



## ST. CHRISTOPHER AND NEVIS

### CHAPTER 15.02

# MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT and Subsidiary Legislation

#### Revised Edition

showing the law as at 31 December 2002

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, Cap. 1.03.

This edition contains a consolidation of the following laws—

#### **MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT**

**Act 19 of 1960** ... in force 1st July 1961

Amended by: Act 15 of 1965

Act 6 of 1976

Act 7 of 1976

Act 9 of 1986

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## **CHAPTER 15.02**

### **MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT**

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SCHEDULE: Motor Vehicles Insurance (Third-Party Risks) Rules



**CHAPTER 15.02****MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT**

AN ACT TO MAKE PROVISION RESPECTING POLICIES OF INSURANCE RELATING TO THIRD-PARTY RISKS; AND TO PROVIDE FOR RELATED OR INCIDENTAL MATTERS.

**Short title.**

1. This Act may be cited as the Motor Vehicles Insurance (Third-Party Risks) Act.

**Interpretation.**

2. In this Act—

“Accountant-General” means the officer for the time being performing the duties of Accountant-General of the State;

“driver”, where a separate person acts as steersman of a motor vehicle, includes that person as well as any other person engaged in the driving of the vehicle, and the expression “drive” shall be construed accordingly;

“insurer” means—

(a) an Assurance Company or Underwriter approved by the Minister of Finance;

(b) any person or body of persons which carries on in the State the business of giving security of a like kind and which has deposited and keeps deposited with the Accountant-General the sum of \$50,000 or approved securities to the like amount in respect of that business, and approved by the Minister of Finance;

*(Amended by Act 6 of 1976)*

“invalid carriage” means a mechanically propelled vehicle the weight of which unladen does not exceed five hundredweight and which is specially designed and constructed, and not merely adapted, for the use of persons suffering from some physical defect or disability and is used solely by such persons;

“local authority” means any authority which the Minister shall by order published in the *Gazette*, declare to be a local authority for the purposes of this Act;

*(Amended by Act 6 of 1976)*

“motor vehicle” means any mechanically propelled vehicle intended or adapted for use on roads;

“owner”, in relation to a vehicle which is the subject of a hiring agreement or hire purchase agreement, means the person in possession of the vehicle under the agreement;

“public road” means any street, road or open space to which the public are granted access, and any bridge over which a road passes, and includes any privately owned street, road or open space to which the public are granted access either generally or conditionally.

**Motor vehicles to be insured against third-party risks.**

3. (1) Subject to the provisions of this Act, it shall not be lawful for any person to use, or cause or permit any other person to use, a motor vehicle on a public road unless there is in force in relation to the user of the motor vehicle by that person or

that other person, as the case may be, such a policy of insurance or such a security in respect of third-party risks as complies with the requirements of this Act.

(2) If a person acts in contravention of this section, he or she shall be liable, on summary conviction, to fine not exceeding one thousand five hundred dollars or to imprisonment for a term not exceeding three months or to both such fine and imprisonment and a person convicted of an offence under this section shall (unless the Court for special reasons thinks fit to order otherwise and without prejudice to the power of the Court to order a longer period of disqualification) be disqualified from holding or obtaining a driver's licence under the Vehicles and Road Traffic Act, Cap. 15.06 for a period of twelve months from the date of the conviction.

*(Amended by Acts 7 of 1976 and 9 of 1986)*

(3) A person disqualified by virtue of a conviction under this section or of an order made thereunder for holding or obtaining a driver's licence shall for the purposes of the Vehicles and Road Traffic Act, be deemed to be disqualified by virtue of a conviction under the provisions of that Act.

(4) This section shall not apply to a motor vehicle owned by the Government of the State or by any local authority in the State whilst the vehicle is being used for the purpose of the Government or local authority owning the vehicle, or to invalid carriages.

#### **Requirements in respect of policies.**

4. (1) In order to comply with the requirements of this Act, a policy of insurance must be a policy which—

- (a) is issued by a person who is an insurer; and
- (b) insures such person, persons or classes of persons as may be specified in the policy in respect of any liability which may be incurred by him or her or them in respect of the death of or bodily injury to any person caused by or arising out of the use of the motor vehicle on a public road:

Provided that such a policy shall not be required to cover—

- (i) liability in respect of the death arising out of and in the course of his or her employment of a person in the employment of a person insured by the policy or of bodily injury sustained by such a person arising out of and in the course of his or her employment; or
- (ii) except in the case of a motor vehicle in which passengers are being carried for hire or reward or by reason of or in pursuance of a contract of employment, liability in respect of the death of or bodily injury to persons being carried in or upon or entering or getting on to or alighting from the motor vehicle at the time of the occurrence of the event out of which the claims arise; or
- (iii) any contractual liability; or
- (iv) liability in respect of the first fifty dollars of any claim by any one person; or
- (v) liability in respect of any sum in excess of five thousand dollars arising out of any one claim by any one person; or

- (vi) liability in respect of any sum in excess of fifty thousand dollars arising out of the total claims for any one accident for each vehicle concerned.

*(Amended by Act 6 of 1976)*

(2) Notwithstanding anything in any enactment contained a person issuing a policy of insurance for the purposes of this Act shall be liable to indemnify the persons or classes of persons specified in the policy in respect of any liability which the policy purports to cover in the case of those persons or classes of persons.

(3) A policy shall be of no effect for the purposes of this Act unless and until there is issued by the insurer in favour of the person by whom the policy is effected a certificate (in this Act referred to as a “certificate of insurance”) in the prescribed form and containing such particulars of any conditions subject to which the policy is issued and of any other matters as may be prescribed, and different forms and different particulars may be prescribed in relation to different cases or circumstances.

- (4) In this Act the expression “policy of insurance” includes a covering note.

#### **Requirements in respect of securities.**

5. (1) In order to comply with the requirements of this Act, a security must—

- (a) be given by an insurer; and
- (b) consist of an undertaking by the giver of the security to make good, subject to any conditions specified therein, and up to an amount not less than fifty thousand dollars in respect of each motor vehicle any failure by the owner of the motor vehicle or such other person or classes of persons as may be duly specified in the security duly to discharge any such liability as is required to be covered by a policy of insurance under the last preceding section which may be incurred by him or her or them.

*(Amended by Act 6 of 1976)*

(2) A security shall be of no effect for the purposes of this Act unless and until there is issued by the person giving the security in favour of the person to whom it is given a certificate (in this Act referred to as a “certificate of security”) in the prescribed form and containing such particulars of any conditions subject to which the security is issued and of any other matters as may be prescribed, and different forms and different particulars may be prescribed in relation to different cases or circumstances.

(3) *In lieu* of the security mentioned in this section a deposit may be made by the owner of the motor vehicle or by the person who stands security for him or her of the sum of fifty thousand dollars or approved securities to the like amount in the hands of the Accountant-General to make good any liability as is specified in this Act.

*(Amended by Act 6 of 1976)*

#### **Certain conditions to policies or securities to be of no effect.**

6. Any condition in a policy or security issued or given for the purposes of this Act providing that no liability shall arise under the policy or security or that any liability so arising shall cease in the event of some specified thing being done or omitted to be done after the happening of the event giving rise to a claim under the policy or security shall be of no effect in connection with such claims as are mentioned in paragraph (b) of subsection (1) of section 4:

Provided that nothing in this section shall be taken to render void any provision in a policy or security requiring the person insured or secured to repay to the insurer or the giver of the security any sums which the latter may have become liable to pay under the policy or security and which have been applied to the satisfaction of the claims of third parties.

**Duty of insurers to satisfy judgments against persons insured in respect of third-party risks.**

7. (1) If after a certificate of insurance has been issued under subsection (3) of section 4 in favour of the person by whom a policy has been effected, judgment in respect of any such liability as is required to be covered by a policy under paragraph (b) of subsection (1) of section 4 (being a liability covered by the terms of the policy) is obtained against any person insured by the policy, then, notwithstanding that the insurer may be entitled to avoid or cancel, or may have avoided or cancelled, the policy, the insurer shall, subject to the provisions of this section, pay to the persons entitled to the benefit of the judgment any sum payable thereunder in respect of the liability, including any amount payable in respect of costs and any sum payable in respect of interest on that sum by virtue of any enactment relating to interest on judgments.

(2) No sum shall be payable by an insurer under the foregoing provisions of this section—

- (a) in respect of any judgment, unless before or within seven days after the commencement of the proceedings in which the judgment was given, the insurer had notice of the bringing of the proceedings; or
- (b) in respect of any judgment so long as execution of the judgment is stayed pending an appeal; or
- (c) in connection with any liability, if before the happening of the event which was the cause of the death or bodily injury giving rise to the liability, the policy was cancelled by mutual consent or by virtue of any provision contained therein, and either—
  - (i) before the happening of the said event the certificate was surrendered to the insurer, or the person in whose favour the certificate was issued made a statutory declaration stating that the certificate had been lost or destroyed; or
  - (ii) after the happening of the said event, but before the expiration of a period of fourteen days from the taking effect of the cancellation of the policy, the certificate was surrendered to the insurer, or the person in whose favour the certificate was issued made such a declaration as aforesaid; or
  - (iii) either before or after the happening of the said event, but within the said period of fourteen days, the insurer has commenced proceedings under this Act in respect of the failure to surrender the certificate.

(3) No sum shall be payable by an insurer under the foregoing provisions of this section, if, in an action commenced before, or within three months after, the commencement of the proceedings in which the judgment was given he or she has obtained a declaration that apart from any provision contained in the policy he or she is entitled to avoid it on the ground that it was obtained by the non-disclosure of a material fact or by a representation of fact, which was false in some material

particular, or if he or she has avoided the policy on that ground that he or she was entitled so to do apart from any provision contained in it:

Provided that an insurer who has obtained such a declaration as aforesaid in an action shall not thereby become entitled to the benefit of this subsection as respects any judgment obtained in proceedings commenced before the commencement of that action unless before or within seven days after the commencement of that action he or she has given notice thereof to the person who is the plaintiff in the proceedings specifying the non-disclosure or false representation on which he or she proposes to rely and any person to whom notice of such action is so given shall be entitled, if he or she thinks fit, to be made a party thereto.

(4) If the amount which an insurer becomes liable under this section to pay in respect of a liability of a person insured by a policy exceeds the amount for which he or she would, apart from the provisions of this section, be liable under the policy in respect of that liability, he or she shall be entitled to recover the excess from that person.

(5) In this section, the expression “material” means material of such a nature as to influence the judgment of a prudent insurer in determining whether he or she will take the risk, and, if so, at what premium and on what conditions, and the expression “liability covered by the terms of the policy” means a liability which is covered by the policy or which would be so covered but for the fact that the insurer is entitled to avoid or cancel, or has avoided or cancelled, the policy.

(6) In this Act references to a certificate of insurance in any provision relating to the surrender or the loss or destruction of a certificate of insurance shall in relation to policies under which more than one certificate is issued be construed as references to all the certificates and shall where any copy has been issued of any certificate be construed as including a reference to that copy.

#### **Bankruptcy, etc., of insured persons not to affect certain claims by third parties.**

8. Where a certificate of insurance has been issued under subsection (3) of section 4 in favour of the person by whom a policy has been effected, the happening in relation to any person insured by the policy of any such event as is mentioned in subsection (1) or subsection (2) of section 2 of the Third Parties (Rights against Insurers) Act, Cap. 5.17, shall, notwithstanding anything in this Act, not affect any such liability of that person as is required to be covered by a policy under paragraph (b) of subsection (1) of section 4 but nothing in this section shall affect any rights against the insurer conferred by this Act on the person to whom the liability was incurred.

#### **Avoidance of restrictions on scope of policies covering third-party risks.**

9. Where a certificate of insurance has been issued under subsection (3) of section 4 in favour of the person by whom a policy has been effected, so much of the policy as purports to restrict the insurance of the persons insured thereby by reference to any of the following matters—

- (a) the age or physical or mental condition of persons driving the vehicle;
- (b) the condition of the vehicle;
- (c) the number of persons that the vehicle carries;
- (d) the weight or physical characteristics of the goods that the vehicle carries;
- (e) the times at which or the areas within which the vehicle is used;

- (f) the horse power or value of the vehicle;
- (g) the carrying on the vehicle of any particular apparatus; or
- (h) the carrying on the vehicle of any particular means of identification other than any means of identification required to be carried by or under the Vehicles and Road Traffic Act, Cap. 15.06,

shall, as respect such liabilities as are required to be covered by a policy under paragraph (b) of subsection (1) of section 4, be of no effect:

Provided that nothing in this section shall require an insurer to pay any sum in respect of the liability of any person otherwise than in or towards the discharge of that liability and any sum paid by an insurer which is covered by the policy by virtue only of this section shall be recoverable by the insurer from that person.

#### **Duty to give information to third parties.**

**10.** (1) Any person against whom a claim is made in respect of any such liability as is required to be covered by a policy under paragraph (b) of subsection (1) of section 4 shall, on demand by or on behalf of the person making the claim, state whether or not he or she was insured in respect of that liability by any policy having effect for the purposes of this Act, or would have been so insured if the insurer had not avoided or cancelled the policy, and, if he or she was or would have been so insured, give such particulars with respect to that policy as were specified in the certificate of insurance issued in respect thereof under subsection (3) of section 4.

(2) If without reasonable excuse any person fails to comply with the provisions of this section, or wilfully makes any false statement in reply to any such demand as aforesaid, he or she commits an offence against this Act, and shall be liable, on summary conviction, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months.

*(Amended by Act 9 of 1986)*

#### **Duty to surrender certificate on cancellation of policy.**

**11.** Where a certificate of insurance has been issued under subsection (3) of section 4 in favour of the person by whom a policy has been effected and the policy is cancelled by mutual consent or by virtue of any provision in the policy, the person in whose favour the certificate was issued shall, within seven days from the taking effect of the cancellation, surrender the certificate to the insurer, or if it has been lost or destroyed, make a statutory declaration to that effect, and if he or she fails so to do he or she commits an offence against this Act, and shall be liable, on summary conviction, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months.

*(Amended by Act 9 of 1986)*

#### **Application of sections 7 to 11 to securities.**

**12.** The provisions of sections 7 to 11 inclusive shall apply in relation to securities having effect for the purposes of this Act as they apply in relation to policies of insurance, and in relation to any such security as aforesaid, references in the said sections to being insured, to a certificate of insurance, to an insurer, and to persons insured, shall be construed respectively as references to the having in force the security, to the certificate of security, to the giver of the security and to the persons whose liability is covered by the security.

**Saving as to preservation of rights in case of death of an insured.**

13. (1) The rights of any person in respect of any liability incurred by an insured shall, in the event of the death of the insured, be preserved to and be enforceable by such person against the personal representatives of the insured in the same manner and to the same extent as such rights would have been enforceable against the insured if he or she had survived and the provisions of subsection (2) of section 4 shall apply accordingly.

(2) In this section the word "insured" means a person who is insured under a contract of insurance against liabilities to third parties or in respect of whom security or a deposit *in lieu* thereof is given in accordance with the provisions of this Act.

**Requirements as to production of certificate of insurance or of security.**

14. (1) Any person driving a motor vehicle on a public road shall, on being so required by any police officer, give his or her name and address and the name and address of the owner of the motor vehicle and produce his or her certificate and if he or she fails so to do he or she commits an offence against this Act, and shall be liable, on summary conviction, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months:

Provided that if the driver of a motor vehicle within five days after the date on which the production of his or her certificate was so required produces the certificate in person at such police station as may have been specified by him or her at the time its production was required, he or she shall not be convicted under this subsection of the offence of failing to produce his or her certificate to the police officer.

*(Amended by Act 9 of 1986)*

(2) It shall be the duty of the owner of a motor vehicle to give such information as he or she may be required by or on behalf of any police officer not below the rank of sergeant to give as to the identity of the driver of the motor vehicle on any occasion when the driver was required under subsection (1) to produce the certificate, and if the owner fails to do so, he or she commits an offence against this Act, and shall be liable, on summary conviction, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months.

*(Amended by Act 9 of 1986)*

(3) If in any case where, owing to the presence of a motor vehicle on a road, an accident occurs involving personal injury to another person, the driver of the motor vehicle does not at the time produce his or her certificate to a police officer or to some person who, having reasonable grounds for so doing has required its production, the driver shall report the accident at a police station as soon as possible, and in any case within twenty-four hours of the occurrence of the accident, and there produce his or her certificate, and if he or she fails to do so he or she commits an offence against this Act, and shall be liable, on summary conviction, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months:

Provided that a person shall not be convicted under this subsection of the offence of failing to produce his or her certificate if within five days after the occurrence of the accident he or she produces the certificate in person at such police station as may be specified by him or her at the time the accident was reported.

*(Amended by Act 9 of 1986)*

(4) In this section, the expression "produce his or her certificate" means produce for examination the relevant certificate of insurance or certificate of security

or such other evidence as may be prescribed that the motor vehicle is not or was not being driven in contravention of section 3.

### Deposits.

15. If any sum is deposited by any person under the provisions of subsection (3) of section 5 no part of such sum shall so long as any liabilities being such liabilities as are required to be covered by a policy of insurance under this Act which have been incurred by him or her have not been discharged or otherwise provided for be applicable in discharge of any other liabilities incurred by him or her.

### Unlawful user of certificates, etc.

16. (1) If, with intent to deceive, any person—

- (a) uses or lends to or allows to be used by any other person, a certificate of insurance or certificate of security within the meaning of this Act; or
- (b) has in his or her possession any document so closely resembling such a certificate as to be calculated to deceive,

he or she commits a misdemeanour and shall be liable, on conviction on indictment, to imprisonment for two years.

(2) If any person, for the purpose of obtaining the issue of a certificate of insurance or of a certificate of security under this Act, makes any false statement or withholds any material information, he or she shall be liable, on summary conviction, to a fine not exceeding one thousand five hundred dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

*(Amended by Acts 7 of 1976 and 9 of 1986)*

(3) If any person issues a certificate of insurance or certificate of security which is to his or her knowledge false in any material particular he or she shall be liable, on summary conviction, to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

*(Amended by Act 9 of 1986)*

(4) If any police officer has reasonable cause to believe that any certificate of insurance or certificate of security produced to him or her in pursuance of the provisions of this Act by the driver of a motor vehicle is a document in relation to which an offence under this section has been committed he or she may seize the document, and when any document is seized under this section, the person from whom it was taken shall, unless previously charged with an offence under this section, be summoned before a Magistrate's Court to account for his or her possession of the document, and the Magistrate shall make such order respecting the disposal of the document and award such costs as the justice of the case may require.

### Rules.

17. (1) The Minister responsible for Communications may make rules for prescribing anything which may be prescribed under this Act, and generally for the purpose of carrying this Act into effect, and in particular, but without prejudice to the generality of the foregoing provisions, may make rules—

- (a) as to the forms to be used for the purposes of this Act;
- (b) as to applications for the issue of certificates of insurance and certificates of security and any other documents which may be

prescribed and as to the keeping of records of documents and the furnishing of particulars thereof or the giving of information with respect thereto to the Chief of Police;

- (c) as to the issue of copies of any such certificates or other documents which are lost or destroyed;
- (d) as to the custody, production, cancellation and surrender of any such certificates or other documents;
- (e) for providing that any provisions of this Act shall, in relation to motor vehicles brought into the State by persons making only a temporary stay therein, have effect subject to such modifications and adaptations as may be prescribed;
- (f) with respect to the payment of deposits under this Act and the investment thereof or dealing therewith, the deposit of stocks or other securities *in lieu* of money, the payment of the interest or dividends from time to time accruing due on any securities in which deposits are for the time being invested and the withdrawal and transfer of deposits.

*(Amended by Act 6 of 1976)*

(2) Unless and until other provisions shall be made under subsection (1), the Rules contained in the Schedule shall have effect.

(3) Rules made under this section may prescribe penalties not exceeding six months imprisonment or a fine of one thousand dollars for any breach thereof.

*(Amended by Act 9 of 1986)*

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**SCHEDULE***(Section 17(2))***MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) RULES****PART I****PRELIMINARY****Short Title.**

1. These Rules may be cited as the Motor Vehicles Insurance (Third-Party Risks) Rules.

**Interpretation.**

2. In these Rules, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them—

“Chief of Police” includes any police officer of or above the rank of sergeant;

“Government” means the Government of the State;

“Act” means the Motor Vehicles Insurance (Third-Party Risks) Act;

“owner”, in relation to a motor vehicle which is the subject of a hire-purchase agreement, means the person in possession of the motor vehicle under that agreement;

“policy” means such policy of insurance in respect of third-party risks arising out of the use of motor vehicles as complies with the requirements of the Act and includes a covering note;

“security” means such security in respect of third-party risks arising out of the use of motor vehicles as complies with the requirements of the Act;

“Accountant-General” includes any Treasury Officer.

**PART II****CERTIFICATES OF INSURANCE ETC****Certificates of Insurance and of Security.**

3. (1) An insurer shall issue to every holder of a security or of a policy other than a covering note issued by the insurer—

(a) in the case of a policy or security relating to a specified vehicle or to specified vehicles a certificate of insurance in Form A or a certificate of security in Form D set out in the Schedule to these Rules in respect of each such vehicle;

(b) in the case of a policy or security not relating to any specified vehicle or vehicles such number of certificates in the Form B or D set out in the Schedule to these Rules as may be necessary to enable the

requirements of section 14 of the Act and of these Rules as to the production of evidence that a motor vehicle is not being driven in contravention of section 3 of the Act to be complied with.

(2) Every policy in the form of a covering note issued by an insurer shall have printed thereon or on the back thereof a certificate of insurance in the Form C set out in the Schedule to these Rules.

#### **Authentication of Certificates.**

4. (1) Every certificate of insurance or certificate of security shall be duly authenticated by or on behalf of the insurer by whom it is issued.

(2) The certificate aforesaid shall be issued not later than four days after the date on which the policy or security is issued or renewed.

#### **Issue of further Certificate.**

5. Where under the terms of a policy or security relating to a specified motor vehicle the holder is entitled to drive any other motor vehicle than that specified without contravention of section 3 of the Act, the insurer by whom the policy or security was issued may and shall on demand being made to him or her by the holder issue to him or her a further certificate of insurance in Form A or B set out in the Schedule to these Rules or a further certificate of security, as the case may be.

#### **Evidence Alternative to Certificates.**

6. The following evidence that a motor vehicle is not being driven in contravention of section 3 of the Act may be produced by the driver of such motor vehicle on the request of a police officer in pursuance of section 14 of the Act as an alternative to the production of a certificate of insurance or a certificate of security—

- (a) in the case of a motor vehicle of which the owner has for the time being deposited with the Accountant-General the sum of fifty thousand dollars in accordance with the provisions of subsection (3) of section 5 of the Act, a certificate in the Form E set out in the Schedule to these Rules signed by the Accountant-General and by the owner of the motor vehicle or by some person authorised by him or her in that behalf;
- (b) in the case of a motor vehicle owned by the Government of the State or by a local authority in the State or used and employed exclusively in the Crown's service, a certificate in the Form F set out in the Schedule to these Rules signed by a duly authorised officer of the Government department or Authority in whose possession or use such vehicle may be.

*(Amended by Act 6 of 1976)*

#### **Certificates to be destroyed in certain events.**

7. Any certificate issued in accordance with paragraph (a) or (b) of rule 6 shall be destroyed by the person by whom it was issued before the motor vehicle to which it relates is sold or otherwise disposed of.

#### **Nature of Certificate.**

8. (1) Every certificate issued in pursuance of the Act and of these Rules shall be printed and completed in black on white paper or similar material.

(2) No certificates so issued shall contain any advertising matter either on the face or on the back thereof:

Provided that the name and address of an insurer by whom a certificate is issued or a reproduction of the seal of the insurer or any monogram or similar device of the insurer or the name and address of an insurance broker shall not be deemed to be advertising matter for the purposes of this rule if it is printed or stamped at the foot or on the back of such certificate.

#### **Production of Certificate.**

**9.** Any person applying for a licence under section 15 of the Vehicles and Road Traffic Act, as amended by any subsequent enactment, shall produce to the Licensing Officer a certificate of insurance or a certificate of security indicating that on the date when the licence comes into operation there will be in force a policy or a security in relation to the user of the motor vehicle by the applicant or by other persons on his or her order or with his or her permission:

Provided that there may be produced *in lieu* thereof—

- (a) in the case of a motor vehicle of which the owner has for the time being deposited with the Accountant-General the sum of fifty thousand dollars in accordance with the provisions of subsection (3) of section 5 of the Act a certificate, signed by the Accountant-General and by the owner of the vehicle or by some person authorized by him or her in that behalf, that such deposit has been made;
- (b) in the case of motor vehicles owned by the Government of the State or by a local Authority in the State or used and employed exclusively in the Crown's service a certificate, signed by a duly authorized officer of the Government department or Authority in whose possession or use such vehicle may be, that the vehicles in respect of which the application for a licence is made are owned by the Government of the State or by the local Authority, or used and employed exclusively in the Crown's Service.

*(Amended by Act 6 of 1976)*

#### **Records.**

**10.** (1) Every insurer by whom a policy or a security is issued shall keep a record of the following particulars relative thereto and of any certificates issued in connection therein—

- (a) the full name and address of the person to whom the policy, security or certificate is issued;
- (b) in the case of a policy or security relating to a specified motor vehicle or to specified motor vehicles the index mark and registration number of each such motor vehicle;
- (c) the date on which the policy or security comes into force and the date on which it expires;
- (d) in the case of a policy the conditions subject to which the persons or classes of persons specified in the policy will be indemnified;
- (e) in the case of a security the conditions subject to which the undertaking given by the insurer under the security will be implemented.

(2) Every such record shall be preserved for one year from the date of expiry of the policy or security.

(3) Every local Authority shall keep a record of the motor vehicles owned by the Authority in respect of which a policy or a security has not been obtained and of any certificate issued by the Authority under these Rules in respect of such motor vehicles, and of the withdrawal or destruction of any such certificates.

(4) Any person who has deposited and keeps deposited with the Accountant-General the sum of fifty thousand dollars in pursuance of subsection (3) of section 5 of the Act shall keep a record of the motor vehicles owned by him or her and of any certificates issued by him or her under these Rules in respect of such motor vehicles and of the withdrawal or destruction of any such certificates.

*(Amended by Act 6 of 1976)*

(5) Any person, authority or insurer by whom records of documents are required to be kept by these Rules shall, without charge, furnish to the Accountant-General or to the Chief of Police on request any particulars thereof.

**Notification that Policy or Security has ceased to be effective.**

11. Where to the knowledge of an insurer a policy or security issued by him or her ceases to be effective without the consent of the person to whom it was issued otherwise than by effluxion of time or by reason of his or her death the insurer shall forthwith notify the Chief of Police of the date on which the policy or security ceased to be effective.

**Return of Certificates.**

12. Where with the consent of the person to whom it was issued a policy or security is transferred or suspended or ceases to be effective otherwise than by effluxion of time such person shall forthwith return any relative certificates to the insurer by whom they were issued and a new policy or security shall not be issued to that person, nor shall the said policy or security be transferred to any other person unless and until the certificates have been returned to the insurer or the insurer is satisfied that they have been lost or destroyed.

**Issue of fresh certificate.**

13. Where any insurer by whom a certificate of insurance or a certificate of security has been issued is satisfied that the certificate has become defaced or has been lost or destroyed he or she shall, if requested so to do by the person to whom the certificate was issued, issue to him or her a fresh certificate.

**Declarations.**

14. Every statutory declaration made for the purposes of paragraph (c) of subsection (2) of section 7 or of section 11 of the Act shall be delivered to the insurer in like manner as though it were a certificate.

## PART III

## CERTIFICATES OF FOREIGN INSURANCE

**Interpretation.**

15. In this Part of these Rules, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them—

“issuing authority” means the Licensing Officer appointed under the provisions of the Vehicles and Road Traffic Act;

“motor vehicle” means a motor vehicle brought into the State by a visitor;

“visitor” means a person bringing a motor vehicle into the State from a place outside the State and making only a temporary stay in the State.

**Application by visitors for Certificate of Foreign Insurance.**

16. A visitor who is a holder of a policy of insurance issued in any place outside the State in respect of third party risks arising out of the driving by him or her of a motor vehicle in the State may make application to the issuing authority for a certificate (hereinafter called “a certificate of foreign insurance”) in the Form G set out in the Schedule to these Rules.

**Issue of Certificates of Foreign Insurance.**

17. The issuing authority may issue a certificate of foreign insurance to any visitor who makes application therefor in the manner prescribed by these Rules.

**Form of Application for Certificate of Foreign Insurance.**

18. Every such application as aforesaid shall be signed by the person by whom it is made and shall specify the number of the policy in respect of third-party risks held by him or her, the name and address of the insurer by whom it was issued, the date on which the policy commences and the date on which it expires, and shall also contain a declaration by the applicant that the provisions of the policy with respect to third-party risks are effective in relation to the driving of the motor vehicle in the State by him or her or by some other person or persons or classes of persons specified in the declaration.

**Authentication of Certificate of Foreign Insurance.**

19. Every certificate of foreign insurance shall be signed by some person duly authorized in that behalf by the issuing authority by whom it is issued.

**Validity of Certificate of Foreign Insurance.**

20. The period of validity of a certificate of foreign insurance shall not exceed the unexpired period covered by the policy to which it relates.

**Effect of Certificate of Foreign Insurance.**

21. For the purposes of the Act and of rules 6 and 9 of Part I of these Rules, a certificate of foreign insurance shall have effect as if it were a certificate of insurance issued by an insurer and the policy of insurance to which it relates shall be deemed to comply with the requirements of the Act.

**Provisions of section 6 of Act not to apply.**

**22.** The provisions of section 6 of the Act shall not apply in relation to any policy of insurance in respect of which a certificate of foreign insurance has been issued.

**Return of Certificates of Foreign Insurance.**

**23.** A certificate of foreign insurance shall be forthwith returned by the visitor to the issuing authority if the motor vehicle to which it relates is sold or otherwise disposed of or if by reason of his or her obtaining a new policy or otherwise a new certificate of foreign insurance is issued to him or her during his or her stay in the State, and if the certificate is not so returned it shall be surrendered to the issuing authority by or on behalf of the visitor when the motor vehicle is taken out of the State.

**Record to be kept of Certificates of Foreign Insurance.**

**24.** The issuing authority shall keep a record of the following particulars relative to any certificates of foreign insurance issued by him or her—

- (a) the full name and address of the person to whom the certificate is issued and particulars of the persons or classes of persons authorized to drive the motor vehicle;
- (b) the date on which the policy of insurance to which the certificate relates commences and the date on which it expires;
- (c) the date of return of the certificate to the issuing authority,

and the issuing authority shall without charge furnish to the Chief of Police on request any particulars thereof.

**Penalty.**

**25.** If any person acts in contravention of or fails to comply with the requirements of rules 3, 4, 7, 8 and 11 he or she commits an offence and shall be liable, on summary conviction, to a fine not exceeding five hundred dollars.

*(Amended by Act 9 of 1986)*

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SCHEDULE TO THE RULES

(Section 17(1)(a))

FORM A

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT

CERTIFICATE OF INSURANCE

Certificate No.

Policy No.

- 1. Index Mark and registration number of vehicle.
- 2. Name of Policy Holder.
- 3. Date of the commencement of insurance.
- 4. Date of expiry of insurance.
- 5. Persons or classes of persons entitled to drive.
- 6. Limitations as to use.\*

I/WE hereby certify that the Policy to which this Certificate relates is issued in accordance with the provisions of the Motor Vehicles Insurance (Third-Party Risks) Act, Cap. 15.02.

.....

Insurer.

\* Limitations rendered inoperative by section 9 of the Motor Vehicles Insurance (Third-Party Risks) Act, are not to be included under this heading.

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FORM B

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT

CERTIFICATE OF INSURANCE

Certificate No.

Policy No.  
(Optional)

- 1. Description of Vehicles.
- 2. Name of Policy Holder.
- 3. Date of commencement of insurance.
- 4. Date of expiry of insurance.
- 5. Persons or classes of persons entitled to drive.
- 6. Limitations as to use.\*

I/WE hereby certify that the Policy to which this Certificate relates is issued in accordance with the provisions of the Motor Vehicles Insurance (Third-Party Risks) Act, Cap. 15.02.

.....

Insurer.

\* Limitations rendered inoperative by section 9 of the Motor Vehicles Insurance (Third-Party Risks) Act, are not to be included under this heading.

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FORM C

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT

CERTIFICATE OF INSURANCE

I/WE hereby certify that this covering note is issued in accordance with the provisions of the Motor Vehicles Insurance (Third-Party Risks) Act, Cap. 15.02.

.....  
*Insurer.*

FORM D

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT

CERTIFICATE OF SECURITY

Certificate No.

Security No.  
(Optional)

1. Name of holder of security.
2. Date of the commencement of security.
3. Date of expiry of security.
4. Conditions to which security is subject.\*

I/WE hereby certify that the security to which this Certificate relates is issued in accordance with the provisions of the Motor Vehicles Insurance (Third-Party Risks) Act, Cap. 15.02.

.....  
*Insurer.*

\* Conditions rendered inoperative by section 9 of the Motor Vehicles Insurance (Third-Party Risks) Act, are not to be included under this heading.

FORM E

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT

CERTIFICATE OF DEPOSIT

I/We hereby certify that I am/we are the owner/owners of the vehicle of which the registration mark and number are ..... and that in pursuance of the provisions of subsection (3) of section 5 of the Motor Vehicles Insurance (Third-Party Risks) Act, Cap. 15.02, I/we have deposited with the Accountant-General the sum of Fifty thousand dollars.

*Signed* .....  
*on behalf of* .....

and I hereby certify that the above statement is correct.

.....  
*Accountant-General.*

FORM F

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT, CAP. 15.02

CERTIFICATE OF OWNERSHIP OR USE BY THE GOVERNMENT OR BY LOCAL AUTHORITY

I hereby certify that the vehicle of which the registration mark and number are

.....

is the property of/

.....

.....

.....

(or/is used and employed exclusively in the Crown's Service).

Signature .....

Office and Rank of Signatory .....

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FORM G

MOTOR VEHICLES INSURANCE (THIRD-PARTY RISKS) ACT, CAP. 15.02

CERTIFICATE OF FOREIGN INSURANCE

Certificate No.

Policy No.

- 1. Date to which Certificate is valid.
- 2. Identification mark and number or numbers and make of vehicle.
- 3. Persons or classes of persons authorised to drive the vehicle.
- 4. Date of commencement of policy.
- 5. Date of expiry of policy.

I hereby certify that this certificate is issued in accordance with the Motor Vehicles Insurance (Third-Party Risks) Rules.

Signed .....

on behalf of .....

(Issuing Authority)

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