

NO. 42
MOTOR VEHICLES (THIRD PARTY INSURANCE) ACT, 1958

ARRANGEMENT OF SECTIONS

Third Party Risks

1. Insurance against third party risks.
2. Limitation of time for proceedings.
3. Exemptions.
4. Requirements in respect of policies.
5. Requirements in respect of securities.
6. Void conditions in policies or securities.
7. Avoidance of restrictions on the scope of policies.

Rights and Duties

8. Duty of insurers to satisfy judgments.
9. Rights of third parties against insurers.
10. Duty to give information to third parties.
11. Void settlements between insurer and insured.
12. Bankruptcy of insured persons.
13. Further rights of third parties.
14. Surrender of certificate on cancellation of policy.
15. Certificate to be produced.
16. Duty to give information.

Miscellaneous

17. Deposits.
18. Offences.
19. Application.
20. General penalty.
21. Regulations.
22. Interpretation.
23. Repeal.

AN ACT to provide for the protection of third parties against risks arising out of the use of motor vehicles, and for related matters.

Third Party Risks

1. Insurance against third party risks

(1) Subject to this Act, a person shall not use, or cause or permit any other person to use, a motor vehicle unless there is in force in relation to the user of that motor vehicle by that person or the other person, a policy of insurance or a security in respect of third party risks which complies with this Act.

(2) A person who acts in contravention of subsection (1) commits an offence and is liable on conviction to a fine not exceeding two hundred and fifty penalty units or to a term of imprisonment for one year or to both the fine and the imprisonment.

(3) A person convicted of an offence under this section shall be disqualified from holding or obtaining a driving licence.

(4) A disqualification under subsection (3), unless the Court, for special reasons to be recorded orders otherwise, shall be for a minimum period of twelve months from the date of the conviction, and a person disqualified from holding or obtaining a driving licence under this section shall be deemed to be so disqualified under the Road Traffic Act, 2004 (Act 683).

2. Limitation of time for proceedings

Despite the provisions of an enactment which prescribes a time within which proceedings may be brought before a Court, proceedings in respect of an offence under section 1 may be instituted

- (a) within a period of six months from the date of the commission of the offence; or
- (b) within a period which does not exceed
 - (i) six months from the date on which it came to the knowledge of the prosecutor that the offence had been committed, or
 - (ii) one year from the date of the commission of the offence.

3. Exemptions

Section 1 does not apply

- (a) to the user of a motor vehicle owned by or exclusively employed in the service of the Government while the motor vehicle is being used for the purposes of the Government; or
- (b) to the user of a motor vehicle, other than a passenger vehicle, owned by a person who has deposited and keeps deposit with the Accountant-General the sum of two billion cedis in respect of the motor vehicle at any time when the motor vehicle is being driven by the owner or by a servant of the owner in the course of employment; or
- (c) to the user of a motor vehicle at any time when it is driven for police purposes by or under the direction of a superior police officer as defined in the Police Service Act, 1970 (Act 350); or
- (d) a person or class of persons declared by the President to be exempted from this Act; or

- (e) a motor vehicle or type of motor vehicle declared by the President to be exempted from this Act.

4. Requirements in respect of policies

- (1) A policy of insurance for the purposes of this Act
 - (a) shall be issued by an insurer approved by the Minister, and
 - (b) shall insure a person or class of persons specified in the policy in respect of a liability which may be incurred by that person or persons in that class in respect of the death of or bodily injury to a person caused by or arising out of the use of a motor vehicle covered by the policy.
- (2) A policy of insurance issued under subsection (1) shall not be required to cover
 - (a) liability in respect of the death arising out of and in the course of employment of a person in the employment of a person insured by the policy or of bodily injury sustained by that person arising out of and in the course of employment; or
 - (b) except in the case of a passenger vehicle or where persons are carried 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 on, or entering or getting on to or alighting from a motor vehicle at the time of the occurrence of the event out of which the claims arise; or
 - (c) a contractual liability.
- (3) Where a payment is made, whether or not with an admission of liability, by
 - (a) an insurer under or in consequence of a policy issued under this Act, or
 - (b) the owner of a motor vehicle in relation to the user of which a security under section 5 is in force, or
 - (c) the owner of a motor vehicle who has made a deposit under section 3,

in respect of the death of or bodily injury to a person arising out of the use of a motor vehicle, and the person who has died or received bodily injury has, to the knowledge of the insurer or the owner received treatment at a hospital, whether as an in-patient or an out-patient, in respect of the injury so arising, there shall be paid by the insurer or the owner the hospital expenses reasonably incurred by the hospital for the treatment after deducting the money actually received by the hospital in payment of a specific charge for treatment.

(4) The amount of money payable under subsection (3) by the approved insurer or the owner shall not exceed twenty million cedis for each person treated as an in-patient and two million cedis for each person treated as an out-patient.

(5) *Repealed.2(2)*

(6) A policy does not have effect, for the purposes of this Act, unless there is issued by the insurer to the person by whom the policy is effected a certificate of insurance, in the prescribed form and containing the particulars of the conditions subject to which the policy is issued and of any other prescribed matters.

5. Requirements in respect of securities

- (1) For the purposes of this Act, a security

- (a) shall be given by an insurer approved by the Minister or by a person, company or body of persons approved by the Minister carrying on the business of giving securities of a like kind; and
- (b) shall consist of an undertaking by the giver of the security to make good, subject to the conditions contained in the undertaking, a failure by the owner of a passenger or any other motor vehicle or the other person, or class of persons specified in the security, duly to discharge the liability required to be covered by a policy of insurance issued under this Act which may be incurred by that person or class of persons, and the security shall, in the case of an undertaking relating to the use of a passenger vehicle, be up to an amount of money of not less than ten billion cedis and in any other case of not less than two billion cedis.

(2) A security does not have effect for the purposes of this Act unless there is issued by the person giving the security to the person to whom it is given a certificate of security, in the prescribed form and containing particulars of the conditions subject to which the security is issued and of any other prescribed matter.

6. Void conditions in policies or securities

- (1) A condition in a policy or security issued or given for the purposes of this Act providing
 - (a) that a liability shall not arise under the policy or security, or
 - (b) that a liability so arising shall cease in the event of a 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 not have an effect in connection with the claims as are set out in paragraph (b) of subsection (1) of section 4.

(2) Subsection (1) shall not be construed so as to render void a provision in a policy or security requiring the person insured or secured to repay to the insurer or the giver of the security the sums of money which the insurer or the giver of the security may have become liable to pay under the policy or the security and which have been applied to the satisfaction of the claims of third parties.

7. Avoidance of restrictions on the scope of policies

(1) Where a certificate of insurance is delivered under subsection (6) of section 4 to the person by whom a policy has been effected so much of the policy as purports to restrict the insurance of the person insured in respect of

- (a) the age or physical or mental condition of a person driving the motor vehicle, or
- (b) the condition of the motor vehicle, or
- (c) the number of persons that the motor vehicle carries, or
- (d) the weight or physical characteristics of the goods that the motor vehicle carries, or
- (e) the times at which or the areas within which the motor vehicle is used, or
- (f) the horsepower or value of the motor vehicle, or
- (g) the carrying on the motor vehicle of a particular apparatus, or
- (h) the carrying on the motor vehicle of a particular means of identification other than the means of identification required to be carried under the Road Traffic Act, 2004 (Act 683),

shall have effect, in respect of the liabilities required to be covered by a policy under paragraph (b) of subsection (1) of section 6.

(2) Subsection (1) does not require an insurer to pay a sum of money in respect of the liability of a person otherwise than in or towards the discharge of that liability and the sum of money paid by an insurer in or towards the discharge of the liability of a person which is covered by the policy by virtue only of this section is recoverable by the insurer from that person.

Rights and Duties

8. Duty of insurers to satisfy judgments

(1) Where after a certificate of insurance is delivered under subsection (6) of section 4 to the person by whom a policy has been effected, judgment in respect of the liability as is required to be covered by a policy issued under paragraph (b) of subsection (1) of section 4, which is a liability covered by the terms of the policy, is obtained against a person insured by the policy then, although the insurer may be entitled to avoid or cancel or may have avoided or cancelled the policy, the insurer shall, subject to this section, pay to the persons entitled to the benefit of the judgment the sum of money payable in respect of the liability including the sum payable in respect of costs and the sums payable by virtue of an enactment in respect of interest on that sum or judgment.

(2) A sum of money shall not be payable by an insurer under subsection (1)

- (a) in respect of a judgment, unless before or within fourteen 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 a judgment so long as execution on the judgment is stayed pending an appeal; or
- (c) in connection with a 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 a provision contained in the policy and
 - (i) before the happening of that event the certificate of insurance was surrendered to the insurer, or the person to whom the certificate of insurance was delivered made a statutory declaration stating that the certificate of insurance had been lost or destroyed and so could not be surrendered; or
 - (ii) after the happening of that event, but before the expiration of fourteen days from the taking effect of the cancellation of the policy, the certificate of insurance was surrendered to the insurer, or the person to whom the certificate of insurance was delivered made a statutory declaration that the certificate of insurance had been lost or destroyed and so could not be surrendered; or
 - (iii) either before or after the happening of the event or within a period of fourteen days from the taking effect of the cancellation of the policy, the insurer had commenced proceedings under this Act in respect of the failure to surrender the certificate of insurance.

(3) A sum of money is not payable by an insurer under this section if in an action commenced before or within three months after the commencement of the proceedings in which the judgment was given,

- (a) the insurer has obtained a declaration that apart from a provision contained in the policy, the

insurer is entitled to avoid it on the grounds that it was obtained by the non-disclosure of a material fact or by a representation of fact which was false in a material particular, or

- (b) if the insurer has avoided the policy on the grounds that the insurer was entitled to do so apart from a provision contained in the policy.

(4) An insurer who has obtained a declaration as is referred to in subsection (3) in an action is entitled to the benefit of the subsection in respect of a judgment obtained in proceedings commenced before the commencement of that action, unless before or within seven days after the commencement of that action, the insurer has given notice of the action to the person who is plaintiff in the action under the policy specifying the non-disclosure or false representation on which the insurer proposes to rely and that the insurer intends to seek a declaration, and a person to whom notice of the action is given may be made a party to the action if that person so desires.

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

(6) In this section,

“liability covered by the terms of the policy” means a liability which is covered by the policy or which would be so covered were it not that the insurer is entitled to avoid or cancel or has avoided or cancelled the policy;

“material” means a matter of a nature so as to influence the judgments of a prudent insurer in determining whether the prudent insurer will accept the risk and if so, at what premium and on what conditions.

9. Rights of third parties against insurers

(1) Where under a policy issued for the purposes of this Act, a person is insured against liabilities to third parties which the insured person may incur, then,

- (a) in the event of the insured person becoming bankrupt or making a composition or an arrangement with the insured person’s creditors, or
- (b) in the event that the insured person is a company and a winding-up order is made or a resolution for the voluntary winding-up of the company is passed in respect of the company or a receiver or manager of the company’s business or undertaking is duly appointed or in the event that possession is taken by or on behalf of the holders of the debentures secured by a floating charge, or the property comprised in or subject to the charge,

if before or after either event liability is incurred by the insured person, the rights of the insured person against the insurer under the policy in respect of that liability shall, despite anything in an enactment to the contrary contained, be transferred to and vest in the third party to whom the liability was so incurred.

(2) Where an order is made by a court for the administration in bankruptcy of the estate of a deceased debtor then if a debt, which may be proved in bankruptcy, is owing by the deceased in respect of a liability against which the deceased was insured under a policy issued for the purposes of this Act which is a liability to a third party, then the rights of the deceased debtor against the insurer under that policy shall, despite anything in a law to the contrary contained, be transferred to and vest in the person to whom the debt is owing.

(3) A condition in a policy issued for the purposes of this Act purporting directly or indirectly to

avoid the policy or to alter the rights of the parties under the policy on the happening of any of the events specified in subsection (1) and (2) is void.

(4) On a transfer of rights under subsection (1) or subsection (2) the insurer is, subject to section 13, under the same liability to the third party as the insurer would have been under to the insured person except that

- (a) if the liability of the insurer to the insured exceeds the liability of the insured to the third party, this Act shall not affect the right of the insured against the insurer in respect of the excess, and
- (b) if the liability of the insurer to the insured is less than the liability of the insured to the third party, this Act shall not affect the rights of the third party against the insured in respect of the balance.

(5) This section and sections 12 and 13 do not apply

- (a) where a company is wound up voluntarily merely for the purposes of reconstruction or of amalgamation with another company; or
- (b) to a case to which section 26 of the Workmen's Compensation Act, 1987(3) applies.

(6) For the purposes of this section and of sections 12 and 13 the expression "liabilities to third parties" in relation to a person insured under a policy of insurance does not include a liability of that person in the capacity of insurer under any other policy of insurance.

10. Duty to give information to third parties

(1) A person against whom a claim is made in respect of a liability required to be covered by a policy under this Act shall, on demand by or on behalf of the person making the claim, state whether or not that person was insured in respect of that liability by a policy having effect for the purposes of this Act, or would have been so insured if the insurer had not cancelled or avoided the policy and, if that person were or would have been so insured, give the particulars with regard to that policy that were specified in the certificate of insurance issued in respect of that policy.

(2) The bankrupt debtor, personal representative of a deceased debtor and the official assignee, trustee, liquidator, receiver, manager or person in possession of property may give, at the request of a person claiming in respect of a liability owed to that person, information reasonably required to ascertain whether rights have been transferred to or vested in that person under this Act or the purposes of enforcing those rights.

(3) Subsection (2) applies

- (a) in the event of a person becoming bankrupt or making a composition or arrangement with creditors; or
- (b) in the event of an order being made under a law relating to bankruptcy in respect of the estate of a person; or
- (c) in a case where a winding up order is made or a resolution for a voluntary winding up is passed with respect to a company; or
- (d) in a case where
 - (i) a receiver or manager of the company's business or undertaking is duly appointed, or
 - (ii) possession is taken by or on behalf of holders of debentures secured by a floating

charge, or

- (iii) property is comprised in or is subject to the charge, or
- (iv) possession is taken by or on behalf of holders of debentures secured by floating charge of property comprised in or subject to the charge.

(4) A contract of insurance in so far as it purports, directly or indirectly, to avoid the contract or to alter the rights of the parties under the contract on the giving of the information or otherwise to prohibit, prevent or limit the giving of the information under subsection (2) is void.

(5) Where the information given to a person in pursuance of subsection (2) discloses reasonable grounds of belief that rights have or may have been transferred to that person under this Act against a particular insurer, that insurer is subject to the same duty as is imposed by subsection (2) on the persons mentioned in that subsection.

(6) The duty imposed by this section to give information includes a duty to allow the contracts of insurance, receipts for premiums and any other relevant documents in the possession, power or control of the persons on whom the duty is so imposed to be inspected and copies of those documents to be taken.

(7) A person who, without reasonable excuse, the onus of proving which lies on that person, fails to comply with a provision of this section or who wilfully or negligently makes a false or misleading statement in reply to a demand for information, commits an offence.

11. Void settlements between insurer and insured

Where a person who is insured under a policy issued for the purposes of this Act becomes bankrupt or where the insured person being a company a winding-up order is made or a resolution for a voluntary winding up is passed with respect to that company, an agreement made between the insurer and the insured after liability has been incurred to a third party and after the commencement of the bankruptcy or the winding up, a waiver, assignment or any other disposition made by or payment made to the insured after that commencement shall not be effective to defeat or affect the rights transferred to or vested in the third party under this Act, and those rights shall be the same as if the agreement, waiver, assignment, disposition or payment had not been made.

12. Bankruptcy of insured persons

(1) Where under this Act a certificate of insurance is delivered to the person by whom a policy has been effected, the happening in relation to a person insured by the policy of any of the events specified in subsection (1) or subsection (2) of section 9, despite anything in this Act contained, shall not affect the liability of that person as is required to be covered by a policy under this Act.

(2) Subsection (1) does not affect the rights against the insurer conferred under sections 9, 10, and 11 on the person to whom the liability was incurred.

13. Further rights of third parties

(1) A settlement made by an insurer in respect of a claim which might be made by a third party in respect of a liability as is required to be covered by a policy issued under this Act, is not valid unless the third party is a party to the settlement.

(2) A policy issued under this Act remains in force and available for third parties, despite the death of a person insured under the policy, as if the insured person were still alive.

14. Surrender of certificate on cancellation of policy

(1) Where a certificate of insurance is delivered under this Act to the person by whom a policy has been effected and the policy is cancelled by mutual consent or by virtue of a provision in the policy, the person to whom the certificate was delivered shall, within seven days from the taking effect of the cancellation of that policy, surrender the certificate to the insurer or if the certificate has been lost or destroyed, make a statutory declaration to that effect.

(2) A person who contravenes a provision of subsection (1) commits an offence.

15. Certificate to be produced

(1) A person driving a motor vehicle on a highway shall, on being required by a police officer, give the name and address of that person and the name and address of the owner of the motor vehicle and shall produce the certificate of insurance.

(2) A person who contravenes a provision of this subsection (1) commits an offence.

(3) Where, owing to the presence of a motor vehicle on a highway, an accident occurs involving bodily injury to a person, the driver of the motor vehicle shall produce the certificate of insurance to a police officer or to a person having reasonable grounds for requiring its production.

(4) Where a driver for good reason fails to produce the certificate of insurance, the driver shall as soon as possible, and in any case within twenty-four hours of the occurrence, report the accident and produce the certificate of insurance to the police station nearest to the scene of the accident or to the nearest administrative officer.

(5) A person who contravenes a provision of subsections (3) and (4) commits an offence.

(6) This section is in addition to and not in derogation section 23 of the Road Traffic Act, 2004 (Act 683).

(7) In this section,

“to produce a certificate of insurance” means to produce for examination the relevant certificate of insurance or certificate of security or any other evidence as may be prescribed, that the motor vehicle was not being driven in contravention of a provision of this Act;

“police officer” includes a member of the Police Service, a member of a police force established and maintained by a local authority, and an administrative officer.

16. Duty to give information

An owner of a motor vehicle shall give the information that is required by a police officer for the purpose of determining whether the motor vehicle was or was not being driven in contravention of a provision of this Act where the driver was required to produce the certificate and an owner failing to do so commits an offence.

Miscellaneous

17. Deposits

Where a sum of money is deposited by a person under section 3 or as a condition of approval by the Minister under section 4 or section 5, neither that sum nor a part of that sum shall, so long as a liability

which is a liability required to be covered by a policy of insurance under this Act which has been incurred by that person remains undischarged or otherwise unprovided for, be applicable in discharge of any other liabilities incurred by that person.

18. Offences

(1) A person who, for the purpose of obtaining a certificate of insurance or a certificate of security under this Act, makes a statement oral or written, which is false or misleading or withholds a material information commits an offence and is liable, on conviction, to a fine not exceeding five hundred penalty units or to a term of imprisonment for two years or to both the fine and the imprisonment.

(2) A person shall not be convicted of an offence under subsection (1) where that person, if it is proved, acted without intent to deceive.

(3) A person who with intent to deceive

- (a) forges, alters, defaces or mutilates a certificate of insurance or a certificate of security or any other certificate or document issued under this Act, or
- (b) uses or allows to be used by any other person a forged, an altered, a defaced or mutilated certificate of insurance or certificate of security or any other certificate or document issued under this Act, or
- (c) lends to or borrows from any other person a certificate of insurance or a certificate of security or any other certificate or document issued under this Act, or
- (d) makes or has possession of a document so closely resembling a certificate or document issued under this Act as to be calculated to deceive, or
- (e) issues a certificate of insurance or a certificate of security or any other certificate or document to be issued under this Act,

commits an offence and is liable, on conviction, to a fine not exceeding five hundred penalty units or to a term of imprisonment for two years or to both the fine and the imprisonment.

(4) Where a police officer has reasonable cause to believe that a certificate of insurance or a certificate of security or any other certificate or document produced to that officer in pursuance of the provision of this Act by the driver or owner of a motor vehicle, is a document in relation to which an offence under this section has been committed, the officer may seize the document.

(5) Where a document is seized the driver and the owner of the motor vehicle or either of them shall, if neither of them is charged with an offence under a provision of this section, be summoned before a magistrate to account for the possession of or the presence on the motor vehicle of the document and the Magistrate may make an order in respect of the disposal of the document and award the appropriate costs.

19. Application

(1) This Act applies in relation to securities or to cash deposits and a certificate or document issued in respect of the certificate, issued or made in accordance with a provision of this Act as the provision applies in relation to policies of insurance and in relation to that security or cash deposit and a certificate or document issued in respect of that certificate or document.

(2) A reference in this Act to being insured, to a certificate of insurance, to an insurer and to a person insured shall be construed as a reference to having in force of the security or of the cash deposit, to the certificate of security or any other certificate or document issued in respect of a cash deposit, to the giver

of the security or the person making the cash deposit and to the persons whose liability is covered by the security or the cash deposit.

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

20. General penalty

A person who commits an offence under this Act for which a special penalty is not provided, is liable on conviction,

- (a) in respect of a first conviction, to a fine not exceeding two hundred penalty units or to a term of imprisonment for six months or to both the fine and the imprisonment, and
- (b) in the case of a second or subsequent conviction, to a fine of two hundred and fifty penalty units or to a term of imprisonment for one year or to both the fine and the imprisonment.

21. Regulations

(1) The President may, by legislative instrument, make Regulations to provide for a thing which may be prescribed under this Act and generally for the purpose of putting this Act into effect.

(2) In particular, but without prejudice to the generality of subsection (1), the Regulations may provide for

- (a) prescribing the forms to be used for the purposes of this Act;
- (b) declaring approved insurers;
- (c) prescribing the requirements in relation to securities, generally or in a particular case;
- (d) the applications for and the issue of certificates of insurance and any other documents which may be prescribed as to the keeping of records of documents and the furnishing of particulars of those documents and the giving of information with respect to those matters;
- (e) the issue of copies of a certificate or document which is lost, mutilated or destroyed;
- (f) the custody, production, cancellation and surrender of the certificate or any other document;
- (g) the modifications and adaptations that may be made in a provision of this Act in relation to a motor vehicle brought into the Republic by a person making only a temporary stay in the Republic;
- (h) the payment of deposits and the documents to be issued in relation to those deposits and the investments of those deposits and dealing with the deposit of stocks or any other securities in lieu of money, the payment of the interest or dividends accruing and due on the securities in which deposits may be invested and the withdrawal and transfer of deposits;
- (i) prescribing fees to be charged in respect of anything done under this Act;
- (j) prescribing penalties for the breach of a regulation not exceeding a fine of five hundred penalty units or to a term of imprisonment not exceeding two years or both the fine and the imprisonment.

22. Interpretation

(1) In this Act, unless the context otherwise requires,

“**company**” includes a company registered or required to be registered under the Companies Act, 1963 (Act 179) a corporation incorporated by law and a firm or partnership;

“**Court**” means a court of competent jurisdiction;

“**driving licence**” means a licence to drive a motor vehicle granted under the Road Traffic Act, 2004 (Act 683);

“**highway**” includes a roadway or a place to which the public lawfully have free access;

“**insurer**” and “**approved insurer**” mean a person or body of persons carrying on an insurance business approved by the Minister;

“**local authority**” means a council or assembly established under the Local Government Act, 1993 (Act 462);

“**Minister**” means the Minister responsible for the Interior;

“**passenger vehicle**” means a motor vehicle used for carrying passengers for hire or reward;

“**policy**” and “**policy of insurance**” includes a policy of insurance in respect of third party risks arising out of the use of a motor vehicle, being a policy which complies with this Act, and a covering note issued in respect of the policy;

“**security**” means a security in respect of third party risks arising out of the use of a motor vehicle as complies with this Act.

(2) Where a word or an expression used in this Act is defined in the Road Traffic Act, 2004 (Act 683), that word or expression, unless the context otherwise requires, shall have in this Act the meaning assigned to it in the Road Traffic Act.

(3) A reference in this Act to the expression “**bankrupt**” or “**bankruptcy**” in relation to a person shall be construed as a reference to a person who is insolvent or has entered into a composition or an arrangement with creditors or who is adjudicated bankrupt under an enactment relating to bankruptcy having effect in the Republic.

(4) A reference in this Act to the use of a motor vehicle shall be construed as referring only to the use of the motor vehicle on a highway.

23. Repeal

Spent.4(4)

Endnotes

1 (Popup - Footnote)

1. Act [No. 42 of 1958](#). The Act was assented to on the 23rd day of December, 1958 and came into operation on 1st April, 1959.

2 (Popup - Footnote)

2. Repealed by the Contracts Act, 1960 ([Act 25](#)). It was [subsection \(3\)](#).

3 (Popup - Footnote)

3. [P.N.D.C.L. 187](#).

4 (Popup - Footnote)

4. The section provided for the repeal of the Motor Vehicles Third Party Insurance Ordinance, (Cap. 229).