REPUBLIC OF VANUATU

Assent: 19/10/09
Commencement:

INSURANCE (AMENDMENT) ACT NO. 29 OF 2009

An Act to amend the Insurance Act No. 54 of 2005.

Be it enacted by the President and Parliament as follows:

1   Amendment

The Insurance Act No. 54 of 2005 is amended as set out in the Schedule.

2   Commencement

This Act commences on the day on which it is published in the Gazette.

2   Section 1 (definit ion of captive insurance company)

Delete the definition, substitute

"**captive insurance company** means a company carrying on captive insurance business."

3   Section 1 (definition of Commission)

Repeal the definition.

4   Section 1 (defin ition of domestic business)

Delete the definition, substitute

"**domestic business** means an insurance business which , whether the contract of insurance is made in Vanuatu or elsewhere, the subject matter of the contract is:

(a)   property that at the time of the making of the contract is in, or in transit to or from Vanuatu; or

(b)   the life, safety, fidelity or insurable interest of an individual who at the time of the making of the contract is ordinarily resident in Vanuatu; or

(c)   a risk of a company formed in Vanuatu that is not an exempted company within the meaning of the Companies Act [CAP 191]."

5   Section 1 (defin ition of external insurer)

Delete "provides insurance services" substitute "is licensed to carry on insurance business"

6   Section 1 (definition of insurer)

Delete the definition, substitute

"**insurer** means a person carrying on insurance business."

7   Section 1 (definition of local insurer)

Delete "providing insurance services" substitute "carrying on insurance business"

8   Section 1 (definit ion of protected cell company)

After "Act", insert "No. 37 of 2005"

9   Subsection 5(1)

After "Commission"(first occurring) insert "for a licence under this Act"

10   Subsection 5(2)

Delete "and signed by the Commissioner"

SCHEDULE

23   Subsection 74 (4)

Delete "an insurance", substitute "a life"

24   After section 74

Insert

"**74A   Failure to pay premium under general insurance policy**

(1)   if a premium under a general insurance policy, other than a reinsurance policy or a captive policy, has not been paid on its due date, the cover under the policy lapses :

    (a)   if the premium is payable on an annual basis or the policy period is longer than 12 months -30 days after the inception or as the case may be, the renewal, of the policy; and

    (b)   if the premium is payable by installments at intervals of less than 12 months- 15days after the installment due date.

(2)   If a cover under an insurance policy lapses under subsection (1), the insurer may reinstate the policy upon payment of all the premium due."

25   Subsection 75(2)

Repeal the subsection.

26   Subsection 97(2)

Delete "10 percent of the licence fee" substitute "VT 1,000"

27   After section 105

Insert

"**105A   Transitional provision for certain persons employed by the Vanuatu Financial Services Commission**

(1)   This section applies to a person who was employed at the Vanuatu Financial Services Commission as an officer in the insurance division of the supervision department of the Commission, immediately before the commencement of this Act.

(2)   The person's employment with the Commission is terminated on the commencement of this Act and the person is entitled to receive a redundancy payment in accordance with paragraph 14.15 of the staff manual of the Commission, as if the person's termination were a termination under that paragraph.

(3)   On and after the commencement of this Act, the person is taken to be an employee of the Reserve Bank of Vanuatu on such terms and conditions as may be prescribed by the Governor of the Reserve Bank of Vanuatu.

(4)   In this section **Vanuatu Financial Services Commission** means the Vanuatu Financial Services Commission established under section 2 of the Vanuatu Financial Services Commission Act [CAP 229]."

28   Insurance Act No. 54 of 2005

(a)   Delete "Commission" (wherever occurring) substitute "Board";

(b)   Delete "Commissioner" (wherever occurring) substitute "Governor"