as the previous edition was fast becoming out of date in the light of the many newer editions of other works in the same area.

Many who may not be familiar with this book may like to know that this work had its origin as the Law of Insurance by J.B. Porters in 1884. In 1950 as a result of extensive revision, the publishers issued the volume as a new edition by R. Colinvaux. Mr. Colinvaux points out in this new edition, as in previous editions that, "This work was never designed as a law students' primer, but for the busy solicitor, for the New York lawyer at his desk, for counsel tripped by a judicial aside, for the Lloyd's broker, or anyone else in the industry, who must keep clear wits sharpened with authenticity." Although not primarily intended for students and teachers of insurance law, this book has certainly found a following even among these two groups of users. As this book is designed to provide "finger tip" answers

to the busy practitioner, it suffers in terms of depth and analysis which Students and teachers would normally look for, but this has to a large extent been made up for by the concise statements of legal principles.

This new edition has grown in size both in format and content. The book now comes in a larger layout, and there is an addition of almost another 185 pages. This has come about through the addition of one chapter and the expansion of existing chapters. The number of statutes reproduced in the Appendix has also increased. All these have been attributed to the recent statutory development to regulate the conduct of insurance business in the United Kingdom. On the level of existing materials, notable changes in the new edition include a more extensive reference to the Marine Insurance Act, 1906 which has been reproduced in part in the Appendix. This excursion into the Marine Insurance Act can be seen in the following chapters: Non-disclosure and Misrepresentation, Warranties and Representations, and Indemnity and Subrogation.

In the last five years there have been important statutory developments in the regulation of insurance business in the United Kingdom. Significant amongst these is the Insurance Companies Act of 1974, which resulted from the activities of one Dr. Savundra whom many may recall. The present edition devotes some 80 pages to this Act which in the author's view is impossible to construe as a whole, "[F]or it is aimless, and no lawyer, whether practitioner, judge or jurist can presume an intention without first presuming what it is for: what was its aim, the object?"

Readers in Singapore would note that this Act would not apply here under current judicial interpretation of section 5 of the Civil Law Act, Cap. 30, 1970. This judicial interpretation has been affirmed under the recent amendment to section 5 of the Civil Law Act. Under the new amended section, section 5(2) reads as follows:

- “(2) Nothing in this section shall be taken to introduce into Singapore...
- (b) any law enacted or made in the United Kingdom, whether before or after the commencement of the Civil Law (Amendment No. 2) Act, 1979...
 - (ii) regulating the exercise of any business or activity by providing for registration, licensing or any other method of control or by the imposition of penalties; and
 - (c) any provision contained in any Act of Parliament of the United Kingdom where there is a written law in force in Singapore corresponding to that Act.
- (3) For the purposes of this section...
- (b) a written law in force in Singapore shall be regarded as corresponding to an Act of Parliament of the United Kingdom under paragraph (c) of subsection (2) if (notwithstanding that it differs, whether to a small extent or substantially, from that Act) the purpose or purposes of the written law are the same or similar to those of that Act.”

In Singapore we have the Insurance Act, Cap. 193, 1970 Rev. Ed., which is an Act to provide for the regulation of insurance business in Singapore and presumably this would prevent the Act of 1974 from being applicable in Singapore. In 1975 the Policyholders Act was passed to protect home policy holders against defaults by insurance

companies. This Act is being treated in this new edition under a whole new Chapter. The Act would again not apply to Singapore for similar reasons as the 1974 Act.

Another important development was the passing of the Unfair Contract Terms Act, 1977. The Act expressly excludes from its operation "any contract of insurance". This Act would presumably apply in Singapore by virtue of section 5 of the Civil Law Act. The exemption from the Act was made at the request of insurers who in exchange drew up two statements of practice for their own members. The first statement relates to non-life insurance and the second to long-term policies (life policies). These two statements of practice make certain concessions to the policy-holders in relation to disclosure and questions in the proposal forms, claims and renewal. Among the more important provisions are the following:

- a) that the declaration at the foot of the proposal form should be restricted to completion according to the proposer's knowledge and belief.
- b) that those matters which insurers have found generally to be material will be the subject of clear questions in proposal forms.
- c) that insurers will avoid asking questions which would require expert knowledge beyond that which the proposer could reasonably be expected to possess or obtain or which would require a value judgment on the part of the proposer.
- d) that an insurer will not unreasonably repudiate liability on grounds of non-disclosure or misrepresentation of a material fact.

These two statements of practice, though not legal statements of law are an important development in redressing the balance between the insurers and the insured in relation to the disclosure of information which at this moment as the law stands is clearly weighted in the insurers' favour. Not being statements of law they would not come within the purview of section 5. If the Unfair Contracts Terms Act is applied in Singapore we would have the singular position where insurance contracts would be totally exempted from the Act and the statements of practice would be inapplicable. Thus the insured in Singapore would be worse off than those in the United Kingdom unless our insurance companies also voluntarily adopt these statements of practice.