

15/01/97

No. 47 of 1996.

Motor Vehicles (Third Party Insurance) (Amendment) Act 1996.

Certified on : 20.12.96

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1996.

Motor Vehicles (Third Party Insurance) (Amendment) Act 1996.

ARRANGEMENT OF SECTIONS.

1. Interpretation (Amendment of Section 1).
2. Repeal and replacement of Section 4.

"4. CONSTITUTION OF THE TRUST."

3. Repeal of Section 5.
4. Powers of the Trust (Amendment of Section 14).
5. Repeal and replacement of Section 19.

"19. TERMS AND CONDITIONS OF DIRECTORS, ETC.,"

6. Payments out of the Fund (Amendment of Section 35).
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10. Statement by owner as to insurance (Amendment of Section 63).

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1996.

AN ACT

entitled

Motor Vehicles (Third Party Insurance) (Amendment) Act 1996,

Being an Act to amend the *Motor Vehicles (Third Party Insurance) Act* (Chapter 295),

MADE by the National Parliament.

1. INTERPRETATION (AMENDMENT OF SECTION 1).

Section 1 of the Principal Act is amended in Paragraph (b) of the definition of "premium" by repealing the words "the policy" and replacing them with the following:-

"the certificate".

2. REPEAL AND REPLACEMENT OF SECTION 4.

Section 4 of the Principal Act is repealed and is replaced with the following:-

"4. CONSTITUTION OF THE TRUST.

(1) The Trust shall consist of -

- (a) the Departmental Head, *ex officio*, or his nominee; and
- (b) the Departmental Head of the Department responsible for justice matters, *ex officio*, or his nominee; and

(c) six directors, appointed by the Minister by notice in the National Gazette, of whom -

- (i) two shall be appointed from a list of not less than four persons submitted by insurers licensed under the *Insurance Act 1995* within 30 days of being notified of the need to fill a vacancy; and
- (ii) two shall be appointed from a list of not less than four persons with recognized professional qualifications and a proven background of commercial or professional competence submitted by the Trust; and
- (iii) two shall be appointed from a list of not less than four persons submitted by the Business Council of Papua New Guinea within 30 days of being notified of the need to fill a vacancy.

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"(2) Where any of the bodies referred to in Subsection (1)(c)(i), (ii) or (iii) fails to nominate a person or persons or to nominate sufficient persons, for appointment as a director or directors under that subsection, the Minister may, by notice in the National Gazette, appoint a person or persons to be a director or directors, as the case may be.

"(3) A director appointed under Subsection (1)(c) shall be appointed for a period not exceeding three years and is eligible for re-appointment.

"(4) Subject to this Act, a director appointed under Subsection (1)(c) -
(a) may resign from office by written notice to the Minister; and
(b) may be removed from office by the Minister on the grounds of inefficiency, inability, incapacity or misbehaviour.

"(5) Where a director resigns or is removed from office the Minister shall immediately inform -

(a) the Trust; and
(b) where the director was appointed under Subsection (1)(c)(i) or (iii), the body by whom he was nominated."

3. REPEAL OF SECTION 5.

Section 5 of the Principal Act is repealed.

4. POWERS OF THE TRUST (AMENDMENT OF SECTION 14).

Section 14 of the Principal Act is amended by inserting after Subsection (1) the following new subsection:-

"(1A) Without prejudicing the generality of Subsection (1), the Trust may incorporate or cause to be incorporated a limited company or limited companies under the *Companies Act* (Chapter 146) in order to carry out all or any of its activities, duties or responsibilities under this or any other Act."

5. REPEAL AND REPLACEMENT OF SECTION 19.

Section 19 of the Principal Act is repealed and is replaced with the following:-

"19. TERMS AND CONDITIONS OF DIRECTORS, ETC.,

The Minister may determine the remuneration, terms and conditions for directors, which shall be payable out of the Fund."

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6. PAYMENTS OUT OF THE FUND (AMENDMENT OF SECTION 35).

Section 35 of the Principal Act is amended by adding the following new Paragraph:-

"(d) annual dividends to the State of an amount determined by the Board and paid annually."

7. INVESTMENT OF MONEY STANDING TO THE CREDIT OF THE FUND (AMENDMENT OF SECTION 37).

Section 37 of the Principal Act is amended by adding the following new Paragraph:-

"(c) in any manner authorized by Section 57 of the *Public Finances (Management) Act 1995*.

8. ACCOUNTS AND RECORDS (AMENDMENT OF SECTION 44).

Section 44(a) of the Principal Act is amended by repealing the words "in such form as is approved by the Commissioner" and replacing it with the following:-

"to recognized international standards".

9. REPEAL OF SECTION 45.

Section 45 of the Principal Act is repealed.

10. STATEMENT BY OWNER AS TO INSURANCE (AMENDMENT OF SECTION 63).

Section 63(1) of the Principal Act is amended by repealing the words "the policy" and replacing them with the following:-

"the certificate".

I hereby certify that the above is a fair print of the *Motor Vehicles (Third Party Insurance) (Amendment) Act 1996* which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the *Motor Vehicles (Third Party Insurance) (Amendment) Act 1996* was made by the National Parliament on 11 December 1996.

Speaker of the National Parliament.