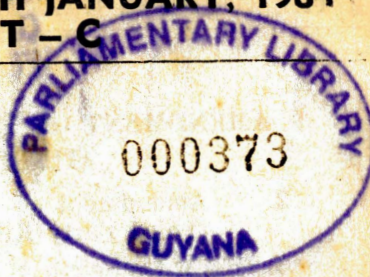


**THE OFFICIAL GAZETTE – 5TH JANUARY, 1984
LEGAL SUPPLEMENT – C**



**PARLIAMENT OFFICE,
Public Buildings,
Georgetown,
Guyana.**

1984—12—29.

The following Bills which will be introduced in the National Assembly are published for general information.

F. A. Narain.
Clerk of the National Assembly.



GUYANA

BILL No. 1 of 1985

INSURANCE ENACTMENTS (AMENDMENT) BILL 1985

ARRANGEMENT OF SECTIONS

SECTION

PART I

PRELIMINARY

1. Short title.

PART II

**AMENDMENT OF THE MOTOR VEHICLES INSURANCE
(THIRD PARTY RISKS) ACT**

2. Amendment of section 2 of the Motor Vehicles Insurance (Third Party Risks) Act.
3. Amendment of section 3 of the Motor Vehicles Insurance (Third Party Risks) Act.
4. Amendment of section 4 of the Motor Vehicles Insurance (Third Party Risks) Act.
5. Repeal of section 5 of the Motor Vehicles Insurance (Third Party Risks) Act.
6. Amendment of section 6 of the Motor Vehicles Insurance (Third Party Risks) Act.
7. Amendment of section 7 of the Motor Vehicles Insurance (Third Party Risks) Act.
8. Amendment of section 9 of the Motor Vehicles Insurance (Third Party Risks) Act.
9. Repeal of section 17 of the Motor Vehicles Insurance (Third Party Risks) Act.
10. Amendment of section 18 of the Motor Vehicles Insurance (Third Party Risks) Act.
11. Repeal of section 20 of the Motor Vehicles Insurance (Third Party Risks) Act.
12. Amendment of section 21 of the Motor Vehicles Insurance (Third Party Risks) Act.
13. Amendment of section 25 of the Motor Vehicles Insurance (Third Party Risks) Act.

PART III

AMENDMENT OF THE INSURANCE ACT

14. Amendment of section 9 of the Insurance Act.
15. Amendment of section 10 of the Insurance Act.
16. Amendment of section 18 of the Insurance Act.
17. Amendment of the First Schedule to the Insurance Act.

PART IV

TRANSITIONAL

18. Certificate of Insurance, etc., not to be rendered void or ineffective.
19. Removal of difficulty.
20. Order.

A BILL

Intituled

AN ACT to amend the Motor Vehicles Insurance (Third Party Risks) Act and the Insurance Act to bring the former Act under the administration of the latter.

Enacted by the Parliament of Guyana :—

A.D. 1985

PART I

PRELIMINARY

1. This Act may be cited as the Insurance Enactments Short title. (Amendment) Act 1985.

PART II

AMENDMENT OF THE MOTOR VEHICLES INSURANCE

(THIRD PARTY RISKS) ACT

2. Section 2 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended by substituting for the definition of "authorised insurer" the following definition —

Amendment of section 2 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03.

Cap. 91:02. ' "authorised insurer" shall have the meaning assigned to "insurer" in section 2 of the Insurance Act;'.
to "insurer" in section 2 of the Insurance Act;'.
Cap. 91:02.

3. Section 3 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended by deleting in subsection (1) the words "or such a security"

Amendment of section 3 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03.

4. Section 4 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended as follows —

Amendment of section 4 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03.

(1) in subsection (1) —

- (i) by substituting in paragraph (b) for the words "death of or bodily injury to any person caused" the words "death of or bodily injury to or damage to the property of any person caused";
- (ii) by substituting in the proviso to paragraph (b) for the words "Provided that" the words "Provided that in the case of death or of bodily injury";

- (iii) by substituting in paragraph (v) of the proviso to paragraph (b) for the word “five” the word “fifty”;
 - (iv) by substituting in paragraph (vi) of the proviso to paragraph (b) for the word “fifty” the words “five hundred”;
- (2) by inserting after subsection (1) the following subsections as subsections (1A), (1B) and (1C) —
- ‘(1A) For the purposes of this Act, “property” does not include —
- (a) property carried in or on a motor vehicle;
 - (b) property belonging to or held in trust by or in the custody or control of the person insured; or
 - (c) any bridge, weighbridge, viaduct or road or anything beneath the bridge, weighbridge, viaduct or road which has been damaged by vibration caused by the weight of the motor vehicle or of the load carried by the motor vehicle.
- (1B) In the case of damage to property, a policy of insurance shall not be required to cover liability in respect of any sum in excess of —
- (a) twenty-five thousand dollars where the liability arises out of any one claim by any one person;
 - (b) one hundred and twenty-five thousand dollars where the liability arises out of the total claims for any one accident.
- (1C) Sections 6 and 14 shall not apply to damage to property.’
- (3) in subsection (2) —
- (i) by deleting the words “or by the owner of a motor vehicle in relation to the user of which a security under this Act is in force or who has made a deposit under this Act”;

- (ii) by deleting the words “or such owner” wherever they occur;
- (iii) by substituting for the words “one hundred and twenty-five” the words “five hundred”.

5. Section 5 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby repealed.

Repeal of section 5 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

6. Section 6 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended as follows —

Amendment of section 6 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

- (i) by deleting the words “or security” wherever they occur;
- (ii) by deleting the words “or given” and the words “or secured”;
- (iii) by deleting in the marginal note the words “or securities”;

7. Section 7 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended as follows —

Amendment of section 7 of the motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

- (i) by deleting in subsection (4) the words “or certificate of security”;
- (ii) by deleting in the marginal note the words “or of security”.

8. Section 9 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended by deleting the words “or in respect of whom security or a deposit in lieu thereof is given”.

Amendment of section 9 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

9. Section 17 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby repealed.

Repeal of section 17 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

10. Section 18 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended as follows —

Amendment of section 18 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

- (i) by substituting in subsection (1)(a) for the word “three” the word “twenty-five”;

- (ii) by substituting in subsection (1) (b) for the words “ten cents” the words “one dollar”.

Repeal of section 20 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

11. Section 20 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby repealed.

Amendment of section 21 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

12. Section 21 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended as follows —

- (i) by deleting the words “or certificate of security” wherever they occur;
- (ii) by deleting in subsection (2) the words “or of a certificate of security”;
- (iii) by substituting in subsection (5) for the words “expressions” and “include” the words “expression” and “includes” respectively and by deleting the words “and “certificate of security”” and “or a certificate of security”.

Amendment of section 25 of the Motor Vehicles Insurance (Third Party Risks) Act. Cap. 51:03

13. Section 25 of the Motor Vehicles Insurance (Third Party Risks) Act is hereby amended as follows —

- (i) by deleting in subsection (1) (b) the words “and certificates of security” and by inserting after the word “Commissioner” the words “or Commissioner of Insurance”;
- (ii) by deleting in subsection (1) (f) the words “stocks or other”.

PART III

AMENDMENT OF THE INSURANCE ACT

Amendment of section 9 of the Insurance Act. Cap. 91:02

14. Section 9 of the Insurance Act is hereby amended by inserting after subsection (4) the following subsections as subsections (4A) and (4B) —

- “(4A) Subsections (2) and (4) do not apply to a company carrying on Motor Vehicles Insurance (Third Party Risks) Business in Guyana immediately before the commencement of the Insurance Enactments (Amendment) Act 1985 so as to require that company to make a deposit before the expiration of one month after such com-

mencement or so to require registration, subject to section 10, before the end of three months from that commencement.

- (4B) A company carrying on Motor Vehicles Insurance (Third Party Risks) Business in Guyana immediately before the commencement of the Insurance Enactments (Amendment) Act 1985 shall not, at any time after the expiration of three months after such commencement carry on any such class of insurance business in Guyana unless it has been registered by the Commissioner to carry on such insurance business.”.

15. Section 10 of the Insurance Act is hereby amended by inserting after subsection (5) the following subsection as subsection (6) —

**Amendment
of section 10
of the
Insurance
Act.
Cap. 91:02**

- “(6) Every company carrying on Motor Vehicles Insurance (Third Party Risks) Business in Guyana immediately before the commencement of the Insurance Enactments (Amendment) Act 1985 shall, within two months of such commencement, make application in accordance with this section to the Commissioner for registration and, subject to this Act, the Commissioner shall within one month after the receipt of the application, if satisfied that the application is in accordance with the provisions of this Act, register the company.”.

16. Section 18 of the Insurance Act is hereby amended as follows —

**Amendment
of section 18
of the
Insurance
Act.
Cap. 91:02**

- (1) by substituting in subsection (1) for the words “1 to 4” the words “1 to 4A”, for the full stop at the end a colon and by adding the following proviso —

“Provided that after the commencement of the Insurance Enactments (Amendment) Act 1985 every insurance company carrying on Motor Vehicles Insurance (Third Party Risks) Business shall make a deposit of two hundred and fifty thousand dollars as aforesaid, even where such insurance company makes a deposit in respect of any other class of insurance business.”;

- (2) by inserting after subsection (7) the following subsections as subsections (7A) and (7B) —

Cap. 51:03

“(7A) Where at the commencement of the Insurance Enactments (Amendment) Act 1985, any amount or security is, in pursuance of the Motor Vehicles Insurance (Third Party Risks) Act held by the Accountant General by way of deposit on account of a company carrying on Motor Vehicles Insurance (Third Party Risks) Business, the Accountant General shall forthwith pay the amount, or transfer the security, to the Commissioner.

(7B) Any amount or security on account of a company which is paid or transferred to the Commissioner in compliance with subsection (7A) shall, to the extent of the deposit required to be lodged by the company under this section, be held by the Commissioner as part of the deposit so required.”.

Amendment of the First Schedule to the Insurance Act.
Cap. 91:03

17. The First Schedule to the Insurance Act is hereby amended by inserting after paragraph 4 the following paragraph as paragraph 4A —

“4A. Motor Vehicles Insurance (Third Party Risks) Business, that is to say, the issue of or the undertaking of liability in respect of a policy of Insurance issued under the Motor Vehicles Insurance (Third Party Risks) Act.”.

Cap. 51:03

PART IV

TRANSITIONAL

Certificate of insurance, etc., not to be rendered void or ineffective.
Cap. 51:03

18. The amendments made by this Act in the Motor Vehicles Insurance (Third Party Risks) Act shall not be construed as rendering ineffective or void a valid certificate of insurance or a certificate of security issued or a deposit made, under that Act before the commencement of this Act and any such certificate or deposit shall, subject to the other provisions of this Act and the conditions under which such certificate or deposit was issued or made continue to be effective and in force as if this Act had not been enacted.

Removal of difficulty.

19. Without prejudice to the foregoing provisions of this Act, the Minister if he thinks it necessary or expedient to do so may, by order which shall be subject to negative resolution of the National Assembly, amend any of the provisions of the

Motor Vehicles Insurance (Third Party Risks) Act and the Insurance Act, including those provisions amended by this Act, **Cap. 91:02** for the purpose of removing any difficulty which may arise in giving effect to the provisions of this Act.

20. The Minister may, by order, extend the time within **Order.** which an authorised insurer shall comply with the provisions of sections 9(4A) and (4B) and 10(6) of the Insurance Act. **Cap. 91:02**

EXPLANATORY MEMORANDUM

PART II of the Bill seeks to amend the Motor Vehicles Insurance (Third Party Risks) Act, **Cap. 51:03** —

- (i) so as to provide that hereafter only a policy of insurance shall be issued in respect of third party risks in connection with the use of a motor vehicle, by deleting the provisions relating to giving of security and issuing a certificate of security instead of a policy of insurance (by the repeal of sections 5, 17 and 20, and amendments to sections 3, 4, 6, 7, 9, 21 and 25 of the Act);
- (ii) so as to make the authorised insurer liable also for damage to the property of any person caused by the use of a motor vehicle up to a sum of twenty-five thousand dollars for one claim by one person and one hundred and twenty-five thousand dollars for a series of claims by different persons in respect of one accident (by the insertion of new subsections (1A), (1B) and (1C) in section 4 of the Act);
- (iii) so as to increase the liability of an authorised insurer in the case of death or of bodily injury to any person from five thousand dollars to fifty thousand dollars for any one claim by any one person and from fifty thousand dollars to five hundred thousand dollars for the total claims for any one accident by one vehicle (by amendments to paragraphs (v) and (vi) of the proviso to section 4(1) (b) of the Act);
- (iv) so as to increase medical fees for emergency treatment from three dollars to twenty-five dollars and travelling allowance from ten cents to one dollar per mile (by amendment to section 18(1) of the Act).

PART III of the Bill seeks to amend the Insurance Act, **Cap. 91:02** —

- (i) so as to make the provisions of the Insurance Act applicable to a company carrying on Motor Vehicles Insurance (Third Party Risks) Business in Guyana (by amendments to sections 9, 10, 18 of, and the First Schedule to the Act);

- (ii) so as to prescribe the time within which a company carrying on Motor Vehicles Insurance (Third Party Risks) Business in Guyana, shall make application for registration to, and be registered by, the Commissioner of Insurance to carry on such insurance business (by the insertion of sections 9 (4B) and 10 (6) in the Act);
- (iii) so as to provide for the transfer of any amount or security, held by the Accountant General by way of deposit for a company carrying on Motor Vehicles Insurance (Third Party Risks) Business, to the Commissioner of Insurance to be held by him as part of the deposit required to be lodged by such company (by the insertion of subsections (7A) and (7B) in section 18 of the Act);
- (iv) so as to make the provisions of the Act applicable in relation to the cash to be deposited or security to be given by a company carrying on Motor Vehicles Insurance (Third Party Risks) Business in Guyana (by amendment to section 18 (1) of the Act).

PART IV of the Bill seeks to make certain transitional provisions —

- (i) so as to provide that a valid certificate of insurance or certificate of security issued or a deposit made under the Motor Vehicles Insurance (Third Party Risks) Act before the commencement of the amendments proposed in this Bill shall, subject to the conditions under which it was issued, given or made, as the case may be, remain in force until the expiry of the period for which it is valid;
- (ii) so as to provide that the Minister may by order, for the purpose of removing any difficulty which may arise in giving effect to the provisions of this Act, amend any of the provisions of the Motor Vehicles Insurance (Third Party Risks) Act and the Insurance Act;
- (iii) so as to provide that the Minister may, by order, extend the time within which an authorised insurer shall comply with the provisions of sections 9(4A) and (4B) and 10(6) of the Insurance Act.

Carl B. Greenidge,
Minister of Finance.

(Bill No. 1/1985).

(ST: 34/2/17)