

A BILL

FOR

AN ACT TO AMEND THE INSURANCE ACT, CAP, I.17 LAWS OF THE FEDERATION OF NIGERIA, 2004 TO PROVIDE FOR LIMIT OF LIABILITY IN RESPECT OF THIRD PARTY LIABILITY IN COMPULSORY INSURANCE OF PUBLIC BUILDINGS AND BUILDINGS UNDER CONSTRUCTION AND FOR OTHER RELATED MATTERS, 2016.

Sponsored by Hon. Aliyu Sani Madaki

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

- 1 1. The Insurance Act, Cap, 1. 17, LFN, 2004 in this Bill referred to Amendment of
- 2 as "the Principal Act" is amended as set out in this Bill. Cap. 17, LFN,
- 3 2.-(1) Section 64 of the Principal Act is amended: Amendment of
- 4 (1) In subsection (1) by substituting for the words "two floors" in Section 64
- 5 line 1 the words "one storey";
- 6 (b) Substituting for the existing subsection (3), new subsection
- 7 "“(3)”:
- 8 “(3) A person who contravenes subsection (1) of this section
- 9 commits an offence and on conviction shall be liable to a fine of
- 10 N500,000.00 in respect of damage to property, N1,000,000.00 in respect of
- 11 injury or imprisonment for three years or both but in the case of death such
- 12 liability is unlimited.”
- 13 3. Section 65 of the Principal Act is amended in subsection (4) by Amendment of
- 14 substituting for the existing subsection 4 new subsection "(4)": Section 65
- 15 “(4) The limit of liability for insurance taken out pursuant to
- 16 subsection (3) is unlimited in respect of death, N1,000,000.00 in respect of
- 17 Injury and N1,000,000.00 in respect of damage to property.”

Short Title

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4. The Bill may be cited as Insurance Act (Amendment) Bill, 2016.**EXPLANATORY NOTE**

This Bill seeks to provide security as remedies for the victims of collapse buildings to fill the gap in the failure to provide for limit of liability in respect of third party liability in compulsory insurance of public buildings and buildings under construction by the Insurance Act.