Statutory Instrument No. 43 of 1988

FINANCE AND AUDIT ACT
(Cap. 54:01)

GUARANTEED LOANS INSURANCE FUND ORDER, 1988

(Published on the 8th April, 1988)

ARRANGEMENT OF PARAGRAPHS

PARAGRAPH

IN EXERCISE of the powers conferred on the Minister of Finance and Development Planning by section 25 of the Finance and Audit Act, the following Order is hereby made —

Citation

1. This Order may be cited as the Guaranteed Loans Insurance Fund Order, 1988, and shall come into operation on the 1st April, 1988.

Establishment of Fund

2. A special Fund to be known as the Guaranteed Loans Insurance Fund (hereinafter referred to as the Fund) is hereby established.

Purpose of Fund

3. The purposes of the Fund are to —

(*a*) to insure motor vehicles and private dwellings purchased with commercial loans guaranteed by the Government of Botswana or a City, Town or District Council or a Land Board in respect of its employees;

(*b*) to insure, at the sole discretion of the Fund, motor vehicles and private dwellings, the property of employees of the Government of Botswana or of a City, Town or District Council or a Land Board on which there is no loan guarantee;

(*c*) to ensure that insurance cover on purchased property is operative during the entire period of the guarantee,

(*d*) to establish as wide a basis of insurance cover as is required to provide counter guarantees on loans guaranteed; and

(*e*) to provide insurance cover as economicaly as possible, commensurate with the objectives of the Fund.

Administration of Fund

4. (1) The Permanent Secretary, Ministry of Finance and Development Planning (hereinafter referred to as the Accounting Officer) shall be the public officer responsible for the administration of the Fund.

(2) The Accounting Officer may, with the written approval of the Minister, appoint a person registered as an Insurer or a Broker in terms of the Insurance Act, 1979 or the Insurance Industry Act, 1987 to undertake the day to day activities of the Fund.

Receipts into the Fund

5. There shall be paid into the Fund all monies received in respect of premiums and contributions recieved from employees and from

Government and City, Town and District Councils and from Lan[d] Boards, and as income from the investments of monies of the Fund.

6. There shall be paid from the Fund — *Disbursements from the Fund*

(a) costs of claim settlements commensurate with the provisions of the insurance cover provided by the Fund;

(b) costs of administration of the Fund;

(c) such other sums as the Minister may in writing approve.

7. The Accounting Officer shall — *Accounts of the Fund*

(a) keep and maintain proper accounts and records in respect of the Fund;

(b) prepare in respect of each financial year a balance sheet and statement of income and expenditure in such form and manner as the Accountant-General may approve.

MADE this 30th day of March, 1988.

P.S. MMUSI,
Vice-President and Minister of Finance and Development Planning.

L2/7/97