

S.I. 20 of 2009

## INSURANCE ACT, 2008

*(Act 11 of 2008)***Insurance (Policy Owner's Protection Fund)  
Regulations, 2009**

In exercise of the powers conferred by sections 90(3) and 124 of the Insurance Act, 2008, the Minister of Finance makes the following Regulations —

1. These Regulations may be cited as the Insurance (Policy Owner's Protection Fund) Regulations, 2009.

Citation

2. In these Regulations —

Interpretation

“Committee” means the Committee of the Protection Fund;

“financial year” means the year in respect of which the accounts of a licensed insurer are made up, and where by reason of an alteration of the date on which the financial year of a licensed insurer terminates, the accounts have been made up for a lesser period, that lesser period shall be deemed to be a financial year;

“licensed insurer” means an insurer licensed by the Authority.

3.(1) The Minister shall appoint a Committee to advise the Authority on all matters relating to the purposes of the Protection Fund as set out in section 88(1) of the Act, and on such matters as may be referred to the Committee by the Authority.

Appointment  
of Committee

(2) The Committee shall consist of not less than 3 or more than 7 members.

(3) The Minister shall appoint one person among the members of the Committee to be Chairperson of the Committee.

(4) A member of the Committee —

(a) shall, unless the member earlier vacates office, hold office for a period of 3 years or such shorter period as may be determined by the Minister at the time of appointment; and

(b) may be eligible for re-appointment.

(5) A member may resign from office by letter addressed to the Minister.

(6) The Chairperson or in his or her absence, any member nominated by the Chairperson shall preside at any meetings of the Committee.

(7) Three members of the Committee shall constitute a quorum.

(8) The Committee shall meet at such time and place as the Chairperson may determine.

(9) The Committee shall regulate its own proceedings.

(10) Members of the Committee may be paid such allowance as the Minister may determine.

Secretary

4.(1) The Authority may with the approval of the Minister appoint a person as the secretary of the Committee.

(2) The secretary may be paid such allowance as the Authority may determine in consultation with the Minister.

Moneys of  
Protection  
Fund

5.(1) The funds of the Protection Fund consist of —

(a) the proceeds of the general business levies and life business levies paid into the Protection Fund under section 89(2) of the Act;

(b) income from any investment of the moneys of the Protection Fund under regulation 6; and

(c) such other moneys as may be lawfully paid into the Protection Fund.

(2) There shall be paid out of the Protection Fund—

(a) moneys required to be paid under section 88(2) of the Act;

(b) expenditure incurred by the Authority in performing its functions under section 88 of the Act;

(c) allowances payable to the members and secretary of the Committee.

6. The Authority may invest such part of the moneys of the Protection Fund as appears to the Authority to be surplus to its requirements.

Investments of  
Protection Fund

7.(1) There shall be paid into the Protection Fund by every licensed insurer carrying on—

Levies

(a) general insurance business, a general business levy; or

(b) life insurance business, a life business levy,

at the rate specified in subregulation (2).

(2) The general business levy required to be paid by a licensed insurer shall be equal to 1 per cent of the gross premium income of the insurer liable to the general business levy calculated in accordance with section 89(4) and (6) of the Act.

(3) The life business levy required to be paid by a licensed insurer shall be equal to 1 per cent of the gross premium income of the insurer liable to the life business levy



calculated in accordance with section 89(5) and (6) of the Act.

(4) The general business levy or life business levy shall be due on the 1st day of the financial year of the licensed insurer, immediately following the year ending before the beginning of that financial year by reference to which the gross premium income is calculated and shall after it becomes due be paid within 30 days of the financial year, in which it is due.

(5) A licensed insurer who fails to pay the general business levy or life business levy on or before the date it becomes payable under subregulation (4) is liable to a surcharge equal to 10 per cent of the amount payable on that date for each month or part of the month which has elapsed from that date.

Accounts  
and Audit

8.(1) The Authority shall cause to be kept proper books of accounts of the Protection Fund and cause to be prepared for each financial year a statement of accounts.

(2) The accounts and statement of accounts shall be audited every year by an auditor appointed by the Minister.

(3) The Authority shall on or before 30th April in each year, send to the Minister a copy of the statement prepared under subregulation (1) together with a copy of the report of the auditor on the statement for the immediately preceding year.

**Made this 30th day of January, 2008.**

**DANNY FAURE  
MINISTER OF FINANCE**

---