

INDEPENDENT STATE OF PAPUA NEW GUINEA.

Organic Law on the Integrity of Political Parties and Candidates,

Being an Organic Law to implement Subdivision VI.2.H (Protection of Elections from Outside or Hidden Influences) of the Constitution and for related purposes,
MADE by the National Parliament to come into operation:

- a. in respect of Parts I, II, III, IV and VIII - on certification; and
- b. in respect of the remainder - one year after the date of certification.

PART I – PRELIMINARY

1. Compliance with Constitutional requirements.

This Law, to the extent that it regulates or restricts a right or freedom referred to in Subdivision III.3.C (qualified rights) of the Constitution, namely:

- a. freedom from arbitrary search and entry conferred by Section 44 of the Constitution; and
- b. freedom of conscience, thought and religion conferred by Section 45 of the Constitution; and
- c. freedom of expression conferred by Section 46 of the Constitution; and
- d. freedom of assembly and association conferred by Section 47 of the Constitution; and
- e. the right to privacy conferred by Section 49 of the Constitution,

is a law that is made for the purposes of giving effect to the public interest in public order and public welfare.

2. Interpretation.

In this Law, unless the contrary intention appears:

“Board” means the Board of Management of the Central Fund established by Section 40;

“candidate” means a person who has nominated or who nominates for election to the Parliament and includes a former candidate;

“Central Fund” means the Central Fund established by Section 54;

“constitution of a political party” means the document (by whatever name known) specifying the aims of the political party and the manner of governance of the political party;

“contribution” means the giving of:

- a. money to the Central Fund or to the fund of a political party or to a candidate; or
- b. assistance in kind, goods, services, gifts or other voluntary provisions to a political party; or
- c. assistance in kind, goods, services, gifts or other voluntary provisions to a candidate as assistance towards campaign expenses, exceeding in value a prescribed amount and “contribute” and “contributor” have corresponding meanings;

“Electoral Commission” means the Electoral Commission continued in establishment by Section 5 of the Organic Law on National and Local-level Government Elections;

“Electoral Commissioner” means the Electoral Commissioner appointed under Section 5 of the Organic Law on National and Local-level Government Elections;

“endorsed candidate” means a candidate:

- a. who was publicly supported by a political party as representing its views; and
- b. who did not reject or refute such support at the time when it was given, and “endorse” has a corresponding meaning;

“executive officer”, in relation to a political party, means an executive officer referred to in Section 4;
“expenditure” or “electoral expenses” includes the value of gifts, goods and services provided without charge as contribution in respect of expenses and living and travelling costs incurred before, during or after an election by:

- a. a political party or, with its permission, express or implied, on behalf of a political party; or
- b. a candidate or, with his permission, express or implied, on behalf of a candidate, but does not include:
- c. the value of hospitality (including meals, accommodation and transport) of a kind and to a degree recognized as hospitality in the country or in that part of the country in which the hospitality was given; or
- d. in the case of a candidate, reasonable costs incurred by him personally for travel and for living away from home for the purposes of the election; “financial return” means:
 - a. in the case of a registered political party - a financial return under Section 67; and
 - b. in the case of a candidate - a financial return under Section 68;

“general election” means a general election to the Parliament held in accordance with Section 105 (general elections) of the Constitution;

“income”, in relation to a political party, means all income and receipts other than contributions;

“life of a Parliament” means the period commencing on the date of the first meeting of the Parliament following the return of the writs in a general election and ending on the day before the first meeting of the new Parliament following the next general election;

“member” means a member of a political party and includes an official of a political party;

“Member” means a Member of the Parliament;

“National Budget” means the National Budget required by Section 209 (Parliamentary responsibility) of the Constitution and includes appropriations, other legislation pertaining to the National Budget and supplementary or additional Budgets and appropriations and legislation pertaining thereto;

“non-citizen” means a person other than a Papua New Guinea citizen and includes a non-citizen corporation;

“non-citizen corporation” means a business enterprise or corporation or an organization, corporate or non-corporate, profit-making or non-profit-making:

- a. originally incorporated, registered or formed in a foreign country; or
- b. where it is originally incorporated, registered or formed in Papua New Guinea:
 - i. whose membership or controlling body is largely non-citizens; or
 - ii. of which more than 25% of its equity or the balance of voting power or the management is in the control of non-citizens;

“political party” means an association, party or organization (by whatever name known) having political aims and includes its branches and affiliates;

“public funding”, in relation to a registered political party, means funds appropriated by the Parliament under Section 56;

“Register” means the Register of Political Parties established by Section 16;

“Registrar” means the Registrar appointed by Section 8;

“registered political party” means a political party registered under Section 26 or deemed to be registered under Section 6(3);

“Secretariat” means the Secretariat established by Section 50;

“this Law” includes the Regulations made under this Law.

PART II - POLITICAL PARTIES GENERALLY.

3. Membership of political parties.

1. Subject to Subsection (2), a political party shall not restrict membership of the party on the basis of sex, race, religion or place of origin.
2. A non-citizen shall not be a member of a political party.
3. A person shall not be a member of more than one political party at the same time.
4. Subject to Subsection (7), a person is not a member of a political party unless all fees, dues or other payments due by him to the political party in accordance with the constitution of that political party have been paid within the time and in the manner required by that constitution.
5. Subject to Subsection (6), membership of a political party shall be ordinary membership and a political party shall not grant dual membership, associate membership or any other form of membership of the political party.
6. A political party may, in accordance with the constitution of that political party accord special privileges, such as life membership of the party, to certain members of the party.
7. A member of a registered political party who is a Member of the Parliament and who has not paid, within the time and in the manner required by the constitution of that political party, all fees, dues or other payments due by him to the political party may be expelled from the political party if the constitution so provides, but if not so expelled remains as a member of that political party until:
 - a. the end of the life of the Parliament during which the non-payment occurs; or
 - b. his resignation from that political party; or
 - c. his ceasing to be a Member of the Parliament according to law, whichever first happens.

4. Executive officers of Political Parties.

(1) A political party shall have the following executive officers:-

- a. a president; and
- b. a secretary; and
- c. a treasurer; and
- d. where a registered political party has two or more members who are Members of the Parliament, a Parliamentary Leader.

(2) An official of a political party, other than a Member of the Parliament, shall not hold any other public office or be an employee or member of the governing body of a public body including a superannuation fund or corporation in which the State or a public body has an equity interest.

(3) The executive officers referred to in Subsection (1)(a), (b) and (c) shall be elected in a democratic manner in accordance with provisions specified in the constitution of the political party and conforming to the following principles:-

- a. each member of the political party has an equal voting right that is exercisable freely;
- b. subject to reasonable qualifications applying to all members of the political party, all members are eligible to contest the election of executive officers;
- c. reasonable opportunity is given to:

- i. all members qualified under Paragraph (b) to contest; and
- ii. all members to vote in,an election of executive officers;

d. the executive officers are appointable and removable by the majority vote of the members of the political party at elections held at fixed periodic intervals.

(4) A Parliamentary Leader referred to in Subsection (1)(d) shall be elected in a democratic manner in accordance with provisions specified in the constitution of the political party and conforming to the following principles:-

- a. each member of the political party who is a Member of the Parliament has an equal voting right that is exercisable freely;
- b. subject to Paragraph (e) and to reasonable qualifications applying to all such members, all such members are eligible to contest the election of the office of Parliamentary Leader;
- c. reasonable opportunity is given to:

- i. all such members qualified under Paragraph (b) to contest; and
- ii. all such members to vote in,an election of a Parliamentary Leader;

d. the Parliamentary Leader is appointable and removable by the majority of such members at elections held at fixed periodic intervals and at least once during the life of each Parliament;

e. no such member may be elected and hold office as Parliamentary Leader of the same political party on more than three consecutive occasions, but may subsequently hold office as Parliamentary Leader of that political party.

5. Public Officer.

(1) Each political party shall appoint a member of the party to be the public officer of the party for the purposes of this Law.

(2) An executive officer of a political party is eligible to be appointed the public officer of that political party

(3) The public officer of a political party is responsible, on behalf of the political party, for:

- a. lodging an application to register it or to amend its registration; and
- b. lodging financial returns; and
- c. receiving notifications from the Registrar and the Board; and
- d. performing such other functions as are specified in this Law.

6. Requirement of political party to register.

(1) A political party is required to register under Part III where:

- a. it intends to nominate a candidate for election to the Parliament; or
- b. it intends to endorse a candidate; or
- c. a member of the political party is a Member of the Parliament.

(2) Subject to Subsection (3), a political party which is not registered under Part III is not eligible:

- a. to nominate a candidate for election to the Parliament; or
- b. to endorse a candidate for election to the Parliament; or
- c. to receive any funding from the Central Fund under this Law.

(3) A political party:

- a. in existence on the date of coming into operation of this Law; and

- b. required by Subsection (1) to register; and
- c. which lodges an application for registration under Section 21(1) within six months of the date of coming into operation of this Law, is deemed to be a registered political party for the period from the date of coming into operation of this Law until:
- d. the date of registration of that political party under Section 26; or
- e. the date of notification of refusal to register that political party under Section 27.

7. Qualifications for registration.

A political party is eligible for registration where:

- a. its objectives, policies or platforms encourage the development of the country as one nation and do not encourage secession; and
- b. subject to Section 3(2), it does not discriminate on the basis of sex, race or religion except to the extent permitted by Section 55(2) (equality of citizens) of the Constitution; and
- c. it is incorporated under the Associations Incorporation Act (Chapter 142); and
- d. its membership is not confined by its constitution to persons from a particular province, region or group; and
- e. its constitution provides for a president, a secretary and a treasurer and such executive officers have been appointed or elected in accordance with its constitution; and
- f. a public officer of the party has been appointed in accordance with Section 5; and
- g. the policies of the party do not encourage any illegal or unlawful purposes; and
- h. the name of the political party does not contain the word "independent".

PART III. - REGISTRATION OF POLITICAL PARTIES.

Division 1. - Registrar.

8. Registrar.

- (1) There shall be a Registrar of Political Parties who shall be a suitably qualified person appointed by the Board.
- (2) The Office of Registrar of Political Parties is hereby declared to be an office to and in relation to which Division III.2 (Leadership Code) of the Constitution applies.
- (3) The Registrar shall:
 - a. be appointed for a term of six years; and
 - b. hold office in accordance with the determination of the Parliament under Section 216(4) (the Salaries and Remuneration Commission) of the Constitution; and
 - c. be eligible for re-appointment.

9. Disqualifications from office.

- a. A person is not qualified to be, or to remain, the Registrar if he is: a member of the Parliament; or
- b. a member of a Provincial Government; or
- c. a member of a Local-level Government; or
- d. a member of a political party; or
- e. an undischarged bankrupt or insolvent; or
- f. of unsound mind within the meaning of any law relating to the protection of the person and property of persons of unsound mind; or
- g. under sentence of death or imprisonment.

10. Special conditions of employment.

(1) The Registrar shall not:

- a. actively engage in politics; or
- b. except on leave of absence granted by the Board, or because of illness, absent himself from duty for more than 14 consecutive days or more than 22 days in any period of 12 months; or
- c. subject to Subsection (3), acquire by way of gift or otherwise or use or hold in any other manner any interest in any property in Papua New Guinea or solicit, accept or receive any other benefit in addition to his terms and conditions of employment.

(2) Nothing in Subsection (1)(b), prevents the Registrar from holding office in a professional body in relation to which his qualifications are relevant.

(3) Subject to an Organic Law made for the purposes of Division III.2 (Leadership code) of the Constitution, the Registrar may purchase, lease or otherwise acquire land in the same manner as any other citizen.

11. Resignation.

The Registrar may resign by giving to the Board three months' notice in writing of his intention to do so.

12. Retirement.

A person who has attained the age of 55 years shall not be appointed or re-appointed as the Registrar and a person shall not be appointed or re-appointed for a period that extends beyond the date on which he will attain the age of 55 years.

13. Vacation of office.

(1) Where the Registrar:

- a. becomes disqualified from holding office under Section 9; or breaches the special conditions of employment specified in Section 10; and
- b. resigns his office under Section 11, the Board shall terminate his appointment.

(2) The Board may, at any time, by written notice under the hand of the Chairman, advise the Registrar that it intends to terminate his appointment on the grounds of inefficiency, incapacity or misbehaviour.

(3) Within 14 days of a notice under Subsection (2), the Registrar may reply in writing to the Board who shall consider the reply and where appropriate may terminate the appointment.

(4) Where the Registrar does not reply in accordance with Subsection (3) his appointment is terminated.

14. Seal.

(1) The Registrar shall have and use as his seal of office a seal in such form as the Minister approves.

(2) In pursuance of his duties and functions under this Law, the Registrar may fix, or cause to be affixed, a facsimile of his signature which shall be deemed to be the signature of the Registrar.

(3) All courts, Judges and persons acting judicially shall take judicial notice of:

- a. a signature of any person who holds or has held the Office of Registrar and of the fact that that person holds or has held that office; and
- b. the seal of the Registrar.

15. Functions and duties of the Registrar.

The Registrar shall:

- a. administer the Secretariat; and
- b. be the Head of the staff of the Secretariat; and
- c. perform such functions and duties as are required by this Law or an Act of the Parliament.

Division 2. - The Register.

16. Register.

(1) The Registrar shall establish and maintain in the office of the Secretariat a Register of Political Parties.

(2) The Register shall be in such form and shall be kept in such manner as the Registrar determines.

(3) All matters required by this Law to be registered shall be effected by the Registrar.

17. Inspection.

The Register shall be available for inspection by any person, on payment of the prescribed fee, during such hours as the Office of the Registrar is open for business.

18. Certificates, etc.,

Subject to this Law, the Registrar may:

- a. issue copies of or extracts from entries in the Register certified under his hand and seal; and
- b. certify under his hand and seal that an entry, act, matter or thing required or authorized under this Law to be made or done, has or has not been made or done, as the case may be.

19. Register, etc., to be evidence.

(1) The Register is evidence of all matters required or authorized by this Law to be entered in it.

(2) A certified copy or extract issued by the Registrar under Section 18 is evidence in all courts and proceedings without further proof or production of the original.

(3) A certificate of the Registrar under Section 18 is evidence of the statements contained in the certificate.

20. Publication of list of political parties before national election.

(1) The Registrar shall, as soon as practicable after the date of issue of a writ for an election to the Parliament, publish in the National Gazette a list of all registered political parties.

(2) A list under Subsection (1) shall include the names of:

- a. the president; and
- b. the secretary; and
- c. the treasurer; and

- d. the Parliamentary Leader (if any); and
- e. the public officer, of each registered political party.

Division 3. - Registration Procedure.

21. Application for registration of a political party.

(1) An application for registration of a political party shall be made to the Registrar by the public officer of that political party.

(2) An application under Subsection (1):

- a. by a political party, required by this Law to be registered, in existence on the date of coming into operation of this Law - shall be made within six months of that date; and
- b. in any other case may be made as and when required.

(3) An application under Subsection (1) shall:

- a. be on the prescribed form; and
- b. be accompanied by the prescribed fee; and
- c. contain the following information relating to the political party:-
 - the name of the political party;
 - any abbreviation of the name or initials or acronym which the political party intends to use;
 - the name of the public officer;
 - the postal address and physical location of:
 - a. the main office where the secretariat is situated; and
 - b. any branch offices and affiliates;
 - the names, addresses and occupations of the members of its executive officers and of its executive or controlling body and of the officers accountable for or otherwise handling or managing its money or property;
 - the names and addresses of persons authorized to receive contributions and commit expenditures on its behalf;
 - the names and addresses of persons authorized to commit the party and its branches to endorse and publicly support candidates at elections;
 - the names of Members of the Parliament who are members;
 - the date of its incorporation;
 - such other related matters and particulars as the Board may require; and
- d. be accompanied by the following in relation to the political party:-
 - i. a copy of the constitution of the political party;
 - ii. the certificate of incorporation issued under the Associations Incorporation Act (Chapter 142);
 - iii. statutory declarations by Members of the Parliament who are members of the political party (if any) to the effect that they are members and are not members of any other political party;
 - iv. a statutory declaration by the public officer to the effect that:
 - (A) no non-citizens are members of the political party; and
 - (B) no non-citizens are in the employ of the political party or have been engaged, whether for gain or otherwise, to assist in any way in its campaign or work;
 - v. a copy of the balance sheet and financial statements detailing assets and liabilities and income and sources of income;

vi. a copy of the annual income tax return for the preceding year (if any) certified by the Internal Revenue Commission to be true and accurate.

22. Application to be advertised.

(1) As soon as practicable after an application is made to him under Section 21(1), the Registrar shall cause notice of the application to be published in:

- a. the National Gazette; and
- b. a newspaper published in and circulating generally in the country not less than once in each week.

(2) A notice under Subsection (1) shall:

- a. include the information referred to in Section 21(3)(c); and
- b. invite any person wishing to object to the application in accordance with this Division to lodge a written objection with the Registrar within one month of the date of publication of the notice under Subsection (1)(a) or (b), whichever is the earlier date; and
- c. specify the date for the consideration of the application by the Board, being a date not less than one month after the date of publication of a notice under Subsection (1)(a) or (b), whichever is the earlier date.

23. Grounds of objection.

(1) Objection to the grant of an application made under Section 21(1) may be taken on one or more of the following grounds:-

- a. that the application is not in accordance with this Law;
- b. that the information set out in the application, or that any document required to accompany the application, is incorrect;
- c. that the name of the political party is obscene or offensive;
- d. that the name of the political party so closely resembles the name of a registered political party or public body so as likely to be confused with or mistaken for that registered political party or public body.

(2) A statement of objection under Subsection (1) shall:

- a. contain the name and address of the person making the objection; and
- b. be signed by that person; and
- c. specify in detail the grounds of objection.

(3) The Registrar shall:

- a. send to the person making the application under Section 21(1) a copy of any objection lodged; and
- b. invite him to give a reply within such reasonable time as the Registrar allows.

24. Referral of application to Board.

Where an application has been lodged under Section 21 the Registrar shall:

- a. where all the requirements of Section 21 have been met, submit to the Board:
 - i. the application; and
 - ii. any objections under Section 23(1); and
 - iii. any reply to objections under Section 23(3); and

- b. where the requirements of Section 21 have not all been met:
 - i. require the applicant to furnish the missing requirements; and
 - ii. where that has been done, proceed as in Paragraph (a).

25. Consideration of application.

(1) Subject to Subsection (4), as soon as practicable after the expiry of the time for lodging objections under Section 22 to an application, the Board shall consider the application together with any objections to it and any replies by the applicant to the objections.

(2) Where the Board is of the opinion that:

- a. the application is complete; and
- b. the political party has the qualifications for registration specified in Section 7; and
- c. any objection to the application does not justify a refusal to register the political party, the Board shall approve the application and shall direct the Registrar to register the political party.

(3) Where the Board is of the opinion that:

- a. the application is not complete; or
- b. any of the matters, listed in Section 23(1) as grounds of objection to an application, exists in relation to the application; or
- c. the political party does not have the qualifications for registration specified in Section 7; or
- d. any objection to the application justifies a refusal to register the political party,

the Board shall refuse the application giving its reasons for the refusal in writing and shall notify the Registrar accordingly.

(4) The Board shall not consider any application under Section 21(1) during the period commencing on the date fixed, in accordance with a Constitutional law, for the issuing of writs for a general election and ending on the date fixed, in accordance with a Constitutional law, for the return of the writs for that general election.

26. Registration.

The Registrar shall effect registration of a political party on the direction of the Board under Section 25(2) by entering in the Register the prescribed particulars of the political party.

27. Notification of decision of Board.

(1) The Registrar shall, as soon as practicable after receiving from the Board a direction under Section 25(2) or a notification under Section 25(3), give written notification of the decision of the Board to the public officer of the political party and to any person who filed a notice of objection to the application.

(2) Where the Board has refused an application, the notification to the public officer under Subsection (1) shall include the reasons given in writing by the Board for its refusal.

Division 4. - Amendment of Register.

28. Amendment of Register.

(1) A public officer of a registered political party shall, within 30 days of any change in:

- a. the constitution of the political party; or
- b. the information supplied to the Registrar under Section 21(3), inform the Registrar of the change.

(2) Where any change referred to in Subsection (1) relates to a matter recorded in the Register, the Registrar shall amend the Register accordingly.

(3) The public officer of a registered political party may apply to the Board for:

- a. the amendment of any information recorded in the Register; or
- b. the replacement of any documents lodged with the Registrar, relating to that political party.

(4) An application under Subsection (3) shall be made in such manner and form as is approved by the Board.

(5) The Board shall consider an application under Subsection (3) and shall:

- a. where the application complies with this Law, agree to it; and
- b. where the application does not comply with this Law, refuse it, and advise the Registrar accordingly.

(6) The Registrar shall:

- a. notify the applicant of the decision of the Board under Subsection (5); and
- b. in the case of a decision under Subsection (5)(a), amend the Register accordingly.

Division 5. - Cancellation of Registration.

29. Grounds for cancellation of registration.

The Board may cancel the registration of a registered political party where:

- a. the party is convicted of an offence under this Law or any other law that carries a penalty of a fine of K1,000.00 or more and the party fails to pay the fine imposed on it within the time fixed by the court imposing the fine for payment of the fine; or
- b. the party or a member of the party is convicted of an offence under Section 66; or
- c. the party no longer meets the qualifications for registration referred to in Section 7; or
- d. the party without reasonable justification, fails to file financial returns, as required by this Law, for two consecutive years.

30. Notification of intention to cancel registration.

(1) Where the Board is of the opinion that grounds for cancellation of registration exist in relation to a registered political party it shall so advise the Registrar who shall give written notification to the public officer of that registered political party of the intention of the Board to cancel its registration.

(2) Notification under Subsection (1) shall:

- a. state the grounds for the proposed cancellation; and
- b. fix a period of not less than 21 days within which the political party may:
 - i. make representations to the Board as to why the registration should not be cancelled; or
 - ii. where the grounds are those specified in Section 29(c) or (d), takes steps to ensure compliance with this Law.

31. Board to consider cancellation, etc.,

(1) On the expiry of the period fixed under Section 30(2)(b), the Board shall:

- a. consider any representations made under Section 30(2)(b)(i) and any steps taken under Section 30(2)(b)(ii); and
- b. decide whether the registration of the political party is or is not to be cancelled; and
- c. advise the Registrar of its decision under Paragraph (b).

(2) On receipt of the advice under Subsection (1)(c), the Registrar shall:

- a. where the decision of the Board is that the registration of the political party is to be cancelled, cancel the registration; and
- b. notify the public officer of the political party of the decision of the Board under Subsection (1)(b) and, where the registration has been cancelled, of the cancellation; and
- c. where the registration has been cancelled:
 - i. give notification of the cancellation in the National Gazette; and
 - ii. give to the Ombudsman Commission the names of the executive officers of the political party at the date of cancellation of its registration; and
 - iii. give to:

(A) the Speaker; and

(B) the Ombudsman Commission,
the names of each member of the political party who was a Member of the Parliament at the date of cancellation of the registration of the political party.

32. Effect of cancellation on registration.

Where the registration of a political party is cancelled in accordance with this Division:

- a. an executive officer of that political party; or
- b. a member of that political party who is a Member of the Parliament, at the date of the cancellation shall not, for a period of four years commencing on that date:
- c. form a new political party; or
- d. join a political party formed after that date of cancellation.

33. Assets and liabilities, etc., of political party whose registration is cancelled.

(1) Where the registration of a political party is cancelled under this Division the Board may:

- a. withhold any funding due to the party as at the date of cancellation; and
- b. appoint a receiver to take charge of the property of the party and, for that purpose, obtain all books of account, documents, title deeds and other papers and documents (in hard copy or electronic format) relating to the assets and liabilities of the party.

(2) Any property or assets of the political party remaining after discharge of all liabilities shall be paid into the Central Fund.

Division 6. - Procedures relating to an Executive Officer of, or a Member of the Parliament who is a member of, a Political Party whose registration is cancelled.

34. Procedures relating to an executive officer of, or a member of the parliament who is a member of, a political party whose registration is cancelled.

(1) An executive officer of a political party at the date of the cancellation of its registration under Section 31(2)(a) who:

- a. was responsible, in full or in part, for the circumstances giving rise to the cancellation of its registration; or
- b. was privy to the circumstances giving rise to the cancellation of its registration, and took no steps or insufficient steps to remedy the situation, is guilty of misconduct in office.

(2) A Member of the Parliament who:

- a. was a member of a political party at the date of the cancellation of its registration under Section 31(2)(a); and
- b. was:
 - i. responsible, in full or in part, for the circumstances giving rise to the cancellation of its registration; or
 - ii. was privy to the circumstances giving rise to the cancellation of its registration and took no steps or insufficient steps to remedy the situation, is guilty of misconduct in office.

(3) The Ombudsman Commission shall, on receipt of a notification:

- a. under Section 31(2)(c)(ii), investigate whether it is satisfied that any executive officer is guilty of misconduct in office under Subsection (1); and
- b. under Section 31(2)(c)(iii)(B), investigate whether it is satisfied that any Member of the Parliament is guilty of misconduct in office under Subsection (2), in relation to the cancellation of the registration of the political party.

35. Further procedure.

(1) Where, following investigation under Section 34(3), the Ombudsman Commission is satisfied that:

- a. an executive officer is guilty of misconduct in office under Section 34(1); or
- b. a Member of the Parliament is guilty of misconduct in office under Section 34(2), the matter shall proceed in accordance with Part V of the Organic Law on the Duties and Responsibilities of Leadership.

(2) Where, following investigation under Section 34(3), the Ombudsman Commission is satisfied that an executive officer is not guilty of misconduct in office under Section 34(1), it shall so advise:

- a. the person concerned; and
- b. the Registrar.

(3) Where, following investigation under Section 34(3), the Ombudsman Commission is satisfied that a Member of the Parliament is not guilty of misconduct in office under Section 34(2), it shall so advise:

- a. the Member; and
- b. the Speaker; and
- c. the Registrar, and the Member shall retain his office as a Member of the Parliament and may:
- d. join another registered political party; or
- e. remain independent from any political party.

(4) Where, as a result of the procedure under Part V of the Organic Law on the Duties and Responsibilities of Leadership no recommendation is made for the dismissal from office of a Member of the Parliament, the Member shall retain his office as a Member of the Parliament.

36. Status of Member after notification to Ombudsman Commission.

or the period commencing on the date on which the Registrar gives notification to the Ombudsman Commission under Section 31(2)(c)(iii)(B) of the name of a Member of the Parliament who was a member of a political party at the time of the cancellation of the registration of that political party and ending on:

- a. notification by the Ombudsman Commission to the Speaker under Section 35(3)(b); or
- b. the decision of a tribunal in accordance with Part V of the Organic Law on the Duties and Responsibilities of Leadership, the Member shall not become a member of another registered political party.

Division 7 - Dissolution of Registered Political Party.

37. Dissolution of registered political party.

(1) A registered political party may be dissolved where:

- a. a resolution for the dissolution of the party has been agreed to by:
 - (i) an absolute majority of the members of the party; and
 - (ii) at least 75% of the members of the party who are Members of the Parliament; and
- b. all liabilities of the party have been discharged.

(2) The public officer of a political party dissolved under Subsection (1) shall immediately:

- a. notify the Registrar of the dissolution; and
- b. supply the Registrar with:
 - i. particulars of the resolution under Subsection (1)(a); and
 - ii. evidence of the discharge of the liabilities of the party.

(3) Where the Registrar is satisfied that the provisions of Subsection (1) have been complied with he shall:

- a. cancel the registration of the political party; and
- b. give notification in the National Gazette that the registration of the political party has been dissolved following its dissolution; and
- c. where any member of the political party is a Member of the Parliament, notify the Speaker.

(4) Any property or assets of the political party remaining after discharge of all liabilities shall be paid into the Central Fund.

38. Effect of dissolution of political party.

Where the registration of a political party is cancelled following dissolution of the party in accordance with this Division:

- a. an executive officer of that political party; or
- b. a member of that political party who is a Member of the Parliament, at the date of dissolution, may:
 - c. remain independent from any political party; or
 - d. join a political party in existence immediately prior to the date of dissolution, but shall not, for a period of four years commencing on that date:
 - e. form a new political party; or
 - f. join a political party formed after that date of dissolution.

Division 8. - Amalgamation of Registered Political Parties.

39. Amalgamation of registered political parties.

(1) Two or more registered political parties may amalgamate where:

a. in the case of each party, a resolution for the amalgamation of the party with the other party or parties has been agreed to by:

(i) an absolute majority of the members of the party; and

(ii) at least 75% of the members of the party who are Members of the Parliament; and

b. all liabilities of each party have been:

(i) discharged; or

(ii) with the consent of the other party or parties to the amalgamation, transferred to become liabilities of the amalgamated party.

(2) The public officer of each registered political party proposing to amalgamate under Subsection (1) shall immediately:

a. notify the Registrar of the proposed amalgamation; and

b. supply the Registrar with:

(i) particulars of the resolution under Subsection (1)(a); and

(ii) evidence of the discharge or transfer of the liabilities of the party under Subsection (1)(b).

(3) The public officer of the amalgamated party shall:

a. apply to the Registrar for registration of the amalgamated party; and

b. supply to the Registrar such of the information relative to the amalgamated party as is required to be supplied under Section 21(3)(c) and (d) in respect of an application for registration of a political party.

(4) Where the Registrar is satisfied:

a. that the provisions of Subsections (1), (2) and (3) have been complied with; and

b. that the information supplied is acceptable, he shall proceed to deal with the application for registration of the amalgamated party in the manner required by Sections 22 to 27 inclusive in respect of an application for registration of a political party.

(5) For the purposes of this section, "amalgamated party" means the party formed as a result of the amalgamation.

PART IV. - CENTRAL FUND BOARD OF MANAGEMENT.

40. Central Fund Board of Management.

(1) The Central Fund Board of Management is hereby established.

(2) The Board:

- a. is a corporation with perpetual succession; and
- b. shall have a seal; and
- c. may acquire, hold and dispose of property; and
- d. may sue and be sued in its corporate name.

(3) All courts, Judges and persons acting judicially shall take judicial notice of the seal of the Board affixed to a document and presume that it was duly affixed.

41. Constitution of the Board.

(1) The Board shall consist of the following members:-

- a. the Clerk of the Parliament, ex officio; and
- b. the Electoral Commissioner, ex officio; and
- c. the Registrar, ex officio; and
- d. the Chairman of the National Fiscal and Economic Commission, ex officio; and
- e. a representative of the National Council of Women, nominated by the National Council of Women; and
- f. a representative of the National Council of Churches, nominated by the National Council of Churches.

(2) The representatives under Subsection (1)(d) and (e) shall be citizens and shall be appointed by the Head of State, acting on advice, by notice in the National Gazette.

(3) The members of the Board are subject to the Leadership Code.

(4) The members of the Board shall receive such fees and allowances as fixed under the Boards (Fees and Allowances) Act (Chapter 212).

42. Chairman.

(1) The members of the Board shall elect one of their number to be Chairman of the Board for a period of two years.

(2) A member appointed as Chairman under Subsection (1) is eligible for re-appointment as Chairman.

(3) The Board shall determine grounds for the removal from office of a Chairman and procedures relative thereto and a Chairman may be removed from office on such grounds and in accordance with such procedures.

43. Declaration of Office.

(1) Before entering on the duties of his office, a member of the Board shall make the Declaration of Office provided by the Constitution.

(2) The Declaration of Office shall be made by a member of the Board before the Minister or a person appointed by the Minister for the purpose.

44. Leave of absence of member.

The Chairman may grant leave of absence to a member of the Board on such terms and conditions as the Chairman determines.

45. Vacation of office of member

(1) Where a member of the Board referred to in Section 41(1)(d) or (e):

- a. resigns his office by writing under his hand addressed to the Minister; or
- b. absents himself from three consecutive meetings of the Board without the written consent of the Chairman; or
- c. becomes of unsound mind as that expression is used in the Public Health Act (Chapter 226), the Head of State, acting on advice, shall terminate his appointment.

(3) The Head of State, acting on advice, may at any time terminate the appointment of a member appointed under Section 41(1)(d) or (e) on the grounds of inability, inefficiency, incapacity or misbehaviour.

46. Vacancy not to affect powers or functions.

The exercise or performance of a power or function of the Board is not invalidated by reason only of a vacancy in the membership of the Board.

47. Meeting of the Board.

(1) The Board shall meet at least once in every period of three months and otherwise as often as the business of the Board requires or as the Chairman directs.

(2) The Chairman shall, where requested to do so by not less than three members of the Board, call a meeting of the Board as soon as practicable after receiving the request.

(3) At a meeting of the Board:

- a. the Chairman and two other members of the Board constitute a quorum; and
- b. the Chairman shall preside; and
- c. matters arising shall be decided by a majority of the votes of the members of the Board present and voting; and
- d. the Chairman has a deliberative vote, and in the event of an equality of votes on a matter, also a casting vote.

(4) The Board shall cause minutes of its meetings to be recorded and kept.

(5) Subject to this Law, the procedures of the Board are as determined by it.

48. Indemnity of member of the Board.

A member of the Board is not personally liable for any act of the Board or of a member of the Board acting as such, done in good faith.

49. Functions and powers of the Board.

(1) The Board shall:

- a. be responsible for the consideration of applications for the registration of political parties; and
- b. be responsible for the policy concerning, and for the control and management of, the Central Fund; and
- c. have such other functions as are given to it by this Law.

(2) The Board has full powers to do all things necessary and incidental to its functions including, without prejudice to the foregoing generality, the power to:

- a. raise monies, from within or outside Papua New Guinea; and
- b. invest funds in bonds and securities within the country, for the purposes of the Central Fund.

(3) In carrying out its functions and exercising its powers under this Law the Board is not subject to any control or direction by any person or authority.

50. Secretariat.

(1) There is established a Secretariat which shall:

- a. consist of such number of staff as the Board decides; and
- b. assist the Board in carrying out of its functions under this Law.

(2) The Board shall:

- a. after consultation with the Registrar, appoint the members of the staff of the Secretariat; and
- b. subject to the Salaries and Conditions Monitoring Committee Act 1988, fix the terms and conditions of members of the staff of the Secretariat.

(3) The Registrar shall be responsible for the day-to-day operations of the Secretariat.

(4) Funds shall be provided in each year from the Consolidated Revenue Fund for the maintenance and expenses of the Secretariat.

(5) An Act of the Parliament may make provision for and in respect of qualifications and appointment of staff of the Secretariat and such other matters in relation to the Secretariat as are necessary to give effect to the operation of this Law.

51. Application of Public Finances (Management) Act.

Part VIII of the Public Finances (Management) Act 1995 applies to and in relation to the Board.

52. Reports by the Board.

(1) The Board shall, by 31 March in each year, give to the Head of State, for presentation to the Parliament, a report on the functions and workings of the Board and of this Law for the year ending 31 January preceding, with such recommendations as to improvement as the Board thinks proper.

(2) Nothing in Subsection (1) prevents the Board from making, on its own initiative or at the request of the Parliament or the National Executive Council, other reports on any aspect of the functions and workings of the Board and of this Law.

PART V. - FUNDING POLITICAL PARTIES.

Division 1. - Central Fund and Contribution.

53. Funding of political party only in accordance with this Law.

(1) A political party shall be funded only in accordance with this Law.

(2) Only a registered political party is eligible to receive funding from the Central Fund.

(3) The funding of a registered political party shall consist of:

- a. funding from the Central Fund where applicable in accordance with this Law; and
- b. any contributions made to the registered political party under Sections 57(1)(b) and 59(1)(b); and
- c. such other income as is not inconsistent with the provisions in this Law.

54. Establishment of Central Fund.

- (1) A fund to be called the Central Fund is hereby established.
- (2) All monies:
 - (a) required to be paid to the Central Fund under this Law; and
 - (b) otherwise available for payment to the Central Fund under this Law,shall be paid into the Central Fund and all payments authorized to be made under this Law shall be met by the Central Fund.

55. Source of funds in Central Fund.

The Central Fund shall hold funds contributed from the following sources:-

- (a) monies appropriated in the National Budget in accordance with Section 56; and
- (b) contributions made by citizens in accordance with Section 57(1)(a); and
- (c) contributions made by an international organization in accordance with Section 58; and
- (d) contributions made by non-citizens in accordance with Section 59(1)(a); and
- (e) funds raised by the Board; and
- (f) proceeds received by the Board from investments made by it.

56. Public funding.

- (1) In the National Budget for each year funds shall be appropriated in accordance with this section for the purposes of the Central Fund.
- (2) The amount of funds to be appropriated in each year for the Central Fund shall be calculated as follows:-
 - (a) K10,000.00 in respect of each Member of the Parliament; and
 - (b) an amount to cover any increase in the amount referred to in Paragraph (a) as a result of an increase under Section 61(3); and
 - (c) an amount to cover the administration of the Central Fund; and
 - (d) an amount, as determined by the Board, to cover the Central Fund's commitments under Section 62.

57. Contributions from citizens.

- (1) Subject to this section, a citizen may contribute to:
 - (a) the Central Fund, to an unlimited extent; and
 - (b) a political party, to an extent provided by Subsection (2)(a); and
 - (c) a candidate, to an extent provided by Subsection (2)(b).
- (2) Subject to Subsection (4), contributions made by a citizen:
 - (a) under Subsection (1)(b) - shall not exceed the sum of K500,000.00 in total in any calendar year; and
 - (b) under Subsection (1)(c) - shall not exceed the sum of K500,000.00 in respect of any one election.
- (3) Subject to Subsection (4), a citizen shall not enter into any scheme to defeat the provisions of Subsection (2).
- (4) Subsections (2) and (3) do not apply to a loan made to:
 - (a) a political party; or
 - (b) a candidate at an election,by a corporation which is licensed as a bank or financial institution under the Banks and Financial Institutions Act 2000, where the loan and the terms of the loan are similar to those available in the normal course of business of the bank or financial institution.
- (5) A citizen, who makes a contribution to:
 - (a) a political party; or
 - (b) a candidate at an election,shall, within 30 days of making the contribution, inform the Registrar of:
 - (c) the amount of the contribution; and
 - (d) the name of the political party or candidate, as the case may be, to which or whom the contribution was made; and
 - (e) the date on which the contribution was made; and
 - (f) such other matters concerning the contribution as may be prescribed.
- (6) A person, who fails to comply with Subsection (5), is guilty of an offence.
Penalty: A fine not exceeding the amount of the contribution in relation to which the offence was committed.
- (7) A:
 - (a) registered political party; or
 - (b) candidate at an election,shall, within 30 days of receiving a contribution from a citizen, inform the Registrar of:
 - (c) the amount of the contribution; and

- (d) the name of the citizen from whom the contribution was received; and
- (e) the date on which the contribution was made; and
- (f) such other matters concerning the contribution as may be prescribed.

(8) A:

(a) registered political party which; or

(b) candidate who,

fails to comply with Subsection (7), is guilty of an offence.

Penalty: A fine not exceeding the amount of the contribution in relation to which the offence was committed.

58. Contributions from International Organisations.

(1) An international organization may contribute to the Central Fund.

(2) An international organization shall not contribute directly to a registered political party.

59. Contributions from non-citizens.

(1) Subject to this section, a non-citizen may contribute to:

(a) the Central Fund, to an unlimited extent; and

(b) a registered political party, to an extent provided by Subsection (2)(a); and

(c) a candidate, to an extent provided by Subsection (2)(b).

(2) Subject to Subsection (4), contributions made by a non-citizen:

(a) under Subsection (1)(b) - shall not exceed the sum of K500,000.00 in total in any calendar year; and

(b) under Subsection (1)(c) - shall not exceed the sum of K500,000.00 in respect of any one election.

(3) Subject to Subsection (4), a non-citizen shall not:

(a) contribute, directly or indirectly, to a political party which is not a registered political party; or

(b) enter into any scheme to defeat the provisions of Subsection (2) or of Paragraph (a).

(4) Subsections (2) and (3) do not apply to a loan made to:

(a) a political party; or

(b) a candidate at an election,

by a non-citizen corporation which is licensed as a bank or financial institution under the Banks and Financial Institutions Act 2000, where the loan and the terms of the loan are similar to those available in the normal course of business of the bank or financial institution.

(5) A non-citizen, who makes a contribution to:

(a) a registered political party; or

(b) a candidate at an election,

shall, within 30 days of making the contribution, inform the Registrar of:

(c) the amount of the contribution; and

(d) the name of the political party or candidate, as the case may be, to which or whom the contribution was made; and

(e) the date on which the contribution was made; and

(f) such other matters concerning the contribution as may be prescribed.

(6) A person, who fails to comply with Subsection (5), is guilty of an offence.

Penalty: A fine not exceeding the amount of the contribution in relation to which the offence was committed.

(7) A:

(a) registered political party; or

(b) candidate at an election,

shall, within 30 days of receiving a contribution from a non-citizen, inform the Registrar of:

(c) the amount of the contribution; and

(d) the name of the non-citizen from whom the contribution was received; and

(e) the date on which the contribution was made; and

(f) such other matters concerning the contribution as may be prescribed.

(8) A:

(a) registered political party which; or

(b) candidate who,

fails to comply with Subsection (7), is guilty of an offence.

Penalty: A fine not exceeding the amount of the contribution in relation to which the offence was committed.

Division 2. - Endorsement of Candidates.

60. Endorsement of candidates

(1) The following provisions apply to the endorsement of candidates at elections to the Parliament:-

- (a) a registered political party shall not endorse more than one candidate (whether male or female) in each electorate;
- (b) a political party which is not registered shall not endorse a candidate;
- (c) a candidate shall not accept endorsement from more than one registered political party at the same time.

(2) A registered political party which endorses more than one candidate in an electorate is guilty of an offence.

Penalty: A fine not exceeding K5,000.00.

(3) Where a registered political party:

(a) is convicted of an offence under Subsection (2); and

(b) one of the candidates endorsed by that registered political party in the electorate in respect of which the offence was committed, wins the election,

that candidate shall be treated as an independent for the purposes of this Law.

(4) A candidate who accepts endorsement in an election from more than one registered political party is guilty of an offence.

Penalty: A fine not exceeding K2,000.00.

(5) Where a candidate:

(a) is convicted of an offence under Subsection (4); and

(b) wins the election in respect of which the offence was committed, his election shall be declared void.

Division 3. - Distribution of Funds from Central Fund.

61. Distribution of moneys from the Central Fund.

(1) For the purposes of this section, "registered political party represented in the Parliament" means a registered political party, a member of which is a Member of the Parliament who:

(a) was endorsed by that registered political party at the time of his election to the Parliament; or

(b) who subsequently joined that registered political party, and who is not a member of another registered political party.

(2) Subject to this section and to any other relevant provision of this Law, the Board shall pay out of the Central Fund:

(a) subject to Subsection (3), to each registered political party represented in the Parliament, the sum of K10,000.00 for each Member of the Parliament who is a member of that registered political party; and

(b) any sum payable to a registered political party under Section 62.

(3) The Board may, taking into account national economic factors, increase the amount payable under Subsection (2)(a), but no such increase shall exceed 10% in any one year.

(4) The Board may, from time to time, out of moneys available in the Central Fund after making the payments under Subsection (2) or

(3) make an additional payment to each registered political party.

(5) The amount to be paid to each registered political party under Subsection (4) shall generally be in accordance with the principles of Subsection (2).

62. Funding of female candidates.

Where:

(a) a registered political party endorsed a female candidate in an election and spent an amount as election campaign expenses on her behalf; and

(b) the female candidate obtained at least 10% of the votes cast in the electorate in that election, the registered political party shall be entitled to receive from the Central Fund:

(c) 75% of the amount expended by the registered political party as election campaign expenses on her behalf; or

(d) an amount fixed by the Board,

whichever is the lesser.

63. Claims for payment.

(1) The Board shall not make any payments out of the Central Fund under Section 61(2)(a) or (b) except:

(a) on the making of a claim by a registered political party in accordance with this section; and

(b) where the Board is satisfied that the registered political party is entitled to funding under Section 62 or 64.

(2) A registered political party may apply to the Board for payment under Section 62.

(3) A claim under Subsection (1)(a) or (2) shall:

(a) be made in the prescribed form; and

- (b) be signed by the president of the registered political party and by its secretary or treasurer; and
- (c) be made within the prescribed time period.

64. Membership of a Member of the Parliament in a registered political party.

- (1) Subject to Subsection (3), as soon as practicable after 1 March in each year, the Board shall make a determination as to the membership of registered political parties of Members of the Parliament.
- (2) For the purpose of the distribution of funds from the Central Fund to a registered political party, a Member of Parliament is deemed to be a member of that registered political party where he is a member of that registered political party on 1 March of that year.
- (3) In making a determination under Subsection (1), the Board shall determine that a Member of the Parliament is a member of a registered political party where the Board is satisfied:
 - (a) that the Member was endorsed as a candidate of that registered political party in the election of that Member to the Parliament; or
 - (b) the Member was in his election to the Parliament not endorsed by a political party, but has since notified the Speaker or the Board in writing that he has joined that registered political party; or
 - (c) the Member has:
 - (i) notified the Speaker or the Board in writing that he is a member of that registered political party; and
 - (ii) consistently sat and voted with that registered political party for a period of six months or more, and the Board is satisfied that that Member is a member of that registered political party.

65. Entitlement to funding from the Central Fund.

- (1) A person who is a Member of the Parliament, determined by the Board under Section 64 not to be a member of a registered political party, is not entitled to any payment of funds from the Central Fund and shall not be included in any calculation of payment of funds from the Central Fund.
- (2) A registered political party which:
 - (a) does not have any members who are Members of the Parliament; or
 - (b) has failed to file a financial return in accordance with Section 67,is not entitled to any payment of funds from the Central Fund.
Division 4. - Offences relating to Contributions and Funding.

66. Contributions.

- (1) A:
 - (a) citizen, who gives a contribution to a political party or to a candidate in excess of the limits specified in Section 57(2); or
 - (b) non-citizen, who gives a contribution to a political party or to a candidate in excess of the limits specified in Section 59(2), is guilty of an offence.Penalty: A fine not exceeding K10,000.00 or imprisonment for a term not exceeding two years, or both.

- (2) A:
 - (a) political party, which; or
 - (b) member of a political party, who, seeks or accepts a contribution to that political party from:
 - (c) a citizen, in excess of the limits specified in Section 57(2); or
 - (d) a non-citizen, in excess of the limits specified in Section 59(2), is guilty of an offence.Penalty: In the case of a political party, a fine not exceeding K10,000.00.
In the case of a member of a political party, a fine not exceeding K2,000.00 or imprisonment for a term not exceeding six months, or both.

- (3) A:
 - (a) citizen, who fails to comply with Section 57(3); or
 - (b) non-citizen, who fails to comply with Section 59(3), is guilty of an offence.Penalty: A fine not exceeding K10,000.00 or imprisonment for a term not exceeding two years, or both.

(4) Where a political party or a member of a political party is convicted of an offence under Subsection (2) which relates to the acceptance of a contribution, it or he shall, in addition to any penalty imposed under Subsection (2), pay to the Central Fund:
(a) where the contribution was money - the amount received; and
(b) where the contribution was other than money - an amount equal to the value of the contribution as determined by the Board, and the political party is not entitled to any distribution of moneys from the Central Fund under Section 61 until such payment is made.

(5) A candidate, who seeks or accepts, for the purposes of his election:
(a) a contribution from a citizen in excess of the limits specified in Section 57(2); or
(b) a contribution from a non-citizen in excess of the limits specified in Section 59(2),
is guilty of an offence.
Penalty: A fine not exceeding K5,000.00 or imprisonment for a term not exceeding one year, or both.

(6) Where a person convicted of an offence under this section is a person to whom the Leadership Code applies, the offence amounts to misconduct in office for the purposes of the Leadership Code.

PART VI. - FINANCIAL RETURNS.

67. Financial returns by political party.

(1) Within three months after the date fixed for the return of writs following a general election and every 12 months thereafter, the public officer of a political party shall lodge with the Registrar a financial return specifying -

- (a) details of all contributions which that political party has received; and
- (b) details of all other receipts and income of that political party; and
- (c) details of all expenditure which that political party has incurred, during the period:
- (d) in the case of a financial return lodged following the return of writs in a general election - of 12 months preceding the date of return of the writs; and
- (e) in the case of any other financial return - since the date of the end of the period covered by the previous financial return. (2) A financial return under Subsection (1) shall contain:

(a) in respect of each contribution:

- (i) the full name and address of each contributor; and
- (ii) the date of receipt of the contribution; and
- (iii) where the contribution was made in cash - the amount; and
- (iv) where the contribution was not made in cash - the nature and value of the contribution; and

(b) in respect of receipts and income:

- (i) full details of the source and nature of the income or of the sum received; and
- (ii) the date of receipt of the income or sum received; and (c) in respect of each item of expenditure:
 - (i) the full name and address of each recipient of expenditure; and

(ii) the date on which the expenditure was made; and

(iii) the nature and value of the expenditure; and (d) in respect of each item of expenditure on a candidate:

(i) the full name and address of the candidate; and

(ii) the name of the electorate for which he was a candidate; and

(iii) the date on which the expenditure was made; and

(iv) the nature and value of the expenditure.

(3) Where a financial return lodged with the Registrar under Subsection (1):

(a) is not complete; or

(b) lacks detail or substance in any respect, the Board may require the political party or the candidate to furnish such further information as the Board may direct.

(4) A political party, which fails to file a financial return as required by this section, is guilty of an offence. Penalty: A fine not exceeding K5,000.00 Default penalty: A fine not exceeding K50.00.

(5) Where a political party has not filed a financial return as required by this section, each executive officer of that political party is guilty of misconduct in office under the Leadership Code.

68. Financial returns by candidate.

(1) Within three months after:

(a) in the case of a candidate declared to be a successful candidate at return of the writs for an election - the date of the return of the writs; and

(b) in the case of a candidate declared to be a successful candidate by a Court of Disputed Returns - the date of the declaration by the Court, a successful candidate shall lodge with the Registrar a financial return specifying:

(c) details of the contributions received by him; and

(d) details of the expenditure incurred by him, for or in connection with his candidature at the election.

(2) A financial return under Subsection (1) shall contain:

(a) in respect of each contributor:

(i) the full name and address of each contributor; and

(ii) the date of receipt of the contribution; and

(iii) where the contribution was made in cash - the amount; and

(iv) where the contribution was not made in cash – the nature and value of the contribution; and

(b) in respect of each item of expenditure:

(i) the full name and address of each recipient of expenditure; and

(ii) the date on which the expenditure was made; and

(iii) the nature and value of the expenditure.

(3) Where a financial return lodged with the Registrar under Subsection (1):

(a) is not complete; and

(b) lacks detail or substance in any respect, the Board may require the registered political party or the candidate to furnish such further information as the Board may direct.

(4) A successful candidate, who fails to file a financial return as required by this section, is guilty of an offence. Penalty: A fine not exceeding K2,000.00 Default Penalty: A fine not exceeding K20.00.

(5) A successful candidate, who has not filed a financial return as required by this section, is guilty of misconduct in office under the Leadership Code.

69. False and defective returns.

(1) The Registrar shall refer to the Board a financial return lodged with him under Section 67 or 68 which he believes:

(a) is defective; or

(b) contains information which is false.

(2) Where the Board considers that a financial return referred to it under Subsection (1):

(a) is defective; or

(b) contains information which is false, the Board shall reject the financial return and the financial return is deemed not to have been lodged.

(3) A:

(a) registered political party which; or

(b) successful candidate, who, knowingly or carelessly files a financial return which:

(c) is defective; or

(d) contains information which is false, is guilty of an offence. Penalty: A fine not exceeding K2,000.00.

PART VII. - STRENGTHENING OF POLITICAL PARTIES.

Division 1. - Resignation from a Registered Political Party.

70. Grounds for and effect of resignation from a registered political party.

(1) A Member who is a member of a registered political party may resign from that registered political party:

(a) where, in accordance with Section 105(1)(a) (general elections) of the Constitution, a general election falls to be held within the period of three months before the fifth anniversary of the day fixed for the return of the writs for the previous general election - within a period of 30 days before the commencement of the three month period; and

(b) where a general election falls to be held in any circumstances other than those referred to in Paragraph (a) - within 14 days following the date of issue of the writs for the general election, and the provisions of this Part relating to a Member who resigns from a registered political party shall not apply in respect of a Member who resigns under this subsection.

(2) The following are permissible grounds for resignation by a Member from a registered political party of which he is a member:- (a) that: (i) the party; or (ii) an executive officer of the party, has committed a serious breach of the constitution of the political party; or (b) that the political party has been adjudged insolvent under any applicable law.

(3) A Member who resigns from a registered political party other than under Subsection (1), but is unable to establish that the grounds specified under Subsection (2) existed in relation to his resignation, is guilty of misconduct in office.

(4) A Member who resigns from a registered political party other than under Subsection (1) or on grounds other than those specified under Subsection (2) is guilty of misconduct in office.

(5) For the purposes of Subsection (2), "a serious breach of the constitution" means a breach of the constitution of the registered political party that would be likely to bring the integrity and reputation of the Member into disrepute.

71. Member may resign from registered political party.

(1) A Member who is a member of a registered political party may resign from the party by submitting his resignation in writing to the president of the party.

(2) A resignation under Subsection (1) shall specify the grounds for the resignation.

(3) In any investigation under this Division into the resignation of a Member or in any subsequent inquiry under Part V of the Organic Law on the Duties and Responsibilities of Leadership into the resignation, the burden of proof that the grounds for resignation were permissible grounds under Section 70(2) rests with the Member.

72. Procedures following resignation from a registered political party.

(1) On receipt of a resignation under Section 71, the president of the registered political party shall, within 30 days of the date of receipt by him of the resignation give notification and a copy of the resignation to: (a) the Speaker; and (b) the Registrar.

(2) On receipt of a notification under Subsection (1)(b), the Registrar shall refer the resignation to the Ombudsman Commission.

(3) A Member shall not withdraw his resignation after it has been referred to the Ombudsman Commission under Subsection (2).

(4) On receipt of a referral under Subsection (2), the Ombudsman Commission shall investigate whether the resignation was made on grounds specified under Section 70(2) or whether it is satisfied that the Member is guilty of misconduct in office under Section 70(3).

73. Further procedure.

(1) Where, following investigation under Section 72(4), the Ombudsman Commission is satisfied that a Member is guilty of misconduct in office under Section 70(3), the matter shall proceed in accordance with Part V of the Organic Law on the Duties and Responsibilities of Leadership.

(2) Where, following investigation under Section 72(4), the Ombudsman Commission is satisfied that a Member is not guilty of misconduct in office under Section 70(3), it shall so advise: (a) the Member; and (b) the Speaker; and (c) the Registrar, and the Member shall retain his office as a Member of the Parliament and may: (d) join another registered political party; or (e) remain independent from any political party.

(3) Where, as a result of the procedure under Part V of the Organic Law on the Duties and Responsibilities of Leadership no recommendation is made for the dismissal from office of a Member the Member shall retain his office as a Member of the Parliament and may:

(a) join another registered political party; or

(b) remain independent from any political party.

74. Status of Member during investigation, etc.,

For the period commencing on the date on which the Registrar refers the resignation of a Member to the Ombudsman Commission under Section 72(2) and ending on:

(a) the date of any advice given by the Ombudsman under Section 73(2); or

(b) where the matter proceeds in accordance with Section 73(1), the date of final resolution of the matter in accordance with Part V of the Organic Law on the Duties and Responsibilities of Leadership, the Member remains a member of the registered political party from which he seeks to resign and the provisions of Section 77 apply to him as a member of that party. Division 2. - Expulsion from a Registered Political Party.

75. Expulsion from a registered political party.

(1) A registered political party may, in accordance with its constitution expel from the party a member of the party (including a member who is a Member of the Parliament) on grounds specified in the constitution of the party.

(2) A Member expelled from a party under Subsection (1) may: (a) join another registered political party; or (b) remain independent from any political party. Division 3. - Invitation to form Government.

76. Invitation to form Government.

(1) Subject to Subsection (2), on the date of the return of the writs in a general election, the Electoral Commission shall advise the Head of State of the registered political party which has endorsed the greatest number of candidates declared elected in the election, and the Head of State, acting with, and in accordance with, the advice of the Electoral Commission, shall invite that registered political party to form the Government in accordance with this section.

(2) Where two or more registered political parties have endorsed an equal number (being the greatest number) of candidates declared elected in the election, the Electoral Commission shall so advise the Head of State, and the Head of State, acting with, and in accordance with, the advice of Electoral Commission shall invite each of these registered political parties to form the Government in accordance with this section.

(3) An invitation under Subsection (1) or invitations under Subsection (2) shall be:

(a) conveyed to the public officer of the registered political party or registered political parties, as the case may be; and (b) notified to the Clerk of Parliament; and (c) published in the National Gazette.

(4) At the first meeting of the Parliament following a general election, being a meeting at which the Prime Minister is to be elected:

(a) the registered political party to which an invitation has been made under Subsection (1); or

(b) in circumstances in which Subsection (2) applies, each registered political party to which an invitation has been made under Subsection (2), may nominate a candidate for election as Prime Minister.

(5) Where: (a) a candidate is nominated under Subsection (4)(a) - the Parliament shall vote as to whether that candidate is to be elected Prime Minister; or (b) a candidate is or candidates are nominated under Subsection (4)(b), the Parliament shall vote as to whether that candidate, or any of those candidates, is to be elected Prime Minister.

(6) Where: (a) the candidate nominated under Subsection (4)(a); or (b) a candidate nominated under Subsection (4)(b), receives a simple majority of the votes in the election of Prime Minister, the Speaker shall advise the Head of State that the candidate has been elected Prime Minister by the Parliament.

(7) Where:

(a) a registered political party to whom an invitation has been made under Subsection (1) declines or fails to nominate a candidate under Subsection (4); or

(b) a nominated candidate under Subsection (4) fails to receive a simple majority of the votes in the election under Subsection (5), the Parliament shall otherwise elect a Prime Minister in accordance with Standing Orders of the Parliament.

(8) In an election of a Prime Minister under Subsection (7):

(a) a registered political party, who declined to nominate a candidate under Subsection (4), may nominate a candidate; and

(b) a nominated candidate, who failed to receive a simple majority of votes in an election under Subsection (5), may be nominated.

Division 4. - Defection from Political Party and Voting Restriction. 77. Defection from or voting against a registered political party. (1) A Member of the Parliament who was an endorsed candidate of a registered political party at the election at which he was elected to the Parliament, shall, during the term of the Parliament for which he was elected: (a) not withdraw or resign from that registered political party except in accordance with Division 1; and (b) subject to Section 73(2)(d) or (3)(a), not join another registered political party; and

(c) subject to Subsection (2), vote only in accordance with a resolution of that registered political party as determined by the members of that registered political party who are Members of the Parliament in the following only:-

(i) a motion of no-confidence brought against the Prime Minister, the Ministry or a Minister under Section 145 (motions of no confidence) of the Constitution;

(ii) a vote for the election of a Prime Minister under Section 142 (The Prime Minister) of the Constitution;

(iii) a vote for the approval of the National Budget;

(iv) a vote to enact, amend or repeal a Constitutional Law. (2) A Member of the Parliament who is a member of a registered political party may abstain from voting in cases referred to in Subsection (1)(c).

78. Vote contrary to provisions of Section 77(1)(C) not to be counted.

The vote of a Member of Parliament contrary to the provisions of Section 77(1)(c) shall not be counted.

79. Deemed resignation from office.

Where a member of the Parliament contravenes Section 77(1):

(a) he is deemed to have resigned from the registered political party of which he was a member; and

(b) the Speaker shall give notification of the matter to the Registrar; and

(c) the Registrar shall refer the matter to the Ombudsman Commission; and

(d) the matter shall proceed under Sections 72(4), 73 and 74 as if the resignation were a resignation under Section 71.

80. Other penalties for contravention of Section 77.

A Member of the Parliament who contravenes Section 77, but to whom Section 73 applies:

(a) shall refund to the registered political party all campaign and other expenses received from the registered political party in supporting him at the election; and

(b) shall not be appointed as a Prime Minister, Minister, Vice-Minister or Chairman or Deputy Chairman of a Committee of the Parliament for the remainder of the life of the Parliament.

81. Member elected without endorsement.

(1) Subject to Subsection (2), a Member of the Parliament elected without endorsement by a registered political party shall not join a registered political party during the life of the Parliament to which he was elected without endorsement.

(2) A Member of the Parliament elected at a general election without endorsement by a registered political party may join a registered political party at any time after the first election by the Parliament of a Prime Minister following the date of the return of the writs in that general election provided that that registered political party had endorsed candidates at that general election.

(3) A Member of the Parliament:

(a) elected without endorsement by a registered political party; or

(b) whose resignation from a registered political party has been found:

(i) by the Ombudsman Commission, following investigation; or

(ii) after the procedure in accordance with Part V of the Organic Law on the Duties and Responsibilities of Leadership, not to amount to misconduct in office; or

(c) who otherwise, in accordance with this Law, becomes an independent Member, and who does not subsequently join a registered political party may remain as an independent Member but in the case of:

(d) a motion of no-confidence in the Prime Minister, the Ministry or a Minister - the provisions of Section 82 shall apply; and

(e) the election of a Prime Minister (other than the election of the Prime Minister immediately following a general election) - the provisions of Section 83 shall apply; and

(f) a vote on the approval of the National Budget - the provisions of Section 84 shall apply; and

(g) a vote on the enactment, amendment or repeal of a Constitutional Law - the provisions of Section 85 shall apply.

82. Voting in the case of a motion of no confidence or in the election of a Prime Minister following resignation where the Member resigning is nominated for election.

(1) A Member of the Parliament:

(a) who was not a member of a registered political party at the time of the election of a Prime Minister; and

(b) who voted for the Member elected Prime Minister in the election; and

(c) to whom Subsection (2) does not apply, shall not vote:

(d) for a motion of no confidence in: (i) that Prime Minister; or (ii) the Ministry headed by that Prime Minister; or (iii) a Minister appointed on the advice of that Prime Minister; or

(e) against the Member elected Prime Minister referred to in Paragraph (b), in an election of Prime Minister, following the resignation of the Prime Minister referred to in Paragraph (b), where the Prime Minister referred to in Paragraph (b) is nominated.

2) A Member of the Parliament, who:

(a) was not a member of a registered political party at the time of the election of a Prime Minister; and

(b) voted for the Member elected Prime Minister in that election; and

(c) subsequently, and at least six months before, a motion of no confidence in:

(i) that Prime Minister; or

(ii) the Ministry headed by that Prime Minister; or

(iii) a Minister appointed on the advice of that Prime Minister, joined a registered political party, shall vote in that motion of no confidence in accordance with the requirements of a member of that registered political party under Section 77.

(3) A Member of the Parliament who:

(a) was not a member of a registered political party at the time of the election of a Prime Minister; and

(b) did not vote for the Member elected Prime Minister in that election; and

(c) has not subsequently joined a registered political party at least six months prior to a motion of no confidence in:

(i) that Prime Minister; or

(ii) the Ministry headed by that Prime Minister; or

(iii) a Minister appointed on the advice of that Prime Minister, shall not vote against the motion of no confidence.

83. Voting in the election of a Prime Minister following resignation of a Prime Minister and in the event of other vacancies in the office of Prime Minister.

Where:

(a) a Prime Minister has resigned and has not been nominated in the election of the next Prime Minister; or

(b) there is otherwise a vacancy in the office of Prime Minister, a Member of the Parliament who is not a member of a registered political party may vote for any nominee in the election of the next Prime Minister.

84. Voting on the National Budget.

(1) In any vote taken to approve a National Budget:

(a) a Member of the Parliament who is a member of a registered political party shall vote in accordance with a resolution as determined by the members of the party who are Members of the Parliament; and

(b) a Member of the Parliament:

(i) who is not a member of a registered political party; and

(ii) who voted, in the election for Prime Minister, for the Prime Minister whose Government is proposing the National Budget, shall vote for the National Budget; and

(c) a Member of the Parliament: (i) who is not a member of a registered political party; and

(ii) who did not vote, in the election for Prime Minister, for the Prime Minister whose Government is proposing the National Budget, may vote for or against the National Budget.

(2) The vote of a Member of the Parliament:

(a) to whom Subsection (1)(a) applies, who does not vote in accordance with Subsection (1)(a); and

(b) to whom Subsection (1)(b) applies, who does not vote in accordance with Subsection (1)(b), shall not be counted. (3) In the event of any question arising as to whether or not a vote taken in the Parliament constitutes a vote to approve a National Budget, the decision of the Speaker on the matter shall be final.

85. Voting on a Constitutional Law.

(1) In any vote taken to enact, amend or repeal a Constitutional Law:

(a) a Member of the Parliament who is a member of a registered political party shall vote in accordance with a resolution as determined by the members of the party who are Members of the Parliament; and

(b) a Member of the Parliament:

(i) who is not a member of a registered political party; and

(ii) who voted, in the election for Prime Minister, for the Prime Minister whose Government is proposing the enactment, amendment or repeal, shall vote for the enactment, amendment or repeal; and

(c) a Member of the Parliament: (i) who is not a member of a registered political party; and

(ii) who did not vote, in the election for Prime Minister, for the Prime Minister whose Government is proposing the enactment, amendment or repeal, may vote for or against the enactment, amendment or repeal.

(2) The vote of a Member of the Parliament: (a) to whom Subsection (1)(a) applies, who does not vote in accordance with Subsection (1)(a); and (b) to whom Subsection (1)(b) applies, who does not vote in accordance with Subsection (1)(b), shall not be counted.

PART VIII. - MISCELLANEOUS.

86. Misrepresentation by candidate.

A candidate, who:

(a) announces or publishes; or

(b) knowingly causes another person to announce or publish on his behalf, without the authority of a political party (proof of which lies on the candidate) stating or suggesting that the candidate:

(c) is a candidate of; or

(d) has been endorsed or adopted for candidature by, that political party for an election, is guilty of an offence. Penalty: A fine not exceeding K1,000.00 or imprisonment for a term not exceeding six months, or both.

87. Interference with Member of Parliament, etc.,

(1) A: (a) political party; or

(b) member of a political party; or

(c) person, who forces, threatens, intimidates, detains or otherwise interferes with the free movement of, a Member of the Parliament in relation to the performance by that Member of his Parliamentary duties (including attendance at Parliament or debating or voting on any issue in Parliament or elsewhere in his capacity as a Member), is guilty of an offence. Penalty: A fine not exceeding K5,000.00.

(2) In addition to any penalty imposed in relation to an offence under Subsection (1), the Registrar may cancel the registration of the political party concerned. 88. Inspection.

(1) Where:

(a) the Registrar; or

(b) the Board, is of the opinion that a person or a political party may have contravened the provisions of this Law, the Registrar or a member of the Board authorized by the Board in writing or a person authorized by the Registrar or the Board in writing may:

(c) require that person or political party to produce any receipts, papers, bank statements, documents or other records relating to matters covered by this Law; and

(d) where any information relating to matters covered by this Law are contained in an electronic storage medium, require that person or political party to give to him full and free access to the electronic medium and to the information contained therein; and

(e) inspect any such receipt, paper, bank statement, documents or other record or electronic medium and information contained therein; and

(f) take copies of any such receipt, paper, bank statement, document or other record or of information contained in an electronic medium.

(2) A person or political party, who or which:

(a) hinders or obstructs the Registrar, or a member of the Board authorized by the Board, or a person authorized by the Registrar or the Board in the exercise or performance of his powers and functions under Subsection (1); or (b) without lawful excuse (proof of which is on him):

(i) refuses or wilfully neglects to produce; or

(ii) refuses to allow the Registrar, or a member of the Board authorized by the Board, or a person authorized by the Registrar or by the Board to make copies of, any receipt, paper, bank statement, document or other record, or of information contained in any electronic medium, is guilty of an offence. Penalty: A fine not exceeding K10,000.00. 89. Confidentiality.

(1) Subject to Subsection (2), information disclosed under this Law to the Registrar, to an officer or employee of the Secretariat, or to a member of the Board shall not be disclosed to any person who is not the Registrar or an officer or employee of the Secretariat or a member of the Board without the prior written approval of the person who provided that information, except: (a) to the extent that disclosure is authorized or required under this Law or any other law; or

(b) to the extent the person providing the information authorized its disclosure at the time of providing the information; or

(c) as authorized by the Board.

(2) Subsection (1) does not apply to information referred to in Division 111.3 and 4, Sections 29 to 32 inclusive and Sections 52, 67 and 68.

(3) The Registrar or an officer or employee of the Secretariat or a member of the Board who uses any information disclosed under this Law that comes to his knowledge in the course of, or by reason of his employment as Registrar or an officer or employee of the Secretariat or his membership of the Board:

(a) for the purpose of his personal gain; or

(b) except as authorized under Subsection (1), is guilty of an offence. Penalty: A fine not exceeding K10,000.00 or imprisonment for a term not exceeding four years, or both.

90. Constitutional regulations. The Head of State, acting with, and in accordance with, the advice of the National Executive Council may make Constitutional Regulations, not inconsistent with this Law, prescribing all matters that are required or permitted to be prescribed or that are necessary or convenient to be prescribed by this Law.