

No. 62 OF 1954.

A LAW TO MAKE PROVISION AGAINST THIRD PARTY RISKS ARISING
OUT OF THE USE OF MOTOR VEHICLES.

R. P. ARMITAGE,]
Governor.

[15th December, 1954.]

BE it enacted by His Excellency the Governor and
Commander-in-Chief of the Colony of Cyprus as
follows :—

Short title

I. This Law may be cited as the Motor Vehicles (Third
Party Insurance) Law, 1954.

2.—(1) In this Law, unless the context otherwise requires— Interpretation.
 “bankruptcy” with its grammatical variations and cognate expressions includes insolvency under the law of the United Kingdom or of any British possession ;

“driving licence” means a licence to drive a motor vehicle granted under the provisions of the Motor Vehicles and Road Traffic Law, 1954 ; 61 of 1954.

“insurer” means an insurance company or an underwriter approved by an Order of the Governor-in-Council ;

“policy” means a policy of insurance and includes a covering note.

(2) If any word or expression used in this Law is defined in the Motor Vehicles and Road Traffic Law, 1954, such word or expression, unless the context otherwise requires, shall bear in this Law the meaning assigned to it in the Motor Vehicles and Road Traffic Law, 1954. 61 of 1954.

3.—(1) Subject to the provisions of this Law, no person shall use, or cause or permit any other person to use, a motor vehicle on a road unless there is in force in relation to the user of that motor vehicle by such person or such other person, as the case may be, such a policy in respect of third party risks as complies with the provisions of this Law. Users of motor vehicles to be insured against third party risks.

(2) Any person acting in contravention of this section shall be liable to imprisonment not exceeding one year or to a fine not exceeding one hundred pounds or to both such imprisonment and fine and a person convicted of an offence under this section shall be disqualified for holding or obtaining a driving licence.

(3) A disqualification under the provisions of sub-section (2), unless the Court for special reasons to be recorded otherwise orders, shall be for a minimum period of twelve months from the date of the conviction, and any person so disqualified for holding or obtaining a driving licence under the provisions of this section shall be deemed to be so disqualified under the provisions of the Motor Vehicles and Road Traffic Law, 1954. 61 of 1954.

(4) The provisions of this section shall not apply—

(a) to the user of a motor vehicle owned by the Government or by Her Majesty’s Government in the United Kingdom while such motor vehicle is being used for the purposes of the Government owning such motor vehicle ; or

(b) to the user of a motor vehicle at any time when it is driven for police purposes by or under the direction of a police officer of or above the rank of Inspector as defined in the Police Law ; or

- (c) to any person or class of persons declared by the Governor-in-Council to be exempted from the provisions of this Law ; or
- (d) to any motor vehicle or type of motor vehicle declared by the Governor-in-Council to be exempted from the provisions of this Law.

Require-
ments in
respect of
policies.

4.—(1) A policy for the purposes of this Law must be a policy which—

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

Provided that such policy shall not be required to cover—

- (i) liability in respect of the death arising out of and in the course of his 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 employment ; or
- (ii) except in the case of a vehicle in which passengers are 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.

(2) Where any payment is made, whether or not with an admission of liability, by an insurer under or in consequence of a policy issued under the provisions of this Law in respect of the death of or bodily injury to any person arising out of the use of a motor vehicle on a road and the person who has so died or received bodily injury has to the knowledge of the insurer received treatment at a hospital, whether as an in-patient or an out-patient, in respect of the injury so arising, there shall be also paid by the insurer to such hospital the expenses reasonably incurred by such hospital in giving such treatment after deducting any moneys actually received by such hospital in payment of a specific charge for such treatment :

Provided that the amount to be paid by the insurer shall not exceed fifty pounds for each person so treated

as an in-patient and five pounds for each person so treated as an out-patient.

For the purposes of this sub-section "hospital" means any Government hospital or private hospital registered under the provisions of the Private Hospitals (Control) Laws, 1952 and 1954.

27 of 1952
25 of 1954.

(3) Notwithstanding anything in any Law contained a person issuing a policy under this section 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.

(4) A policy shall be of no effect for the purposes of this Law unless and until there is issued by the insurer in favour of the person by whom the policy is effected a certificate (in this Law 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 such other matters as may be prescribed.

5. Any condition in a policy issued or given for the purposes of this Law providing that no liability shall arise under the policy 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 shall be of no effect in connection with such claims as are set out in paragraph (b) of sub-section (1) of section 4 :

Certain conditions to policies to be of no effect.

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

6. Where a certificate of insurance has been issued under the provisions of sub-section (4) 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 person insured thereby in respect of any of the following matters :—

Avoidance of restrictions on the scope of policies covering third party risks.

- (a) the age or physical or mental condition of persons 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 any particular apparatus ; or
 (h) the carrying on the motor vehicle of any particular means of identification other than any means of identification required to be carried under the provisions of the Motor Vehicles and Road Traffic Law, 1954 ;

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shall, in respect of such liabilities as are required to be covered by a policy under paragraph (b) of sub-section (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 in or towards the discharge of the liability of any person which is covered by the policy by virtue only of this section shall be recoverable by the insurer from that person.

Certificates to be produced.

7.—(1) Any person driving a motor vehicle on a road shall, on being so required by a police officer, give his name and address and the name and address of the owner of the motor vehicle and shall produce his certificate of insurance and any person contravening the provisions of this sub-section shall be guilty of an offence against this Law :

Provided that if the driver of the motor vehicle within two days after the production of the certificate of insurance was so required produces such certificate in person at such police station as may have been specified by him at the time its production was required, he shall not be convicted of an offence under this sub-section by reason only of failure to produce the certificate of insurance to such police officer.

(2) In any case where owing to the presence of a motor vehicle on a road an accident occurs involving bodily injury to any person the driver of the motor vehicle shall produce his certificate of insurance to a police officer or to any person having reasonable grounds for requiring its production and if any such driver for any reason fails so to produce his certificate of insurance he shall as soon as possible, and in any case within twenty-four hours of the occurrence report the accident and produce his certificate of insurance to the police station nearest to the scene of the accident or to the nearest administrative officer and any person contravening the provisions of this sub-section shall be guilty of an offence against this Law.

(3) The provisions of this section shall be in addition to and not in derogation of any provisions of the Motor Vehicles and Road Traffic Law, 1954, or any Regulations made thereunder, relating to the report of accidents.

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